HOUSE OF REPRESENTATIVES—*Thursday, March 15, 1990*

The House met at 11 a.m.

The Reverend Laszlo Tokes, Hungarian Reformed Church, Timisoara, Romania, offered the following prayer:

Our Father who art in Heaven.

We return thanks to You for Your providence which has preserved us in our lives and makes it possible for us to be newly together and do our work.

We realize that Your ways are not our ways and Your thoughts are other than ours. We therefore turn to You and look for Your guidance in the problems we face.

Please, enlighten us to find Your ways in the darkness. Make us able to "prepare the way of the Lord in the wilderness and make straight in the desert a highway for You."

We thirst for righteousness—please, give us a hearing when we appeal for justice, equality and freedom.

We long after love and peace—please change our minds and feelings, make us capable to "not love in word or speech but in deed and in truth."

Oh God who are the Lord of mankind and history. We pray for the whole world, and all the peoples of the world, mostly for those who are oppressed or separated from one another by hostilities. Please, break down the dividing wall of enmity amongst the peoples, and reconcile them and bring them near in the blood of Christ.

Give us wisdom and understanding that according to the Gospel of Christ we might do our best, do our work for the welfare of mankind and for Your glory.

Bless our lives. Bless our faith and deeds. Bless our countries and people. Give us freedom and peace. "For thine is the kingdom and the power and the glory, for ever." 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.

Mr. BROWN of Colorado. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BROWN of Colorado. 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. 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 292, nays 98, answered "present" 1, not voting 40, as follows:

[Roll No. 25]

YEAS—292

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Archer
Aspin
Atkins
AuCoin
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boggs
Bonior
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clarke
Clement
Clinger
Coleman (MO)
Coleman (TX)
Combest
Condit
Conte
Conyers
Cooper
Costello
Cox
Coyne
Darden
Davis
de la Garza
DeFazio
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Frank
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Green
Gunderson
Hall (OH)
Hall (TX)
Harris
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Laughlin
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken, Thomas
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McEwen
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Richardson
Rinaldo
Robinson
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schneider
Schulze
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (VT)
Snowe
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Synar
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walsh
Washington
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wyden
Wylie
Yatron
Young (FL)

NAYS—98

Armey
Baker
Ballenger
Bentley
Bilirakis
Bliley
Brown (CO)
Bunning
Burton
Chandler
Clay
Coble
Coughlin
Courter
Craig
Crane
Dannemeyer
DeWine
Dickinson
Douglas
Dreier
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Moorhead
Morella
Parris
Pashayan
Paxon
Rhodes
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Schaefer
Schroeder
Schuette
Sensenbrenner
Shays
Sikorski
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stearns
Sundquist
Swift
Tauke
Thomas (CA)
Thomas (WY)
Upton
Walker
Weber
Wolf

ANSWERED "PRESENT"—1

Hamilton

NOT VOTING—40

Andrews
Applegate
Barton
Borski
Byron
Collins
Crockett
DeLay
Dellums
Dixon
Dornan (CA)
Downey
Fields
Flippo
Ford (TN)
Gallo
Gillmor
Gray
Guarini
Hammerschmidt
Hayes (LA)
Lukens, Donald
Martinez
McCrery
Moody
Nelson
Oakar
Owens (UT)
Rangel
Ritter
Saxton
Schumer
Solarz
Stump
Vucanovich
Whittaker
Williams
Wolpe
Yates
Young (AK)

☐ 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.

39-059 O-91-43 (Pt. 3)

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□ 1129

So the Journal was approved.

The result of the vote was announced as above recorded.

□ 1130

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MFUME). The gentleman from California [Mr. LEVINE] will please come forward and lead the House in the Pledge of Allegiance.

Mr. LEVINE of California 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.

TRIBUTE TO REVEREND LASZLO TOKES

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

Mr. LANTOS. Mr. Speaker, in recent months we have heard some new names in this Chamber, Lech Walesa, Yaclav Havel, and today, the Reverend Laszlo Tokes, who started the revolution that put away forever the dictatorial regime of Nicolae Ceausescu.

It gives me a great deal of pride and pleasure to turn this microphone to the gentleman from Massachusetts [Mr. ATKINS], who brought Reverend Tokes to us.

TRIBUTE TO REVEREND LASZLO TOKES

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

Mr. ATKINS. Mr. Speaker, we have just heard the prayer offered for this body by a very remarkable man—Rev. Laszlo Tokes, a Hungarian reformed pastor from Timisoara, Romania, who has become known across the world as the "father of the Romanian revolution." We are honored to have him with us here today—in this, the first visit he has been allowed to make to the United States.

Laszlo Tokes reminds us that he is first a pastor. And so it was, that from his church in Timisoara and its pulpit, in the ethnically Hungarian Transylvania region of Romania, he spent years denouncing the policies of Nicolae Ceausescu and the persecution of the Hungarian minority within Romania. In the mid-1980's when Ceausescu embarked on his program of systematization—which would have destroyed more than 8,000 villages—Reverend Tokes spoke out against the regime and was then removed from his church for 2 years as punishment. When the government closed all Hungarian schools, Reverend Tokes defended the heritage of his parishoners, decried the suppression of centuries of rich Hungarian culture, and spoke out for both individual and collective rights across Romania.

As a lone, courageous voice, Reverend Tokes rapidly became a symbol of resistance to Ceausescu's policies. Last year, Ceausescu decided that Tokes could not continue his defiance. Reverend Tokes and his family were threatened, beaten, and he was stabbed. And then, in December, securitate thugs came to take him with orders to force him to confess his crimes against the state or to silence him—but something remarkable happened. The members of his parish linked arms and formed a human chain around his home and would not allow him to be taken away. The ethnic Hungarians who first protected him were then joined by thousands more—ethnic Romanians, Germans, Slovaks, Jews—and together they stood unarmed against the odds.

This profound act of civil disobedience united a people long divided and long oppressed. The courage of this man and the people who stood up for him ignited the spark that became the Romanian revolution.

Since that time, Reverend Tokes has worked tirelessly to secure the fruits of that victory—to bring true democracy to Romania and reconciliation to a broken community. His dream, a unified Romania where the rights of all citizens are safeguarded, is a dream we all share. His courage and steadfastness in the face of seemingly insurmountable odds are an inspiration to us all.

Laszlo Tokes, hero and healer, we are honored by your presence.

REPORT ON RESOLUTION PROVIDING AMOUNTS FROM CONTINGENT FUND FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES IN SECOND SESSION OF THE 101ST CONGRESS

Mr. GAYDOS, from the Committee on House Administration, submitted a privileged report (Rept. No. 101-419) on the resolution (H. Res. 346) providing amounts from the contingent fund of the House for the expenses of investigations and studies by standing and select committees of the House in the second session of the 101st Congress, which was referred to the House Calendar and ordered to be printed.

THE WORLD COULD SEE BOBBY FISCHER PLAY CHESS WITH HIS PATENTED CHESS CLOCK

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

Mr. PASHAYAN. Mr. Speaker, I rise to congratulate the world chess champion, Bobby Fischer, for receiving a U.S. patent on a highly innovative chess clock, "Bobby Fisher's Anti-Time-Pressure Digital Chess Clock." Bobby discovered a fundamental principle in timing chess games, which makes his new clock the most important advancement in the game of chess since the invention of the basic chess clock itself well over a century ago.

Mr. Speaker, the world has not seen Bobby Fischer play a chess match since 1972. Would it not be a splendid development if Bobby should receive a worthwhile offer to play a chess match using his newly invented chess clock, and perhaps if worthwhile enough even to defend his title? The match will be avidly followed by the entire world, and Mr. Fischer's undoubted victory in it will bring enormous prestige to the United States.

Bobby's new chess clock can revolutionize tournament and match chess by equitably eliminating the current practice of adjourning games. Eliminating adjourned games will be a boon for chessplayers, organizers, sponsors, media, spectators, and fans alike. His clock automatically requires chess players to utilize their time more efficiently, and so they will on average use less time than with a standard chess clock without lowering the quality of play. Thus his clock will make it easier to determine who the truly superior players are.

Bobby's clock will restore the purity and discipline of the game, because chess is meant to be played between two individuals, not more. Finishing each game in one sitting without adjournment will deprive all players of the advantage of analyzing the games during adjournment. Here the Soviet Union is certainly the leading example. The Soviet Union directly subsidizes chess and even makes chess an instrument of its foreign policy. Far exceeding any other country, the Soviet government puts their players at a great advantage over their competitors from other nations. For every major chess tournament and match, the Soviet Union amply provides teams of chess assistants, libraries or endgame books, and technologies of the latest computers, all of which benefit their players with reassurance, guidance, and advice during adjournment. On these benefits the Soviet chessplayers have become heavily and oftentimes decisively dependent. It is interesting to speculate, to say the least, what particular hardship Bobby's clock will exert on Soviet chessplayers since it will bring an end to adjourning and analyzing chess games before finishing them. The new credo will be: "One game, two players, no help."

Bobby's clock can also virtually eliminate two other age-old banes of chessplayers, often straining nerves and inducing blunders: severe time pressure, and time scrambles. Furthermore, Bobby's clock can also greatly improve the quality and character of speed chess, which is becoming more popular everywhere. For example, Bobby's new clock will make a thing of the past of the degrading spectacle of masters and even grandmasters playing out hopelessly lost endgames a rook or a queen down, trying to win on time, as is now commonplace in 5-minute chess played on the standard chess clock.

American participation in chess, both professional and amateur, is important to international culture. Chess is one of the most universal activities in the world. With his new chess clock, Bobby has made yet another lasting contribution to "The Game of Kings."

Mr. Speaker, in this regard, it is indeed now more important than ever that the world again see Bobby Fischer play chess.

CRITICISM OF ADMINISTRATION'S HANDLING OF THE MIDEAST PEACE PROCESS

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

Mr. LEVINE of California. Mr. Speaker, by his regrettable remark on East Jerusalem, and his insensitivity to the one issue that touches the heart and soul of Israel and the Jewish people, President Bush has derailed the Mideast peace process.

Today's Washington Post front page headline says it well: "Bush's Remark Undercuts Peace Plan." The article says: "President Bush's recent comment * * * has led Israeli and American officials to question how a promising United States diplomatic effort to start peace talks * * * came to be undermined by the President's own words."

Israeli leaders as diverse as Teddy Kollek, Shimon Peres, Yitzhak Shamir, and Simcha Dinitz have criticized the President.

And it is painfully clear, especially to all of us who have strongly supported the administration's efforts to achieve Mideast peace, that we may have lost a golden opportunity to move the process forward.

Such administration bungling comes on the heels of other statements supporting shaving aid to Israel, questioning needed loan guarantees for housing for Soviet Jews, and whitewashing PLO terror.

Mr. Speaker, the Republican platform and candidate Bush said one thing on Israel. President Bush says another.

Opportunities for breakthroughs are rare in this region. An opportunity was lost, and the White House has no one but itself to blame.

CONGRESS GOES TO HEXAGON

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

Mr. ROBERTS. Mr. Speaker, a week from this Wednesday, on March 21, the Congress will be going to Hexagon. Naturally, given what we do around here and what we do not do, there are a lot of places people may suggest where we should go, but Hexagon is a place all of my colleagues will enjoy and perform a good deed as well.

Hexagon, Inc., was founded 35 years ago, and for the past 34 years has produced an all-original comedy musical and satirical revue, and the proceeds do go to an area charity. This year the proceeds will go the Columbia Lighthouse for the Blind.

So, my colleagues, I dare say actors all at least to some degree, mark March 21 on your calendar and you can see the likes of "handsome" DICK GEPHARDT, DAN "Geraldo" GLICKMAN, BEN "of TV fame" JONES, CONNIE "song and dance" MORELLA, and STAN "we got troubles right here in River City" PARRIS, and many others.

Despite my remarks, this is indeed a most worthwhile and enjoyable event. Congress goes to Hexagon, March 21, Mark it down.

DEMOCRATS DEMONSTRATE LEADERSHIP AND COURAGE

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

Mr. FAZIO. Mr. Speaker, much has been said this past week about the Democrats—we lack vision, we have an inferiority complex, we're either too bold or we're not bold enough.

But whether you agree with the specifics of their ideas or the politics of the policies they offer, two Democratic leaders in 1 week demonstrated more leadership and courage than our President has in over a year in office.

Our majority leader, DICK GEPHARDT, has merely exposed the vacuum in our policy toward the East bloc. What has been so apparent to us in Congress, is the tepid and timid approaches with which George Bush approaches foreign policy. It took DICK GEPHARDT to point the finger and say what we've all been thinking: We have a President who is not leading this Nation.

When he is presented with a tough, bold proposal to deal squarely with the greatest fiscal crisis facing this Nation, the deficit, he says, "I'm only one player." That doesn't sound like the man the people put in the bully pulpit, a man who has one vote equal to two-thirds of Congress.

DAN ROSTENKOWSKI has essentially put all the budget cards on the table. We are still waiting for the President to pick up his hand. We may not like what we've been dealt, but a Democratic leader has offered an innovative, comprehensive, solution to a crisis that this administration refuses to deal with.

The Democratic Party cannot be accused of failing to lead. The same cannot be said about our President and his administration. If you need more evidence, just look at the transportation initiative—an exercise in buck passing if ever we've seen one.

□ 1140

CAMPAIGN FINANCE REFORM

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

Mr. HANCOCK. Mr. Speaker, if the key to campaign finance reform is to gain a level playing field, then any campaign finance measure must address the in-kind spending by labor unions.

It is believed that only a small portion of the money collected by big labor from workers in forced fees is actually used for collective bargaining. As an example, the Supreme Court in Beck found that only 19 percent of the dues collected was used for collective bargaining purposes.

That leaves a sizable sum to be spent on politics. It is not difficult to see that unions might be reluctant to see the Beck decision enforced. According to the Federal Election Commission, unions gave over $35 million in cash to candidates for Federal office in the 1988-89 election cycle, and a further undisclosed amount to State and local candidates. The Daily Labor Report of November 13, 1984, has stated that union in-kind expenditures on Walter Mondale's behalf amounted to nearly $20 million. The National Journal of March 15, 1986, used FEC data to show that big labor spent an additional $4.5 million contacting their members for * * * Mondale or against President Reagan. * * *

It is estimated that total election year in-kind contributions from unions range from $100 million to $350 million. It is no wonder that there is little incentive for entrenched interests to change this practice or abide by the Beck decision.

PRESIDENT BUSH'S LACK OF LEADERSHIP

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

Mr. WISE. Mr. Speaker, when asked the other day about his reaction to the Rostenkowski deficit reduction plan, President Bush expressed interest, but said, "I am only one player." For those wanting true leadership, this sums up the problem.

In deficit reduction last year, the hoped for Super Bowl summit turned into a sandlot scrimmage because the player President was not willing to go for the touchdown. Tax equity studies show that middle-income persons paying an unfair share of the President's capital gains play keeps them in the penalty box.

When it comes to transportation policy, he just tossed the funding ball back to the States and told them, "You play the game."

Mr. Speaker, if the President only considers himself a player, then he should know this is a sport that does not start unless he plays. When you are President, there is no other player, no substitutes can fill in, no second team to take your place. Whether it is deficit reduction, education, Eastern Europe, or transportation, if the White House is only going to be a player, at least we have to ask it to show up for the game.

FAMILY AND MEDICAL LEAVE ACT: A QUESTION OF VALUES

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

Mrs. ROUKEMA. Mr. Speaker, yesterday I dared utter the dreaded "M" word on this floor, that is "M" for "mandates." Today, I want to speak about the "V" word; values.

As a Republican, I am alarmed that my party—which has historically stood so strongly for family values—has failed to do the right thing and support the Family and Medical Leave Act. This is the most important work-family issue of our day.

Let me put a human face on the issue by citing the case of Sue Lauer, a worker in Michigan.

Sue Lauer had missed 5 days of work over a period of months for assorted illnesses when she learned she needed surgery to determine the presence of a malignancy.

After a week's absence to recover, she returned to her job. But complications—and her doctor's advice—forced her to miss work for another week.

When Sue Lauer returned, she was fired for excessive absenteeism. The rest of the story is predictable—her unemployment ran out and she went on welfare.

Because we have no basic job protection for unpaid medical leave—this previously productive, taxpaying woman was forced into joblessness and onto welfare.

So you see, this bill is about values—values which define what our country, among them are family, hard work, and common decency.

TAX INEQUITY

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

Mr. LAUGHLIN. Mr. Speaker, although increasing taxes are of major concern to everyone, it is of greater concern to low- and middle-income families who are suffering the injustice of increasing taxes and decreasing take-home pay.

On the average, the median income for a family in America is $31,000 or less, and 3 out of 5 families fall into this category. Taxes increased for people with incomes of $31,000, but the take-home pay after taxes is $689. This meager after-tax pay is not enough to buy a washer and dryer.

Families with incomes of $20,000 saw their after-tax income increase to a whopping $56, which is not enough to buy one week's worth of groceries. In the worst cases, families with incomes of $7,725 saw their paycheck decrease $375 after taxes. One out of every five families fall into this category.

I urge that we work together to find a solution to remedy this tragic inequity so that low- and middle-income families in America can manage to provide for their future and the future of their children.

SENSE OF CONGRESS LIFTING SANCTIONS IMPOSED ON SOUTH AFRICA FOR NAMIBIA

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

Mr. ROTH. Mr. Speaker, today we are announcing a bipartisan effort on the part of myself and the distinquished majority whip, the gentleman from Pennsylvania [Mr. GRAY] to pass a resolution expressing the sense of Congress that as of March 21, 1990, Namibia will no longer be subject to the sanctions imposed on South Africa.

On that day, Mr. Speaker, Namibia will inaugurate its new President, swear in its Parliament, and become an independent nation with its own constitution. In November the people of Namibia chose their government in a way that I believe works very well: the ballot box. The representatives they chose for their constituent assembly then met to work out a constitution that respects certain fundamental rights which we all hold dear.

The Namibian Constitution talks about the rights of life, personal liberty, and personal and private property. It talks about freedom of speech, freedom of movement, freedom of association and assembly. It talks about due process and equal protection before the law.

We all want Namibia to keep the promises made to its citizens in this new constitution and avoid the path of totalitarianism and oppression. I urge my colleagues to join the distinguished majority whip and myself in an effort to act on this measure in a timely manner so that this measure can be transmitted to the Namibian people in time for Independence Day on March 21.

TAX EQUITY

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

Mr. POSHARD. Mr. Speaker, we have a question of fundamental fairness to answer, and right now I believe we are coming up with the wrong answer.

The gap between the haves and those just holding on is growing in America, in no small measure due to the tax breaks supported by the previous administration favoring the wealthiest Americans and leaving middle-income America with a higher share of the tax bill.

Working men and women who produce the goods and services that make our economy run are shouldering the load. It is not healthy, nor is it right for us to continue to demand more from the economic middle class and less from the economic upper class in this country.

All of us in this body should support fairness and equity in our tax structure, just as the American people deserve.

WETLANDS CONSERVATION RESERVE ACT

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

Mr. SCHULZE. Madam Speaker, for too many years farmers across America have been draining some of the world's best waterfowl habitat to increase agricultural production. The loss of this precious natural resource has led to the second lowest duck count in the past 50 years. Something must be done to reverse this alarming trend.

Today, I am introducing the Wetlands Conservation Reserve Act. This legislation will allow the Nation's farmers to enter previously converted wetlands, now in agricultural production, into a 10-year contract with the Department of Agriculture, and allow valuable wildlife habitat to be reestablished.

It is time to build on the accomplishments of the Conservation Reserve Program, by allowing farmers with converted wetlands the opportunity to further improve the environment, wildlife habitat, and reduce excess production.

I urge my colleagues to support the Wetlands Conservation Reserve Program.

PRESIDENT BUSH'S STATEMENT ON JERUSALEM

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

Mr. FROST. Madam Speaker, I am one of the Members of the House who has traditionally taken the position that the President of the United States—be he Democrat or Republican—should have wide latitude in the conduct of foreign policy and that 435 Members of the House and 100 Members of the Senate cannot each act as Secretary of State.

However, President Bush has made such a colossal blunder in the Middle East that it cannot be permitted to pass without comment.

The United States was making real progress in convincing the Government of Israel to enter into negotiations with representatives of Palestinians about the future of the West Bank until President Bush interjected the issue of East Jerusalem into the dialog on March 3. By this one single act, he undercut the efforts of his own State Department and threw the Israeli Government into chaos. This was totally unnecessary and left the distinct impression that our President either is a bully or that he doesn't have the foggiest idea of what he's doing.

Madam Speaker, anyone who knows even the basics about the Middle East understands what an emotional issue Jerusalem is. It is the capital of the State of Israel and is a city that has suffered greatly during times of divided control.

I have great respect for the Office of the Presidency but this President has made one of the greatest mistakes in foreign policy I've witnessed during my lifetime.

□ 1150

MOVE PRESIDENT BUSH'S ANTICRIME PACKAGE NOW

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

Mr. McCOLLUM. Madam Chairman, on May 15, 1989, President Bush introduced to the public his anticrime/violent crime control bill. That bill was introduced in the Congress by BOB MITCHELL a few days later as H.R. 2709.

That bill does many things. Among others, it restores a constitutionally valid death penalty for such things as kidnaping and murder-for-hire and killing prison guards, it would make it easier to get into trials evidence seized by police officers in arrests, and it would reduce the kind of time delays we have in the constant appeals from convictions that criminals have.

It was referred to the Committee on the Judiciary and Chairman BROOKS sent out a letter to all the subcommittee chairmen saying he is not going to refer to them, to any one subcommittee, but please hold hearings and do something with this bill. That was done last fall.

Only one subcommittee has held hearings, and that is on the assault weapons portion of this bill. The time is passing, precious time. We need to have the leadership of this Congress, the chairman of the committee and the chairmen of the subcommittees get together and move President Bush's anticrime package now. It is too important to continue the delays that have gone on. We need to do it in this Congress and we need to do it now.

IT IS TIME WE FIGHT TERRORIST ACTIVITIES FIRE FOR FIRE

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

Mr. TRAFICANT. Madam Speaker, in 1986 President Reagan bombed Mr. Qadhafi because Mr. Qadhafi was involved in a terrorist bombing of a disco in Germany, killing many Americans and other citizens of the world.

Now there are very few people in this Congress who opposed President Reagan more than I on economic issues, but I stood here and I complimented the President because President Reagan did what was right. He said terrorist thugs will not bully us around. We owe President Reagan a debt of gratitude here.

Now yesterday a so-called pharmaceutical plant in Libya was burned to the ground. Qadhafi said it is a pharmaceutical plant. Now the truth of the matter is now some groups are taking blame or credit. But a finger is being pointed at the CIA.

Let me say this today: I do not know what the CIA does and frankly I do not give a damn. I think it is time that we fight terrorist activities fire for fire.

President Reagan set a good standard for Congress, and we should consider that action.

BASEBALL—A JAPANESE IMPORT?

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

Mrs. BENTLEY. Madam Speaker, for baseball fans, there is no spring without spring training.

But, in reality, today America's national pastime may not be baseball, but may be labor-management discord.

As has happened so often in sports and other businesses over the past 20 years, the owners and employees cannot agree on a contract.

Americans once produced 70 percent of the world's goods. This has dropped to 30 percent, which should concern us—the less we produce, the less we earn as a country.

Perhaps we should learn from Japan in some labor-management areas. Although labor and management and consumer in Japan have competing goals, they are a team when it counts; and what is best for Japan, the team, is first and foremost.

Let's hope the U.S. owners and players go back to the bargaining table and that we have teamwork here as well.

Or, on opening day, we may have to import baseball from Japan, and, thus the refrain "Tinker to Evers to Chance" will be changed to "Okazaki to Shinozuka to Komada."

SECRETARY DOLE'S CHILD LABOR CONCERNS

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

Mr. PEASE. Madam Speaker, last November, I was joined by 47 other Members of Congress and more than 50 business, labor, human rights, health, education and public interest organizations in sponsoring a day-long Capitol Hill Conference on the Exploitation of Children in the Workplace. It is clear that we have gotten Secretary Dole's attention. I was pleased when she first announced her child labor crackdown a few weeks ago.

Reported child labor violations in America have increased 250 percent since 1983—a disturbing leap from 9,000 in 1983 to over 22,500 in 1989. There were more than 128,000 work-related injuries to children reported just in 1987 and 1988.

But, there are fewer than 1,000 Labor Department compliance officers nationwide to enforce the existing child labor laws. These same people must investigate cases involving wage and hour violations for all working Americans.

The child labor provisions of Federal law have not been reviewed and updated since 1938. Yet a package of recommendations from the Child Labor Ad-

visory Committee sits on the desk of the Secretary of Labor unanswered since 1988.

Congressman CHARLES SCHUMER of New York and I will be introducing a comprehensive child labor bill near the end of April. About the same time, the General Accounting Office will be issuing a study which I commissioned. It will document just how serious and widespread violations of child labor laws are in this country.

I welcome Secretary Dole's readiness to get tough with child labor scofflaws. Some of the executive actions she is pursuing should be helpful. But the situation calls for more than a finger in the dike.

PRESIDENT BUSH IS MISTAKEN IN HIS STATEMENT ON JERUSALEM

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

Mr. EMERSON. Madam Speaker, I am not one who believes that this Nation can endure 535 Secretaries of State, and I do not propose to be one. But I do have feelings and attitudes and reactions to certain foreign policy initiatives and statements and positions of the Government of the administration.

The current attitude, the statement by the President about settlement in East Jerusalem, is one that I simply cannot fathom. It is really hard to imagine that this Nation could in any way by any act or statement suggest that there could be viability in a partitioning of Jerusalem, particularly in light of the superior track record of the Israeli Government in providing access and accommodation to all of those, Moslem, Christian, and Jew, who regard the area as the holy place it truly is.

Yet by objecting to settlement in East Jerusalem by Soviet Jewish refugees, the possibility of such an idea is aroused. I hope that the President is pursuing a broad objective, the purpose of which we may not know now that will result in peace in this troubled area, but a peace in which the territorial and strategic integrity of Israel will be effectively preserved.

REPLACEMENT WORKERS, ONCE AGAIN, FOIL THE COLLECTIVE BARGAINING PROCESS

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

Mr. BRENNAN. Madam Speaker, 1 year ago, I introduced legislation to prohibit the hiring of permanent replacement workers during the first 10 weeks of a strike.

I was deeply concerned that paperworkers in my home State of Maine were permanently replaced—and that's the same as being fired—just 13 days after a strike began.

Today the management at Greyhound Bus Lines has shattered that mark by hiring replacement drivers before the strike even began.

Congress, in the National Labor Relations Act, said that workers have the right to withhold their services. Workers at Greyhound, International Paper, Eastern Airlines, Continental, Phelps Dodge, and Boise Cascade, believed they had that right.

But that turned out to be a cruel illusion when they lost their jobs and livelihoods for exercising their legal rights.

Today, some companies are blatantly, brazenly, defying the spirit of national labor laws by this cheap tactic of so-called permanent replacement workers.

I urge my colleagues to cosponsor my bill, H.R. 1383, joining nearly 100 other Members of this House, to amend the National Labor Relations Act, so that it clearly, specifically prohibits the hiring of permanent replacement workers within the first 10 weeks of a labor dispute.

□ 1200

OF LEADERSHIP AND COURAGE

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

Mr. PORTER. Madam Speaker, I am here this morning to commend my Illinois colleague, DAN ROSTENKOWSKI, for proposing a serious, comprehensive plan for ending our deficit problem. It is a plan that calls on virtually every segment of the American economy to contribute to the solution, without smoke and mirrors, without rosy economic projections, and without cooking the books.

It proposes that each side put its priorities on the table—the Republicans, military spending and revenues, the Democrats, social spending and entitlements—and give something of them to solve the problem. Though not my personal preference, Madam Speaker, all of these elements are absolutely necessary to arriving at a political consensus for progress. We will never solve the deficit crisis by insisting on a solution crafted only on the other side's priorities. All of us must contribute something of our own.

While I have some questions, the plan the chairman has proposed shows the kind of leadership and political courage that, until now, has been in extremely short supply on Capitol Hill and in the White House. And ROSTY, for this concept, you can sign me on.

HONORING EDUCATIONAL EXCELLENCE: THE JEFFERSON COUNTY, KY, PUBLIC SCHOOL SYSTEM

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

Mr. MAZZOLI. Madam Speaker, I take great pleasure today in recognizing and honoring the educational achievements and excellence of the Jefferson County public school system which administers the public schools located in my congressional district.

Under the leadership of School Superintendent Donald Ingwerson, the Jefferson County Teachers Association, and the Gheens Professional Development Academy, the Jefferson County public schools have implemented educational reforms which have received national attention.

For example, last April two local schools—Fairdale High School and Lassiter Middle School—were featured on the MacNeil-Lehrer News Hour.

Subsequently, the New York Times, CBS News and ABC television have come to Jefferson County to discover something we Louisvillians have known for a long time: Our public schools are among the best in the country.

Madam Speaker, the benefits of high-quality education are many: A more skilled work force; stronger economic development; more employment opportunities; higher standards of living for all; and, enhanced competitueness.

I am proud of the quality of public education in Louisville and Jefferson county and I am proud to say so today on the floor of the U.S. House of Representatives.

H.R. 770, THE FAMILY AND MEDICAL LEAVE ACT

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

Mrs. MORELLA. Madam Speaker, I urge my colleagues to support H.R. 770, the Family and Medical Leave Act.

I am an original cosponsor of this legislation, and I am concerned that the 101st Congress has not yet dealt with this most urgent matter.

This urgency is highlighted by the report, "Who Cares for America's Children?" just issued by the panel on child care policy. This report was requested by, and received support from the U.S. Department of Health and Human Services. Among the recommendations made by this panel was that the Federal Government should mandate unpaid, job-protected leave for employed parents of infants up to 1 year of age. This provision recog-

nizes that quality, affordable child care is not readily available and therefore, it offers the option to parents who prefer to remain at home to care for their baby. Surely, we can pass H.R. 770 which provides only 10 weeks of unpaid leave for parenting.

I urge my colleagues to read the report, "Who Cares for America's Children?" And to give consideration to this important recommendation and to support speedy passage of H.R. 770.

SUPPORT HAITIAN WISDOM

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

Mr. OWENS of New York. Madam Speaker, the ordinary peace-loving, democracy-loving people of Haiti are again celebrating in the streets of Haiti. My district, which has more than 40,000 Haitians, is celebrating cautiously, also.

Again, the people have braved the bullets and the bombs of the military, to depose another military dictator, General Avril, who has fled to South Carolina. For the first time, a civilian has been appointed as president.

After Avril left, the opposition coalition known as the United Assembly picked Ertha Pascal-Trouillot, the only woman of the 12-member Supreme Court, as its choice for provisional president. The Rev. Bertrand Aristide, Roman Catholic priest and staunch critic of the military government, said residents should remain alert to the possibility of army counterattack.

Madam Speaker, I hope the U.S. State Department will support the wisdom of the people of Haiti, support the wisdom of the people which selected a civilian government. It was our State Department that insisted that only the military have the competence to run the government. Now, for the first time we have a civilian government in control. We hope our State Department will support that government, support the wisdom of the people who developed their own constitution, and this government will act in accordance with that constitution.

BE UPFRONT ON SOCIAL SECURITY

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

Mr. WALKER. Madam Speaker, again today we have heard several Democrats come to the well suggesting that something needs to be done in terms of tax fairness. They have cited statistics to Members that indicate unfairness in the tax system.

The only way that these statistics have even a modicum of accuracy about them is if Members include the Social Security contribution, a contribution that was agreed to bipartisanly in 1983. If, in fact, that is what they are doing, it does say something very important to Members, and they ought to be more upfront with the American people about what they are talking about.

The only way to solve the problem is either take off the cap on the income coming into Social Security, or differentiate between the taxes of Social Security payments at the lower levels. If Members do either of those two things, what we do is take away from Social Security as an insurance program and make it into just another welfare program.

If the Democrats are really proposing to change Social Security into just another welfare program, instead of talking as they have been talking on the floor, they ought to be upfront with the American people. I do not think the American people will stand for taking Social Security and changing it into another welfare program. Yet, that will be the bottom line of what they have been suggesting in their so-called tax fairness speeches.

RURAL DEVELOPMENT ACT—A STEP IN THE RIGHT DIRECTION

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

Mr. JOHNSON of South Dakota. Madam Speaker, our view of rural America is traditionally an idyllic one of beauty, peace, and prosperity. We sing about "country roads," about "the church in the valley by the wildwood," about "amber waves of grain," about "corn that's as high as an elephant's eye."

But sadly, these images are becoming more fantasy than fact. Too often, the realities across rural America are boarded-up stores, inadequate or nonexistent sewers, dangerous bridges, struggling schools, half-empty churches.

The Rural Development Act we are considering today is a far cry from being everything rural America needs. The stark reality of a trillion-dollar national debt imposes constraints we can't ignore.

But this bill is a start. It would put a greater emphasis on the need for rural development by establishing a new Rural Development Administration within the USDA. This would help America's small towns maintain their standard of living and pull in new ventures that would add jobs and opportunities for the young people that have been forced to leave our rural communities.

This bill will also enable the rural electric cooperatives to play a significant role in bringing facilities and opportunities to these communities. These are the people who already live and work in rural America, the people who are familiar with utility operations and, more importantly, the people who care about the quality of life in rural America.

While I have some concerns about portions of the bill that deal with funding of urgent infrastructure needs such as waste and drinking water delivery systems, I believe that any step toward rural development activity is a step in the right direction.

SOVIET UNION DENIES MEMBERS' VISAS

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

Mr. BUECHNER. Madam Speaker, there is a joke in the Soviet Union that goes like this: What is the difference between the United States and the U.S.S.R.? The answer is: If an election were held, Gorbachev would be elected President of the United States.

Members of this body and the one across the hall had been invited to be observers under the Helsinki Commission, to attend the elections to be held next Sunday in Estonia and Latvia. The Soviet Union has denied the visas of the Members of Congress to attend those elections. Part of the reason is with the secession of Lithuania, the fears are within the leadership of the Soviet Union that the other Baltic Republics may soon follow suit. They frankly do not want Members of Congress there to see what is going on, and possibly to encourage it, just by our mere presence.

I would hope that in our rush on this floor, and in our conversations and in the magazines and the newspapers and televisions throughout this Nation, that when we laud Mr. Gorbachev, that we do not for a moment forget that there are still very major upheavals taking place within the Soviet Union, and that the popularity that we heap upon Mr. Gorbachev does not necessarily fall upon him within his own borders. We should watch these developments closely. The fact that Members of this Congress are denied visas to attend supposedly open and free elections is a signal that the Iron Curtain still exists in various forms.

□ 1210

Mr. HUBBARD. Madam Speaker, tomorrow, Friday, March 16, marks the fifth anniversary to Terry Anderson's capture in Lebanon.

These remarks are given today here in the U.S. House of Representatives because we are not in session tomorrow.

Americans cannot and must not forget Terry Anderson, the 7 other

American hostages or the 10 prisoners from other nations now held hostage in the Middle East, most likely all in Lebanon.

Today, yes every day until they are released, let us remember these 18 hostages and also the 9 hostages who have died in captivity since 1985.

A ceremony of hope will be held at noon tomorrow in Lafayette Park here in Washington.

Peggy Say the energetic, vivacious sister of Terry Anderson, is featured today in the Washington Post and other publications.

Peggy Say and her husband David Say are personal friends and constituents of mine who live near Cadiz, KY, near beautiful Lake Barkley.

Tomorrow, the Cadiz, KY, Baptist Church, where David and Peggy Say are members, will host a special service. Rev. Harold Skaggs, pastor of the church, says the vigil will be in honor of Terry Anderson and the other hostages.

Let us continue to pray that the current encouraging signals out of the Middle East will result in the immediate release of these hostages, hopefully even today or tomorrow.

AMERICANS WITH DISABILITIES ACT MOVES CLOSER TO ENACTMENT

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

Mr. HOYER. Madam Speaker, I rise today with great pleasure to inform the House that the Americans With Disabilities Act has taken another giant leap toward floor consideration and enactment. On Tuesday, the full House Energy and Commerce Committee approved the ADA by a vote of 40 to 3. I would like to especially thank the chairman, Congressman JOHN DINGELL, for his leadership on this legislation.

Tuesday's bipartisan vote, and the defeat of several weakening amendments, proves once again that the ADA is responsible and effective legislation which can stand up to the strictest scrutiny. The ADA has now been approved by the full Energy and Commerce Committee, the full Education and Labor Committee, and the Public Works Surface Transportation Subcommittee.

I know that with the continued support of President George Bush and the bipartisan leadership of the House of Representatives, that the ADA will be brought to the floor of this House at the earliest opportunity.

For far too many Americans with disabilities, the course of their life has been dictated and defined not by their talents, dreams, or desires, but by their disability. The ADA, which is now cosponsored by 246 Members of the House, will ensure that 43 million Americans with disabilities truly have an equal opportunity to participate in our Nation. And that, Madam Speaker, will not only benefit Americans with disabilities but will benefit all Americans.

SOLVING THE CONFLICT OVER TIMBER RESOURCES IN THE PACIFIC NORTHWEST

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

Mr. DEFAZIO. Madam Speaker, today the House will have the opportunity to enact legislation that would put in place a critical part of a puzzle, a puzzle that, when it is completed, will yield the long-term solution to the conflict over our timber resources in the Pacific Northwest.

Madam Speaker, the Rural Economic Development Act of 1990 will provide our timber dependent communities with assistance they need to strengthen and diversify their economic base, and it will also upgrade their existing forest products manufacturing to get more jobs out of every 1,000 board feet of timber harvested. This modest program of Federal assistance will be funded out of Forest Service revenues, returning investment to the small towns of rural areas where these Federal dollars were generated.

Madam Speaker, I urge my colleagues to support passage of this vital bill so we can begin to construct a creative, long-term, stable solution to this conflict over the future of our public lands in the Pacific Northwest.

AUTHORIZING MEMBER TO SUBMIT ADDITIONAL COSPONSORS OF H.R. 2273

Mr. HOYER. Madam Speaker, I ask unanimous consent that I may be authorized to sign and submit requests to add the names of Members to the list of cosponsors on H.R. 2273.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Maryland?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4139

Mr. WALKER. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 4139.

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

There was no objection.

THE 25TH ANNIVERSARY OF THE SELMA TO MONTGOMERY MARCH

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

Mr. LEWIS of Georgia. Madam Speaker, 25 years ago today, 1 week after Bloody Sunday, President Lyndon Johnson spoke to a joint session of the Congress and said:

> I speak tonight for the dignity of man and the destiny of democracy. I urge every member of both parties, Americans of all religions and colors, from every section of this country, to join me in that cause.

Madam Speaker, President Johnson continued by saying:

> At times history and fate meet at a single time in a single place to shape a turning point in man's unending search for freedom. So it was at Lexington and Concord. So it was a century ago at Appomattox. So it was last week in Selma, Alabama.

Madam Speaker, those were the words of President Johnson, and, as we observe the 25th anniversary of the Selma to Montgomery march, we can take pride in the fruits of nonviolent democratic revolution in the United States. Each week we have witnessed the lessons of nonviolent social change in Eastern Europe, and Central America, even in the Soviet Union.

BUSH DAMAGES PEACE PROCESS IN THE MIDDLE EAST

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

Mr. TORRICELLI. Madam Speaker, on many occasions Members of this House have taken to the well to complain that the President's timidity in these times of opportunity have real costs for America.

Madam Speaker, last week the majority leader, the gentleman from Missouri [Mr. GEPHARDT], sounded that alarm again, and I rise today to say that on each of these accounts perhaps we were mistaken, because this week the President made a bold statement about American foreign policy by needlessly and dangerously entering the debate on the status of East Jerusalem.

By a single slip of the tongue the President has destroyed both his own peace plan and caused the collapse of the Israeli governing coalition. Madam Speaker, never have so few words done so much to destroy the work and the hope of so many. Real peace progress in the Middle East has been lost. It was so close, and now it has been set back so far.

Madam Speaker, the President has raised an issue that is not real. There are no great numbers of Soviet Jews flocking to East Jerusalem. The issue

did not need to be raised. By doing so he has demeaned both American and Israeli efforts to free Soviet Jews.

George Bush may like surprises, but this is a surprise that America, Israel, and the peace process did not need, and the damage may be irreparable.

STATEHOOD FOR PUERTO RICO?

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

Mr. LEHMAN of California. Madam Speaker, President Bush is pushing hard to make Puerto Rico the 51st State. A Senate committee has passed legislation guaranteeing statehood, if Puerto Ricans agree, and the House Insular and International Affairs Subcommittee, led by the gentleman from the Virgin Islands [Mr. DE LUGO], recently completed 3 days of hearings on the island.

Madam Speaker, polls in Puerto Rico show that over 50 percent currently support statehood. A vigorous debate is underway on the island among those who favor statehood, those who prefer commonwealth, and those who desire independence.

The Congress must not drag its feet. We should proceed swiftly through the legislative process to let Puerto Ricans know what our intentions are.

□ 1220

We should not let Puerto Rico's expectations rise to an unrealistic level if we are really not prepared to endorse statehood. We will irreparably damage our interests in Puerto Rico if we do. If we are prepared to let Puerto Rico make a choice through plebiscite, then we should do so quickly to prevent deeper fractures in Puerto Rico's political and social fabric from developing and lingering after the decision is final.

INTRODUCTION OF AMENDMENTS TO THE WASHINGTON METROPOLITAN AREA TRANSIT REGULATION COMPACT

(Mr. HOYER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HOYER. Madam Speaker, I rise today to introduce along with my distinguished colleagues from the Washington metropolitan region to introduce legislation to amend the compact of the Washington Metropolitan Area Transit commission [WMATC]. This Commission has jurisdiction over privately owned passenger carriers, but has no jurisdiction over publicly owned passenger carriers such as WMATA/Metro, ride-on, cue, or dash.

After 25 years, the original signatory jurisdictions concluded that the WMATC compact needed review and appointed a review Commission, chaired by the Honorable Carlton R. Sickles to perform this function. In December 1987, the review committee recommended a revised and updated version of the compact. During the 1988 legislative sessions, the revised compact was introduced and passed by all signatory jurisdictions (Maryland Chapter 273, 1988; Virginia Chapter 890, 1988; and D.C. Law No. 7-224). As part of the District of Columbia enactment, the revised compact was transmitted to Congress for review, which was completed in 1989.

These amendments, enacted by all signatory jurisdictions, must now be approved by this Congress, since it constitutes changes to an interstate compact. The compact changes:

Specify authority to assess fees and return them to signatories;

Add jurisdiction over certain interstate taxicab trips to and from BWI airport (National and Dulles are already included);

Formalize exemption for WMATA;

Ease market entry standard from "public convenience and necessity" to "consistent with the public interest";

Provide that irregular route certificates shall be coextensive with the metropolitan district (now area-by-area);

Provide specific protection for regular route operations of publicly owned municipal carriers;

Provide that WMATC may order a carrier to cease any operation found inconsistent with the public interest;

Provide for tariffs to become effective in 7 days and to remain in effect at least 60 days (now effective indefinitely on 30 days notice);

Eliminate agency regulation of carrier securities;

Specify that only the entity issued a certificate can operate under it (clarification);

Decriminalize violations and increase fines (as improved enforcement mechanisms); and

Provide for fines to be paid to the signatories.

In brief, Madam Speaker, the proposed revisions would lower barriers to market entry, and reduce rate and accounting oversight, while maintaining a regional approach to transportation and keeping those controls necessary for the security of the public.

I urge speedy review and adoption of this package which will improve transportation in the Washington metropolitan region.

INTRODUCTION OF LEGISLATION TO PROVIDE EQUITY IN WILDERNESS REVIEW PROCESS

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

Mr. HANSEN. Madam Speaker, today I am introducing legislation along with 18 of my colleagues which will assist Western States undergoing wilderness designation review.

The Federal Government, through various agencies, controls substantial amounts for western lands, and through that control, can hold sway over the rural economies of these States. Where a Federal land decision is of minimal impact in smaller Eastern States, such decisions can have a monumental, and often devastating impact in the West.

This legislation seeks to promote fairness and equity in the wilderness review process. It gives States an opportunity to have Congress focus on their individual and unique needs.

I will be the first to tell you Congress needs to address the need to preserve wilderness. But I will also be the first to tell you Congress needs to address the needs of its western constituents as well.

Western States have the same right to self-determination as other States, and should not be burdened by narrow-thinking Federal land policies. I urge all my collegues who believe in States' rights to support this legislation.

RURAL ECONOMIC DEVELOPMENT ACT OF 1989

The SPEAKER pro tempore (Mrs. UNSOELD). Pursuant to House Resolutin 355 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. 3581.

□ 1223

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. 3581) entitled the "Rural Economic Development Act of 1989," with Mr. FROST, 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 on Wednesday, March 14, 1990, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and each title is considered as having been read.

The Clerk will designate section 1.

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that section 1 and title I through title VII of the committee amendment in the nature of a substi-

tute be printed in the RECORD and open to amendment at any point.

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

There was no objection.

The text of section 1 and titles I through VII of the committee amendment in the nature of a substitute is as follows:

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 "Rural Economic Development Act of 1990".

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

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.

TITLE I—REORGANIZATION OF THE DEPARTMENT OF AGRICULTURE

Sec. 101. Rural Development Administration.

Sec. 102. Conforming Amendments.

TITLE II—LOCAL PRIORITIZATION OF PROJECT FUNDING

Sec. 201. Delivery of certain rural development programs.

Sec. 202. State revolving funds for loans to very small business ventures.

TITLE III—ENHANCEMENT OF EXISTING RURAL DEVELOPMENT PROGRAMS

Sec. 301. REA technical assistance unit.

Sec. 302. Deferment of payment on economic development loans.

Sec. 303. Water and waste lending by banks for cooperatives.

Sec. 304. Amendments to the business and industry loan program.

Sec. 305. Water or waste disposal loans to benefit rural businesses.

Sec. 306. Rural wastewater treatment circuit rider program.

Sec. 307. Increase on limitation of authorization for water and waste grants.

TITLE IV—RURAL DEVELOPMENT INFORMATION SHARING AND TECHNOLOGY TRANSFERS

Sec. 401. Rural development information sharing.

Sec. 402. Rural technology grants.

TITLE V—RURAL BUSINESS AND LEADERSHIP TRAINING

Sec. 501. Extension Service Rural Business and Leadership Training Program.

TITLE VI—RURAL ECONOMIC DEVELOPMENT RESEARCH

Sec. 601. Research on nontraditional uses of agricultural commodities.

Sec. 602. Authorization of rural development research competitive grants.

Sec. 603. Demonstration projects.

TITLE VII—RURAL ELECTRIFICATION PROVISIONS

Sec. 701. Short title; amendment of Rural Electrification Act of 1936.

Sec. 702. Findings; statement of policy.

Subtitle A—Amendment to Title I of the Rural Electrification Act of 1936

Sec. 711. General prohibitions.

Subtitle B—Amendments Relating to Title II of the 1936 Act

Sec. 721. Nonduplication of telephone facilities.

Sec. 722. Updated definition of telephone service.

Sec. 723. Loan feasibility.

Sec. 724. Encouragement of investment by telephone borrowers in rural development projects.

Sec. 725. Improvements in telephone program.

Sec. 726. Prompt processing of telephone loans.

Subtitle C—Amendments Relating to Title III of the 1936 Act

Sec. 731. Creation of separate electric and telephone accounts within rural electric and telephone revolving fund.

Sec. 732. Borrowers to determine amortization period for insured telephone loans.

Sec. 733. Tier requirement for insured telephone loans.

Sec. 734. Clarification of telephone loan guarantee authority.

Subtitle D—Amendments Relating to Title IV of the 1936 Act

Sec. 741. Modification of Rural Telephone Bank Board.

Sec. 742. Rural telephone bank capitalization.

Sec. 743. Pro rata purchase of rural telephone bank stock by rural telephone bank borrowers.

Sec. 744. Clarification of authority to set rural telephone bank loan levels.

Sec. 745. Borrowers to determine amortization period for rural telephone bank loans.

Sec. 746. Full use of rural telephone bank loan authority.

Sec. 747. Technical amendments relating to the rural telephone bank provisions of the Omnibus Budget Reconciliation Act of 1987.

Subtitle E—Effective Date

Sec. 751. Effective date.

TITLE VIII—MISCELLANEOUS

Sec. 801. Regulations.

Sec. 802. Loan rates applicable to certain loans under the Consolidated Farm and Rural Development Act.

Sec. 803. Assistance for certain distressed community facility program borrowers.

Sec. 804. Water and waste facility loans and grants to alleviate health risks.

Sec. 805. Preservation of eligibility.

Sec. 806. State programs not affected.

Sec. 807. Technical corrections.

TITLE IX—NATIONAL FOREST-DEPENDENT RURAL COMMUNITIES

Sec. 901. Short title.

Sec. 902. Findings and purpose.

Sec. 903. Definitions.

Sec. 904. Rural forestry and economic diversification action teams.

Sec. 905. Action plan implementation.

Sec. 906. Training and education.

Sec. 907. Loans to economically disadvantaged rural communities.

Sec. 908. Authorization of appropriations and spending authority.

TITLE I—REORGANIZATION OF THE DEPARTMENT OF AGRICULTURE

SEC. 101. RURAL DEVELOPMENT ADMINISTRATION.

(a) AMENDMENTS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.—The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended—

(1) by adding at the end the following:

"SEC. 359. RURAL DEVELOPMENT ADMINISTRATION.

"(a) ESTABLISHMENT.—There is established in the Department of Agriculture the Rural Development Administration, which shall be headed by an Administrator appointed by the Secretary.

"(b) ADMINISTRATION.—Except as provided in subsection (c), or as otherwise provided in this section, the Secretary shall carry out this Act through the Farmers Home Administration.

"(c) EXCEPTIONS.—The Secretary shall carry out section 303 (in the case of loans made for purposes specified in paragraphs (2) and (3) of section 303(a)), section 304(b), section 306(a), section 306B, section 310A, section 310B, section 312(a) (in the case of loans made for the purposes specified in paragraphs (5) and (6)), section 1323 of the Food Security Act of 1985 (7 U.S.C. 1932 note), title VI of the Rural Development Act of 1972, and such other rural development programs as the Secretary determines appropriate through the Rural Development Administration.

"(d) REFERENCES.—Any reference in any law, regulation, or order in effect immediately before the date of the enactment of the Rural Economic Development Act of 1990 to the Farmers Home Administration or to the Administrator of the Farmers Home Administration or of the Farmers Home Administration relating to any function, power, or duty that is, on or after such date, a function, power, or duty of the Rural Development Administration or the Administrator of the Rural Development Administration, shall be deemed to be a reference to the Rural Development Administration or to the Administrator of the Rural Development Administration, as the case may be.

"(e) EFFECT ON PENDING PROCEEDINGS AND PARTIES TO SUCH PROCEEDINGS.—

"(1) NONABATEMENT OF ACTIONS.—This Act does not abate any proceeding commenced—

"(A) by or against any entity any function of which is transferred by this Act; or

"(B) by or against any officer of any entity referred to in subparagraph (A) in the official capacity of such individual as such an officer.

"(2) EFFECT ON PARTIES.—If an officer of the Farmers Home Administration, in the official capacity of such officer, is a party to a proceeding pending on the date of the enactment of this Act, and under this Act the officer or any function of the officer is transferred to the Rural Development Administration, Department of Agriculture, then such action shall be continued with the Secretary or the Administrator, Rural Development Administration, or other appropriate officer of the Department substituted or added as a party.

"(3) TRANSFER OF CERTAIN RIGHTS OF FARMERS HOME ADMINISTRATION TO RURAL DEVELOPMENT ADMINISTRATION.—The rights, interests, obligations, and duties of the Farmers Home Administration arising before the date of the enactment of the Rural Economic Development Act of 1990 from any loan made, insured, or guaranteed, or any grant or contract made, by the Farmers Home Administration in the exercise of its functions shall—

"(A) with respect to any function to be exercised on or after such date by the Farmers Home Administration under subsection (b), continue to be vested in the Farmers Home Administration; and

"(B) with respect to any function to be exercised on or after such date by the Rural Development Administration under subsection (c), be vested in the Rural Development Administration.

"(f) COMPENSATION OF ADMINISTRATOR.—The Administrator of the Rural Development Administration shall be compensated in accordance with subchapter VIII of chapter 53 of title 5, United States Code."; and

(2) in section 309(e) by—

(A) inserting "and the Rural Development Administration, in proportion to such charges collected in connection with the insurance of loans by such agency" after "Farmers Home Administration"; and

(B) striking "expenses." and inserting "expenses for such agency.".

(b) FACILITATION OF TRANSFER OF FUNCTIONS.—(1) Notwithstanding the provisions of section 331 of the Consolidated Farm and Rural Development Act, as soon as practicable, but in no case later than one hundred and eighty days after the date of enactment of this section, the Secretary shall transfer to the Rural Development Administration the powers, duties, and assets of the agencies, offices, and other entities in the Department of Agriculture, or elements thereof, related to the performance of rural development functions, including, but not limited to, the agencies, offices, and other entities in the Department of Agriculture, or elements thereof, that administer sections 303 (in the case of loans made for purposes specified in paragraphs (2) and (3) of subsection (a)), 304(b), 306(a), 306B, 310A, 310B, and section 312(a) (in the case of loans made for the purposes specified in paragraphs (5) and (6)) of the Consolidated Farm and Rural Development Act, section 1323 of the Food Security Act of 1985 (7 U.S.C. 1932 note), title VI of the Rural Development Act of 1972, and such other rural development programs as the Secretary determines appropriate.

(2) INCIDENTAL TRANSFERS.—The Secretary shall make such determinations, and shall transfer such personnel from the Farmers Home Administration, as may be necessary or appropriate with regard to the functions transferred under this section to the Rural Development Administration. The Secretary shall also make such additional incidental dispositions of personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available, or to be made available in connection with the functions transferred by this section, as the Secretary may deem necessary to accomplish the purposes of this section.

(3) EFFECTIVE AND EFFICIENT TRANSFER OF AUTHORITY.—The Administrator of the Farmers Home Administration and the Secretary shall take whatever steps are necessary to assure the effective and efficient transfer of authority as provided for in this section.

SEC. 102. CONFORMING AMENDMENTS.

(a) Section 331 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981) is amended—

(1) in the first sentence—

(A) by striking "For the purposes of this title and" and inserting "In accordance with section 359, for purposes of this title, and"; and

(B) by inserting before the period ", or may assign and transfer such powers, duties, and assets to the Rural Development Administration as provided by law for that office";

(2) in subsection (d), by striking "under any of its programs" and inserting "or the Rural Development Administration under any of their programs"; and

(3) in subsections (h) and (i), by inserting "Rural Development Administration under this title or by the" before "Farmers Home Administration" each place it appears.

(b) Section 331A of such Act (7 U.S.C. 1981a) is amended by inserting "or by the Rural Development Administration" immediately after "Farmers Home Administration".

(c) Section 335 of such Act (7 U.S.C. 1985) is amended—

(1) in subsection (a), by inserting "or the Rural Development Administration" after "Farmers Home Administration"; and

(2) in subsection (c)(1) by inserting "or the Rural Development Administration" after "Farmers Home Administration".

(d) Section 338(a) of such Act (7 U.S.C. 1988(a)) is amended by inserting "or the Rural Development Administration" after "Farmers Home Administration".

(e) Sections 657, 658, 1006, and 1014 of title 18, United States Code, are each amended by striking "Farmers' Home Administration" and inserting "Farmers Home Administration, the Rural Development Administration".

(f)(1) Section 623(c)(2) of the Community Economic Development Act of 1981 (42 U.S.C. 9812(c)(2)) is amended by inserting ", or the Rural Development Administration" after "Farmers Home Administration".

(2) Section 628 of such Act (42 U.S.C. 9817) is amended—

(A) by amending the heading to read as follows:

"DEPARTMENT OF AGRICULTURE; RURAL DEVELOPMENT ADMINISTRATION PROGRAMS",

(B) by inserting ", or of the Rural Development Administration" after "of the Farmers Home Administration".

TITLE II—LOCAL PRIORITIZATION OF PROJECT FUNDING

SEC. 201. DELIVERY OF CERTAIN RURAL DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—Effective on the first day of the fiscal year immediately following the enactment of this Act, the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end the following:

"SEC. 360. SYSTEM FOR DELIVERY OF CERTAIN RURAL DEVELOPMENT PROGRAMS.

"(a) IN GENERAL.—(1) ASSISTANCE IN ELIGIBLE STATES.—Assistance under each designated rural development program shall be provided in eligible States to qualified projects in accordance with this section.

"(2) NO ASSISTANCE IN OTHER STATES.—The Secretary shall not provide assistance under any designated rural development program in any State that is not an eligible State.

"(b) DEFINITIONS.—As used in this section and section 361—

"(1) AREA PLAN.—The term 'area plan' means, with respect to a local or regional area in a State, the long range rural development plan developed for the area. Each area plan shall identify the geographical boundaries of the area and include—

"(A) an overall development plan for the area with goals, including business development and infrastructure development goals, and time lines based on a realistic assessment of the area, including, but not limited to—

"(i) the number and types of businesses in the area that are growing or declining, and a list of the types of businesses that the area could potentially support;

"(ii) the outstanding need for water and waste and other public services or facilities in the area;

"(iii) the realistic possibilities for industrial recruitment in the area;

"(iv) the potential for the development of tourism in the area;

"(v) the potential for the generation of employment in the area through the creation of small businesses and the expansion of existing businesses; and

"(vi) the potential for the production of value-added agricultural products in the area;

"(B) an inventory and assessment of the human resources of the area, including, but not limited to—

"(i) a current list of organizations in the area and their special interests;

"(ii) the current level of participation of area residents in rural development activities and the level of participation required for successful implementation of the plan;

"(iii) the availability of general and specialized job training in the area and the extent to which the needs of the area for such training are not being met;

"(iv) a list of area residents with special skills which could be useful in developing and implementing the plan; and

"(v) an analysis of the human needs of the area, the resources in the area available to meet those needs, and the manner in which the plan, if implemented, would increase the resources available to meet those needs;

"(C) the current degree of intergovernmental cooperation in the area and the degree of such cooperation needed for the successful implementation of the plan;

"(D) the ability and willingness of governments and citizens in the area to become involved in developing and implementing the plan;

"(E) a description of how the governments in the area will apply budget and fiscal control processes to the plan; and

"(F) the extent to which public services and facilities need to be improved to achieve the economic development and quality of life goals of the plan, taking into consideration, at a minimum—

"(i) law enforcement;

"(ii) fire protection;

"(iii) water and solid waste management;

"(iv) education;

"(v) health care;

"(vi) transportation;

"(vii) housing;

"(viii) communications; and

"(ix) the availability of, and capability to generate, electric power.

"(2) DESIGNATED RURAL DEVELOPMENT PROGRAM.—The term 'designated rural development program' means a program carried out under section 304(b), 306(a), or subsection (a) through (f) and (h) of section 310B of this Act, or under section 1323 of the Food Security Act of 1985, for which funds are available at any time during the fiscal year under such section.

"(3) ELIGIBLE STATE.—The term 'eligible State' means a State with respect to which all of the following apply not later than the effective date of this section:

"(A) ESTABLISHED RURAL ECONOMIC DEVELOPMENT REVIEW PANEL.—The State has established an advisory rural economic development review panel meeting the requirements of section 361.

"(B) APPOINTED STATE COORDINATOR.—The Governor of the State has appointed an officer or employee of the State government to—

"(i) manage, operate, and carry out the instructions of, the panel described in subparagraph (A); and

"(ii) serve as a liaison between the panel and the Federal and State agencies involved in rural development, including transmitting to the Secretary any list transmitted to the State coordinator pursuant to section 361(b)(6).

"(C) DESIGNATED AGENCY TO PROVIDE ADMINISTRATIVE SUPPORT TO PANEL.—The State has designated an agency to provide the panel and the State coordinator with support for the daily operation of the panel described in subparagraph (A).

"(4) QUALIFIED PROJECT.—The term 'qualified project' means any project—

"(A) for which the agency described in paragraph (3)(C) of the State has identified—

"(i) the alternative Federal, State, local, or private sources of assistance, and

"(ii) the related activities in the State; and

"(B) to which the Secretary is required by subsection (c)(4) to provide assistance.

"(5) STATE COORDINATOR.—The term 'State coordinator' means the individual appointed by the Governor of the State to carry out the activities described in paragraph (3)(B).

"(6) STATE RURAL ECONOMIC DEVELOPMENT REVIEW PANEL.—The term 'State rural economic development review panel' or 'panel' means an advisory panel specified in section 361.

"(c) DUTIES OF THE SECRETARY.—The Secretary shall, with respect to each eligible State—

"(1) review the list, if any, transmitted pursuant to subsection 361(b)(6) by any State coordinator;

"(2) determine whether each project described in an application in the list meets the requirements of the rural development program under which the application seeks assistance;

"(3) remove from the list any application for a project that does not meet the requirements;

"(4) provide assistance, subject to available funds, to the projects in the applications remaining in the list after the list has (if necessary) been modified pursuant to paragraph (3), giving great weight to the order in which the applications for such projects are ranked by the respective State panel, and, if assistance is provided to any project without providing assistance to all projects ranked higher in priority by the panel than such project, report to the panel, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate within ten days of determining to fund such lower ranked project on the reasons for not assisting any project ranked higher in priority by the panel;

"(5) within thirty days after the date of the enactment of any Act providing appropriations for any designated rural development program for any fiscal year, notify each State of the amounts to be made available to such State under such program for such fiscal year, and the aggregate for such fiscal year of such amounts under all the designated rural development programs;

"(6) pay per diem or otherwise reimburse each full-time officer or employee of the United States who is a member of a State rural economic development review panel for expenses incurred each day (including travel time) during which the officer or employee is engaged in the actual performance of a duty of the panel; and

"(7) from amounts appropriated for grants under any provision of section 306(a), make grants not to exceed $100,000 annually to each eligible State for the administrative costs associated with the State rural economic development review panel meeting the requirements of section 361.

"(d) OFFICIAL INFORMATION.—The Secretary may appoint as nonvoting members, temporarily and for specific purposes, personnel from any department or agency of the United States, with the consent of the head of such department or agency, with expertise not available among the members of any State rural economic development review panel as may be necessary to enable the panel to perform a duty described in section 361(b).

"(e) ALLOCATION OF APPROPRIATED FUNDS.—(1) LIMITED TRANSFER AUTHORITY.—(A) INITIAL ALLOCATION.—The Secretary shall allocate the sums appropriated for direct loans, loan guarantees, or grants for any designated rural development program made available to the State under such program for any fiscal year to the projects specified in subsection (c)(4) giving great weight to the order in which the applications for such projects are ranked on the list specified in subsection (c)(1).

"(B) TRANSFER OF FUNDS.—If the sums appropriated for direct loans, loan guarantees, or grants for any designated rural development program made available to the State under such program for the fiscal year are insufficient to enable the Secretary to provide the full amount of the assistance requested for a project specified in subsection (c)(4), the Secretary may, subject to paragraph (2), notwithstanding any provision of law relating to appropriations for any such program for the fiscal year, transfer to the program from other such programs part or all of the sums appropriated for loans, loan guarantees, or grants, as the case may be, made available to the State for such other programs for such fiscal year.

"(C) LIMIT ON AMOUNT TRANSFERRED.—The amount transferred from a program under this subsection shall not exceed the amount for such program left unobligated after obligating to each project in an application ranked higher in priority on such list the full amount of assistance requested for each such project.

"(2) LIMITATION ON PROGRAMS FOR WHICH MAY TRANSFER.—The Secretary may not transfer funds from one grant program to another pursuant to paragraph (1) if—

"(A) the sum of—

"(i) the amount of funds transferred into a program, plus

"(ii) the amount of funds appropriated for such program receiving such transfer of funds for the fiscal year

exceeds the limit on the statutorily authorized amount of funds that may be appropriated for such program receiving such transfer of funds; or

"(B) such transfer of funds would be made—

"(i) from a grant program for which there is a limit on the statutorily authorized amount that may be appropriated for such program;

"(ii) to a grant program for which there is no limit on the statutorily authorized amount that may be appropriated for such program.

"(3) EQUITABLE REALLOCATION OF UNOBLIGATED FUNDS.—Notwithstanding paragraph (1), the Secretary shall, on July 15 of each year, and from time to time thereafter during the fiscal year as the Secretary determines appropriate, pool from among the States any unobligated funds appropriated for direct loans, loan guarantees, or grants for each designated rural development program and reallocate such funds to the States according to need, as determined by the Secretary.

"(f) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall not apply to any State rural economic development review panel.

"(g) NO LIABILITY OF MEMBERS OF STATE RURAL ECONOMIC DEVELOPMENT REVIEW PANELS.—The members of a State rural economic development review panel shall not be liable to any person with respect to any determination made by the panel.

"(h) ELIGIBILITY FOR WATER AND WASTE FACILITY LOANS.—(1) RURAL ELECTRIFICATION PROGRAM BORROWERS.—Notwithstanding any other provision of law, a borrower under title III of the Rural Electrification Act of 1936 shall be eligible to receive loans and grants under section 306 on an equal basis with any other applicant for such assistance, and the terms and conditions, rules, criteria and other provisions of section 306 shall apply to such a borrower. In the case of applications from such a borrower, the Administrator of the Rural Electrification Administration shall provide technical assistance with respect to such water and waste facilities and loans and grants for such facilities.

"(2) PROHIBITION ON RESTRICTING WATER AND WASTE FACILITY SERVICES TO ELECTRIC CUSTOMERS.—The Secretary shall establish rules and procedures that prohibit borrowers under title III of the Rural Electrification Act of 1936 from conditioning or limiting access to, or the use of, water and waste facility services financed under the Consolidated Farm and Rural Development Act if such conditioning or limiting is based on whether individuals or entities in the area served or proposed to be served by such facility receive, or will accept, electric service from such borrower.

"SEC. 361. STATE RURAL ECONOMIC DEVELOPMENT REVIEW PANEL.

"(a) IN GENERAL.—Each State rural economic development review panel specified in section 360(b)(3)(A) shall meet all of the requirements of this section.

"(b) DUTIES.—The panel shall advise the Secretary on the desirability of funding applications for funding from designated rural development programs, and, in developing such advice, shall have the following duties:

"(1) REVIEW RURAL DEVELOPMENT PLANS OF LOCAL AREAS.—To review each area plan submitted by a local or regional area.

"(2) EVALUATE AREA PLANS AND APPLICATIONS FOR ASSISTANCE.—(A) AREA PLANS.—To evaluate, pursuant to a written policy and criteria, each area plan submitted by a local or regional area and either—

"(i) accept any area plan that is technically and economically adequate, feasible, and likely to succeed in meeting the stated goals of the plan, unless the plan is incompatible with any other area plan for that area that has been accepted by the panel; or

"(ii) return any plan that is technically or economically inadequate, infeasible, unlikely to be successful, or incompatible with any other area plan for that area that has been accepted by the panel, with an explanation of the reasons for the return with suggested alternative proposals.

In evaluating area plans under this subparagraph, the panel shall give great weight to the area plans or other comments submitted by intergovernmental development councils, or similar organizations made up of local elected officials, charged with the responsibility for rural or regional development.

"(B) APPLICATIONS FOR ASSISTANCE.—To evaluate each application for assistance to determine whether the project to be carried out in any area is compatible with the area plan for the area in which the project described in the application is proposed, and either—

"(i) accept any application that the panel determines to be compatible with such area plan; or

"(ii) return to the Rural Development Administration any application that the panel determines to be incompatible with such area plan.

"(3) REVIEW AND RANK APPLICATIONS FOR ASSISTANCE UNDER DESIGNATED RURAL DEVELOPMENT PROGRAMS FROM AREAS WITH ACCEPTED AREA PLANS.—To review applications for assistance, that have been accepted pursuant to paragraph (2)(B), for projects to be carried out in any area the area plan for which has been accepted pursuant to paragraph (2)(A), taking into account the sources of assistance and related activities identified pursuant to section 360(b)(4)(A), and to rank such applications, subject to paragraphs (4) and (5), pursuant to a written policy and criteria, in an order that takes into account—

"(A) in the case of business projects described in the application—

"(i) the extent to which a project would—

"(I) stimulate rural development by creating new jobs of a permanent nature or retaining existing jobs by enabling new small businesses to be started, or existing businesses to be expanded by local or regional area residents who own and operate the businesses,

"(II) contribute to the enhancement and the diversification of the local or regional area economy,

"(III) generate or retain jobs for local or regional area residents,

"(IV) be carried out by persons with sufficient managerial capability,

"(V) be likely to become financially viable, and

"(VI) assist a local or regional area in overcoming severe economic distress;

"(ii) the distribution of assistance to projects in as many areas as possible in the State, with sensitivity to geographical distribution;

"(iii) the technical aspect of the projects;

"(iv) the market potential and marketing arrangements for the projects; and

"(v) the potential of such project to promote the growth of a rural community by improving the ability of the community to increase the number of persons residing therein and by improving the quality of life of such persons; and

"(B) in the case of infrastructure and community facility projects described in the applications the extent to which a project would—

"(i) have the potential to promote the growth of a rural community by improving the quality of life for local or regional area residents;

"(ii) affect the health and safety of local or regional area residents;

"(iii) affect business productivity and efficiency;

"(iv) enhance commerical business activity;

"(v) have the potential to promote long-term growth, including by increasing the number of persons residing in a rural community;

"(vi) address a severe loss or lack of water quality or quantity;

"(vii) bring a community into compliance with Federal or State water or waste water standards; and

"(viii) consolidate water and waste systems and utilize management efficiencies in new systems.

"(4) PRIORITY RANKING FOR PROJECTS ADDRESSING HEALTH EMERGENCIES.—To give priority in reviewing and ranking, notwithstanding the criteria established in paragraph (3), to applications for projects designed to address a health emergency declared to be such by the appropriate Federal or State government agency.

"(5) PRIORITY BASED ON NEED.—If in ranking applications pursuant to paragraphs (3) and (4), 2 or more applications are determined to have comparable strengths in their feasibility and potential for growth, to give priority to the applications for projects for which there is the greatest need.

"(6) TRANSMIT LIST OF RANKED APPLICATIONS.—To transmit to the State coordinator a list of all applications received and indicate on the list—

"(A) for all applications accepted, the rank of such applications in accordance with paragraphs (3), (4) and (5); and

"(B) for all applications returned, the fact that the application was returned pursuant to paragraph (2) and instruct the State coordinator to transmit the list to the Secretary.

"(7) AVAILABILITY OF LIST OF RANKED APPLICATIONS.—To make available to the public the list of ranked applications submitted under paragraph (6) and to provide a brief explanation and justification of why the project applications received their prioritization.

"(8) ESTABLISHMENT AND REVIEW OF WRITTEN POLICY AND CRITERIA FOR EVALUATING AND RANKING APPLICATIONS.—To establish and annually review the written policy and criteria used by the panel in evaluating and ranking applications in accordance with this subsection to ensure that the policy and criteria are consistent with current rural developmental needs, and to provide for public input during the development of the initial policy and criteria.

"(c) MEMBERSHIP.—(1) VOTING MEMBERS.—The panel shall be composed of not more than sixteen voting members who are representatives of rural areas—

"(A) One of whom is the Governor of the State or the person designated by the Governor to serve on the panel on behalf of the Governor for that year;

"(B) One of whom is the director of the State agency responsible for economic and community development or the person designated by the director to serve on the panel on behalf of the director for that year;

"(C) One of whom is appointed by a statewide association of banking organizations;

"(D) One of whom is appointed by a statewide association of investor-owned utilities;

"(E) One of whom is appointed by a statewide association of rural telephone cooperatives;

"(F) One of whom is appointed by a statewide association of noncooperative telephone companies;

"(G) One of whom is appointed by a statewide association of rural electric cooperatives;

"(H) One of whom is appointed by a statewide association of health care organizations;

"(I) One of whom is appointed by a statewide association of existing local government-based planning and development organizations;

"(J) One of whom is appointed by the Governor from a statewide rural development organization that is not described in any of subparagraphs (C) through (I), but if no such statewide organization exists, there shall be no appointment made under this subparagraph and, notwithstanding paragraph (1), the panel shall be composed of not more than fifteen voting members who are representatives of rural areas;

"(K) One of whom is appointed by a statewide association of counties;

"(L) One of whom is appointed by a statewide association of towns and townships, or by a statewide association of municipal leagues, as determined by the Governor;

"(M) One of whom is appointed by a statewide association of rural water districts;

"(N) the State director of the Federal small business development center (or, if there is no small business development center in place with respect to the State, the director of the State office of the Small Business Administration);

"(O) the representative for that State of the Economic Development Administration of the Department of Commerce; and

"(P) One of whom is appointed by the Secretary from among the officers and employees of the Federal Government.

"(2) NONVOTING MEMBERS.—The panel shall have not more than four nonvoting members who shall serve in an advisory capacity and are representatives of rural areas—

"(A) One of whom is appointed by the Governor, from names submitted by the dean, or the equivalent official, of each school or college of business of the colleges and universities in the State;

"(B) One whom is appointed by the Governor, from names submitted by the dean, or the equivalent official, of each school or college of engineering of the colleges and universities in the State;

"(C) One of whom is appointed by the Governor, from names submitted by the dean, or the equivalent official, of each school or college of agriculture of the colleges or universities in the State; and

"(D) the director of the State agency responsible for extension services for the State.

"(3) APPOINTMENT OF REPRESENTATIVES OF STATEWIDE ORGANIZATIONS BY THE GOVERNOR IN CERTAIN CASES.—(A) If there is no statewide association or organization described in subparagraphs (C), (D), (E), (F), (G), (H), (I), (K), (L), or (M) of paragraph (1) of the entities described in such subparagraph, the Governor of the State will appoint an individual to fill the position or positions, as the case may be, described in the applicable subparagraph from among nominations submitted by local groups of such entities.

"(B) If there is more than one of the statewide associations or organizations described in subparagraphs (C), (D), (E), (F), (G), (H), (I), (K), (L), or (M) of paragraph (1) of the entities described in such subparagraph, the Governor shall select which organization shall name a member. The Governor shall rotate such selection among such associations or organizations such that a representative of the selected association or organization shall serve no more than two years before another such association or organization is selected by the Governor.

"(d) NOTIFICATION.—Each statewide organization that selects an individual to represent the organization on the panel shall

have notified the Governor of the State of the selection.

"(e) QUALIFICATIONS OF PANEL MEMBERS APPOINTED BY THE GOVERNOR.—Each individual appointed to the panel by the Governor of the State will be specially qualified to serve on the panel by virtue of the individual's technical expertise in business and community development.

"(f) VACANCIES.—A vacancy on the panel shall be filled in the manner in which the original appointment was made.

"(g) CHAIRPERSON AND VICE CHAIRPERSON.—The panel shall have selected two members of the panel who are not officers or employees of the United States to serve as the chairperson and vice chairperson of the panel for a term of one year.

"(h) NO COMPENSATION FOR FEDERAL MEMBERS.—Except as provided in section 360(c)(6), each member of the panel who is an officer or employee of the Federal Government may not receive any compensation or benefits, in addition to that which such officer or employee receives for performance of such officer or employee's regular employment, by reason of service on the panel.

"(i) RULES GOVERNING PANEL MEETINGS.—

"(1) QUORUM.—A majority of the members of the panel shall constitute a quorum for the purpose of conducting business of the panel.

"(2) FREQUENCY OF MEETINGS.—The panel shall meet not less frequently than quarterly.

"(3) FIRST MEETING.—The State coordinator shall schedule the first panel meeting.

"(4) RECORDS OF MEETINGS.—The panel shall keep records of the minutes of the meetings, deliberations, and evaluations of the panel, in sufficient detail to enable the panel to provide to interested persons the reasons for its actions.".

(b) CONFORMING AMENDMENT.—Section 306(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(3)) is amended by striking "and not inconsistent" and all that follows through "undertaken for the area".

SEC. 202. STATE REVOLVING FUNDS FOR LOANS TO VERY SMALL BUSINESS VENTURES.

(a) IN GENERAL.—On the request of a State rural economic development review panel specified in section 361 of the Consolidated Farm and Rural Development Act, the Secretary may, during one and only one fiscal year, as specified by the panel, make funds available, from the funds available to provide grants to the State in the respective fiscal year for designated rural devlopment programs, to a State agency designated by the Governor of the State for the capitalization of a revolving fund to finance and facilitate startup or expansion of private very small businesses in the State. Such funds, once made available, shall remain available for so long as such funds are used in accordance with this section.

(b) AMOUNT MADE AVAILABLE.—(1) GENERAL FORMULA.—The amount that may be made available under subsection (a) to the revolving fund of a State in a fiscal year shall be an amount equal to—

(A) the aggregate amount available to the State in the fiscal year for designated rural development programs (as defined in section 360(b)(2) of the Consolidated Farm and Rural Development Act); multiplied by

(B) a number determined in accordance with paragraph (2).

(2) DETERMINATION OF PERCENTAGE.—(A) IN GENERAL.—Subject to subparagraph (B), the State rural economic development review panel referred to in subsection (a) small determine the number described in paragraph (1)(B).

(B) LIMITATION.—The number determined under subparagraph (A) shall not exceed 0.25 per centum.

(c) MANAGEMENT OF REVOLVING FUND.—The State agency designated by the Governor of the State pursuant to subsection (a) shall manage, operate, and provide for the fiscal integrity of the revolving fund described in subsection (a).

(d) LOANS FROM REVOLVING FUND.—(1) DETERMINATION OF ELIGIBILITY OF APPLICANT FOR LOAN.—The State agency designated by the Governor of the State pursuant to subsection (a) shall—

(A) determine whether each applicant for a loan from the revolving fund described in subsection (a) is eligible for such a loan;

(B) transmit to the State rural economic development review panel referred to in subsection (a) any recommended application for a loan from the fund that has been submitted by an applicant who is eligible for such a loan; and

(C) make a loan from the fund to an applicant whose application is approved by the State rural economic development review panel referred to in subsection (a).

(2) REVIEW OF APPLICATION.—The State economic development review panel referred to in paragraph (1) shall—

(A) review each application for a loan from the revolving fund described in subsection (a) that is transmitted to the panel pursuant to this subsection; and

(B) determine whether or not to approve the application taking into account relevant factors, including—

(i) the extent to which the application is consistent with any area plan, as defined in section 360(b)(1) of the Consolidated Farm and Rural Development Act, accepted by such panel pursuant to section 361(b)(2) of such Act, for the area in which the project proposed by the application is to be implemented; and

(ii) the criteria set forth in sections 361(b)(3), (4) and (5) of the Consolidated Farm and Rural Development Act.

(e) USE OF FUND.—A State that receives funds under subsection (a) shall use such funds to make loans at prevailing interest rates—

(1) to enterprises described in subsection (a), directly or through intermediaries that have established programs for providing financial and technical assistance to local businesses; and

(2) for the capitalization of intrastate revolving loan funds.

(f) INTERPRETATION OF SECTION.—This section shall not be construed to prevent a State that receives funds under this section from commingling in the revolving fund described in subsection (a) amounts from other sources.

(g) DEFINITION.—For the purposes of this section the term "very small business" means any business having fewer than thirty employees.

TITLE III—ENHANCEMENT OF EXISTING RURAL DEVELOPMENT PROGRAMS

SEC. 301. REA TECHNICAL ASSISTANCE UNIT.

Title I of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) is amended by adding at the end the following:

"SEC. 17. TECHNICAL ASSISTANCE UNIT.

"(a) ESTABLISHMENT.—The Administrator shall establish a technical assistance unit to perform the duties described in subsection (b).

"(b) DUTIES.—The technical assistance unit established under subsection (a) shall—

"(1) provide advice and guidance to electric and telephone borrowers under this Act concerning the effective and prudent use by such borrowers of the investment authority under section 312 to promote rural development;

"(2) provide technical advice, troubleshooting, and guidance concerning the operation of programs or systems that receive assistance under this Act;

"(3) establish and administer various pilot projects through electric and telephone borrowers that the Administrator determines are useful or necessary, and recommend specific rural development projects for rural areas;

"(4) act as an information clearinghouse (using, to the extent practicable, the resources of the National Agricultural Library) and conduit to provide information to electric and telephone borrowers under this Act concerning useful and effective rural development efforts that such borrowers may wish to apply in their areas of operation and concerning State, regional, or local plans for long-term rural economic development;

"(5) provide information to electric and telephone borrowers under this Act concerning the eligibility of such borrowers to apply for financial assistance, loans, or grants from other Federal agencies and non-Federal sources to enable such borrowers to expand their rural development efforts; and

"(6) promote local partnerships and other coordination between borrowers under this Act and community organizations, States, counties, or other entities, to improve rural development.

"(c) FUNDING.—Not less than 3 per centum of the salaries and expenses of the Rural Electrification Administration shall be made available during each fiscal year to the technical assistance unit established in this section.".

SEC. 302. DEFERMENT OF PAYMENT ON ECONOMIC DEVELOPMENT LOANS.

Section 12 of the Rural Electrification Act of 1936 (7 U.S.C. 912) is amended by—

(1) inserting "(a)" before "The Administrator"; and

(2) adding at the end the following new subsection:

"(b)(1) The Administrator shall permit any borrower to defer the payment of principal and interest on any insured or direct loan made under this Act under circumstances described in this subsection, notwithstanding any limitation contained in subsection (a), except that such deferment shall not be permitted based on the determination of the Administrator of the financial hardship of the borrower.

"(2)(A) In the case of deferments made to enable the borrower to provide financing to local businesses, the deferment shall be repaid in equal installments, without the accrual of interest, over the sixty-month period beginning on the date of the deferment, and the total amount of such payments shall be equal to the amount of the payment deferred.

"(B) In the case of deferments made to enable the borrower to provide community development assistance, technical assistance to businesses, or similar community, business, or economic development assistance, the deferment shall be repaid in equal installments, without the accrual of interest, over the one hundred and twenty-month period beginning on the date of the deferment, and the total amount of such pay-

ments shall be equal to the amount of the payment deferred.

"(3)(A) A borrower may defer its debt service payments only in an amount equal to an investment made by such borrower as described in paragraph (2).

"(B) The amount of the deferment shall not exceed 50 per centum of the cost of financing or assistance provided under paragraph (2).

"(C) The total amount of deferments under this subsection during each of the fiscal years 1990 through 1993 shall not exceed 3 per centum of the total payments due during such fiscal year from all borrowers on direct and insured loans made under this Act and shall not exceed 5 per centum of such total payments due in each subsequent fiscal year.

"(D) At the time of a deferment, the borrower shall make a payment to a cushion of credit account established and maintained pursuant to section 313 in an amount equal to the amount of the payment deferred. The balance of such account shall not be reduced by the borrower below the level of the unpaid balance of the payment deferred. Subject to limitations established in annual appropriations Acts, such cushion of credit amounts and any other cushion of credit and advance payments of any borrower shall be included in the interest differential calculation under section 313(b)(2)(A).

"(4) The Administrator shall undertake all reasonable efforts to permit the full amount of deferments authorized by this subsection during each fiscal year.".

SEC. 303. WATER AND WASTE LENDING BY BANKS FOR COOPERATIVES.

(a) AUTHORIZATION.—Section 3.7 of the Farm Credit Act of 1971 (12 U.S.C. 2128) is amended by adding at the end the following:

"(f) The banks for cooperatives are authorized, for the purpose of the installation, expansion, or improvement of water facilities or systems or waste disposal facilities, to make and participate in loans and commitments and to extend other technical and financial assistance to—

"(1) cooperatives formed specifically for the purpose of establishing or operating such systems; and

"(2) rural municipalities having populations not in excess of twenty thousand inhabitants, if the proceeds from such loans are used to expand existing water or waste facilities in such municipalities, to enhance the economic development of such municipalities, or to address health-related problems of the inhabitants of such municipalities.".

(b) CONFORMING CHANGE.—Section 3.8(b)(1) of the Farm Credit Act of 1971 (12 U.S.C. 2129(b)(1)) is amended by adding at the end the following:

"(D) Any cooperative or municipality described in section 3.7(f).".

SEC. 304. AMENDMENTS TO THE BUSINESS AND INDUSTRY LOAN PROGRAM.

Section 310B(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)) is amended by—

(1) inserting before the first sentence the following: "The Secretary may also make and insure loans to small and very small rural businesses to assist in the startup and expansion of such businesses that have presented an application for a business project meeting the criteria established under section 361(b)(3)(A) to the applicable State rural economic development review panel defined in section 360(b)(7).";

(2) striking "$25,000,000" and inserting "$5,000,000"; and

(3) adding at the end the following: "The primary purpose of the program established under this subsection shall be to assist small and very small rural businesses, as provided in the first sentence of this subsection. For the purposes of this section, the term 'very small business' means a business having fewer than 30 employees; and the term 'small business' shall not be defined in such a manner as to be inconsistent with the definition of such term established by the Small Business Administration pursuant to section 112(b) of Public Law 94-305 (15 U.S.C. 632).".

SEC. 305. WATER OR WASTE DISPOSAL LOANS TO BENEFIT RURAL BUSINESSES.

Section 306(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(1)) is amended by inserting "rural businesses," after "farm laborers,".

SEC. 306. RURAL WASTEWATER TREATMENT CIRCUIT RIDER PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a national rural wastewater circuit rider grant program that shall be modeled after the existing National Rural Water Association Rural Water Circuit Rider Program that receives funding from the Farmers Home Administration.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $4,000,000 each fiscal year to carry out the program established under subsection (a).

SEC. 307. INCREASE ON LIMITATION OF AUTHORIZATION FOR WATER AND WASTE GRANTS.

Section 306(a)(2) of the Consolidated Farm and Rural Development Act is amended by striking ": Provided, That for fiscal years commencing after September 30, 1981, such grants may not exceed $154,900,000 in any fiscal year".

TITLE IV—RURAL DEVELOPMENT INFORMATION SHARING AND TECHNOLOGY TRANSFERS

SEC. 401. RURAL DEVELOPMENT INFORMATION SHARING.

Section 306(a)(12)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(12)(A)) is amended by inserting ", that shall be located in the National Agricultural Library," after "establish a system".

SEC. 402. RURAL TECHNOLOGY GRANTS.

(a) AUTHORIZATION.—Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is amended by striking subsection (f) and inserting the following:

"(f)(1) The Secretary shall make grants under this subsection to nonprofit institutions for the purpose of enabling such institutions to establish and operate centers for rural technology or cooperative development.

"(2) Any nonprofit institution seeking a grant under paragraph (1) shall submit to the Secretary an application containing a plan for the establishment and operation by such institution of a center for rural technology or cooperative development. The Secretary may approve such application if such plan contains the following:

"(A) A provision that substantiates that such center will effectively serve rural areas in the United States.

"(B) A provision that the primary objective of such center will be to improve the economic condition of rural areas by promoting the development (through technological innovation or cooperative development and the adaptation of existing technology) and commercialization of—

"(i) new services and products that can be produced or provided in rural areas;

"(ii) new processes that can be utilized in the production of products in rural areas; and

"(iii) new enterprises that can add value to on-farm production through processing or marketing.

"(C) A description of the activities that such center will carry out to accomplish such objective. Such activities may include the following:

"(i) Programs for technology research, investigations, and basic feasibility studies in any field and discipline for the purpose of generating principles, facts, technical knowledge, new technology, or other information that may be useful to rural industries, cooperatives, agribusinesses, and other persons or entities in rural areas served by such centers in the development and commercialization of new products, processes, or services.

"(ii) Programs for the collection, interpretation, and dissemination of existing principles, facts, technical knowledge, new technology, or other information that may be useful to rural industries, cooperatives, agribusinesses, and other persons in rural areas served by the center in the development and commercialization of new products, processes, or services.

"(iii) Programs providing training and instruction for individuals residing in rural areas served by the center with respect to the development (through technological innovation, cooperative development, and adaptation of existing technology) and commercialization of new products, processes, or services.

"(iv) Programs providing loans and grants to individuals, small businesses, and cooperatives in rural areas served by the center for purposes of generating, evaluating, developing, and commercializing new products, processes, or services.

"(v) Programs providing technical assistance and advisory services to individuals, small businesses, cooperatives, and industries in rural areas served by the center for purposes of developing and commercializing new products, processes, or services.

"(vi) Programs providing research and support to individuals, small businesses, cooperatives, and industries in rural areas served by the center for purposes of developing new agricultural enterprises to add value to on-farm production through processing or marketing.

"(D) A description of the contributions that such activities are likely to make to the improvement of the economic conditions of the rural areas for which such center will provide services.

"(E) Provisions that such center, in carrying out such activities, will seek, where appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal Government, and State and local governments.

"(F) Provisions that such center—

"(i) will consult with any college or university administering any program under title V of the Rural Development Act of 1972 in the State in which such center is located; and

"(ii) will cooperate with such college or university in the coordination of such activities and such program.

"(G) Provisions that such center will take all practicable steps to develop continuing sources of financial support for such center, particularly from sources in the private sector.

"(H) Provisions for—

"(i) monitoring and evaluating such activities by the institution operating such center; and

"(ii) accounting for money received by such institution under this section.

"(I) Provisions that such center will provide for the optimal application of such technology and cooperative development in rural areas, especially those areas adversely affected by adverse agricultural economic conditions, through the establishment of demonstration projects and subcenters for—

"(i) rural technology development where the technology can be implemented by communities, community colleges, businesses, cooperatives, and other institutions; or

"(ii) cooperative development where such development can be implemented by cooperatives

to improve local economic conditions.

"(3) Grants made under paragraph (1) shall be made on a competitive basis. In making grants under paragraph (1), the Secretary shall give preference to grant applications providing for the establishment of centers for rural technology or cooperative development that—

"(A) can demonstrate the capability to transfer for practical application in rural areas the technology generated at such centers and the ability to commercialize products, processes, services, and enterprises in such rural areas;

"(B) will effectively serve in rural areas that have—

"(i) few rural industries and agribusinesses;

"(ii) high levels of unemployment or underemployment;

"(iii) high rates of out migration of people, businesses, and industries; and

"(iv) low levels of per capita income; and

"(C) will contribute the most to the improvement of economic conditions of rural areas.

"(4) As used in this subsection—

"(A) The term 'nonprofit institution' means any organization or institution, including an accredited institution of higher education, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(B) The term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the other territories and possessions of the United States.

"(g) In carrying out subsection (f), the Secretary may provide technical assistance to alleviate or prevent conditions of excessive unemployment or underemployment of persons residing in economically distressed rural areas that the Secretary determines have a substantial need for such assistance. Such assistance shall include planning and feasibility studies, management and operational assistance, and studies evaluating the needs for development potential of projects that increase employment and improve economic growth in such areas.

"(h) The Secretary may make grants to defray not to exceed 75 per centum of the administrative costs incurred by organizations and public bodies to carry out projects for which grants or loans are made under subsection (f). For purposes of determining the non-Federal share of such costs, the Secretary shall consider contributions in cash and in kind, fairly evaluated, including but not limited to premises, equipment, and services.".

(b) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To carry out section 310B (f) and (h) of the Consolidated Farm and Rural Development Act, there are authorized to be appropriated to the Secretary not to exceed $50,000,000 for each of the fiscal years 1991, 1992, and 1993.

TITLE V—RURAL BUSINESS AND LEADERSHIP TRAINING

SEC. 501. EXTENSION SERVICE RURAL BUSINESS AND LEADERSHIP TRAINING PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Section 1 of chapter 79 of the Act of May 8, 1914 (7 U.S.C. 341) is amended by—

(1) inserting "(a) AGRICULTURE, ENERGY AND HOME ECONOMICS EXTENSION WORK.—" before "In order to aid"; and

(2) adding at the end the following:

"(b) RURAL DEVELOPMENT EXTENSION WORK.—(1) NATIONAL PROGRAM.—The Secretary of Agriculture shall establish a national program, to be administered by the Extension Service, to provide rural citizens with training in, technical and management assistance regarding, and educational opportunities to enhance their knowledge of—

"(A) beginning new businesses through entrepreneurship;

"(B) the procedures necessary to establish new businesses in rural areas;

"(C) self-employment opportunities in rural areas;

"(D) the uses of modern telecommunications and computer technologies;

"(E) business and financial planning; and

"(F) such other training, assistance, and educational opportunities as the Secretary determines are necessary to carry out the program established under this subsection.

"(2) LEADERSHIP ABILITIES.—The program established pursuant to this subsection shall provide assistance designed to increase the leadership abilities of residents in rural areas. Such assistance shall include—

"(A) information relative to the development of community goals;

"(B) instruction regarding the methods by which State or Federal funding for rural development projects might be obtained;

"(C) instruction regarding the successful writing of applications for loan or grant funds from government and private sources;

"(D) an updated listing of State, Federal, and other economic development programs available to rural areas; and

"(E) such other training, information, and assistance as the Secretary determines necessary to increase the leadership abilities of residents in rural areas.

"(3) CATALOG OF PROGRAMS.—In order to facilitate the program established under this subsection, the extension service in each State should develop, maintain, and provide to each community, and make accessible to any other interested party, a catalog of available State, Federal, or private programs that provide leadership training or other information or services similar or complementary to the training or services required by this subsection. Such catalog should include, at a minimum, the following entities within the State that provide such training or services:

"(A) any rural electric cooperative;

"(B) any nonprofit company development corporation;

"(C) any economic development district that serves a rural community;

"(D) any nonprofit subsidiary of any private entity;

"(E) any nonprofit organization whose principal purpose is to promote economic development in rural areas;

"(F) any investor or publicly owned electric utility;

"(G) any small business development center or small business investment company;

"(H) any regional development organization;

"(I) any vocational or technical school;

"(J) any Federal, State or local government agency or department; and

"(K) any other entity that the Secretary deems appropriate.

The extension service in each State should include in the catalog information relative to the specific training or services provided by each entity in the catalog.

"(4) EMPLOYEE TRAINING.—The Secretary shall provide training for State extension service employees to ensure that such employees understand the availability of rural development programs in their respective States and the availability of Extension Service staff qualified to provide to rural citizens and to State extension staff training and materials for technical, management, and educational assistance required by this subsection.".

(b) COORDINATION OF ASSISTANCE.—The Secretary shall ensure, to the extent practicable, that assistance provided under subsection (a) is coordinated with and delivered in cooperation with similar services or assistance provided by other Federal agencies or programs for rural residents.

TITLE VI—RURAL ECONOMIC DEVELOPMENT RESEARCH

SEC. 601. RESEARCH ON NONTRADITIONAL USES OF AGRICULTURAL COMMODITIES.

The Secretary shall establish a program of competitive grants, to be administered in conjunction with the activities required under subtitle C of title XIV of the Food Security Act of 1985 (7 U.S.C. 4701 et seq.), for the purpose of conducting research on nonfood, nonfeed uses of agricultural commodities. The Secretary shall give priority in the awarding of grants under this section to research projects that the Secretary determines have the potential for developing new products from or processes for agricultural commodities that may be commercially implemented by small businesses.

SEC. 602. AUTHORIZATION OF RURAL DEVELOPMENT RESEARCH COMPETITIVE GRANTS.

The Secretary shall establish a program of competitive grants for the purpose of encouraging research and analysis of the social, economic, and other factors influencing the economic vitality of rural areas. Priority in the award of such grants to projects designed to research methods by which the social and economic vitality of rural areas can be enhanced.

SEC. 603. DEMONSTRATION PROJECTS.

The Secretary shall establish a program of competitive grants to rural areas to serve as demonstration areas for rural economic development and as models of such development for other areas. In awarding such grants the Secretary shall favorably consider a request for funds from a rural area that the Secretary determines—

(1) demonstrates the ability to supplement the grant funds provided under this section with other funds from State, local, or private sources;

(2) demonstrates the ability to use the grant funds to increase employment in the area; and

(3) can successfully serve as a demonstration area to share the results of the project to the benefit of other rural areas in the region.

TITLE VII—RURAL ELECTRIFICATION PROVISIONS

SEC. 701. SHORT TITLE; AMENDMENT OF RURAL ELECTRIFICATION ACT OF 1936.

(a) SHORT TITLE.—This title may be cited as the "Rural Telecommunications Improvements Act of 1990".

(b) AMENDMENT OF RURAL ELECTRIFICATION ACT OF 1936.—Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Rural Electrification Act of 1936.

SEC. 702. FINDINGS; STATEMENT OF POLICY.

(a) FINDINGS.—The Congress finds that—

(1) making modern telecommunications technology and services available in rural areas in the United States promotes economic development and improves the quality of life in rural areas; and

(2) the efficient operation of the Rural Telephone Bank and the Rural Electrification Administration telephone loan programs is essential to the continued development of the telecommunications infrastructure in rural areas in the United States.

(b) STATEMENT OF POLICY.—It is the policy of the Congress that the Rural Telephone Bank and the Rural Electrification Administration make loans that facilitate the development and enhancement of the rural telecommunications infrastructure in order to make modern telecommunications technology and services available at reasonable rates to the greatest practicable number of people in rural areas in the United States.

Subtitle A—Amendment to Title I of the Rural Electrification Act of 1936

SEC. 711. GENERAL PROHIBITIONS.

Title I (7 U.S.C. 901 et seq.) is amended by adding at the end the following:

"SEC. 18. GENERAL PROHIBITIONS.

"The Administrator and the Governor of the telephone bank shall not—

"(1) deny or reduce any loan or loan advance under this Act based on a borrower's level of general funds; or

"(2) make any loan or grant, or provide any guarantee, under this Act to any borrower of a telephone loan (or any subsidiary or affiliate of such a borrower) for electric service to others, or to any borrower of an electric loan (or any subsidiary or affiliate of such a borrower) for telephone service to others (except that this prohibition shall not apply to loans, grants, or guarantees for telephone service between the borrower and others) unless—

"(A) the borrower has obtained a certificate of convenience and necessity from, or otherwise obtained the consent of, the State regulatory authority with jurisdication over the provision of such service; and

"(B) the Administrator or the Governor, as the case may be, has determined (and set forth the reasons therefor in writing) that such loan or grant will not be used to duplicate any lines, facilities, or systems.".

Subtitle B—Amendments Relating to Title II of the 1936 Act

SEC. 721. NONDUPLICATION OF TELEPHONE FACILITIES.

(a) IN GENERAL.—Section 201 (7 U.S.C. 922) is amended by striking the last sentence and inserting "The Administrator and the Governor of the telephone bank shall not make or guarantee a loan, or make a grant, for telephone purposes under this Act if the loan, guarantee, or grant would result in the duplication of lines, facilities, or systems that provide reasonably adequate service. For purposes of this Act, the term 'duplication' does not include upgrading.".

(b) CONFORMING AMENDMENT.—Section 408(b)(5) (7 U.S.C. 948(b)(5)) is amended by striking the 2nd sentence.

SEC. 722. UPDATED DEFINITION OF TELEPHONE SERVICE.

Section 203(a) (7 U.S.C. 924(a)) is amended—

(1) by inserting "or reception" after "transmission";

(2) by inserting "data," after "voice,"; and

(3) by striking "through the use of electricity between the transmitting and receiving apparatus" and inserting "by wire, fiber, radio, light, or other visual or electromagnetic means".

SEC. 723. LOAN FEASIBILITY.

Title II (7 U.S.C. 922 et seq.) is amended by adding at the end the following:

"SEC. 204. LOAN FEASIBILITY.

"The Administrator and the Governor of the telephone bank may not, as a condition of making a telephone loan to an applicant therefor, require the applicant to—

"(1) increase the rates charged to the applicant's customers or subscribers; or

"(2) increase the applicant's ratio of—

"(A) net income or margins before interest; to

"(B) the interest requirements on all of the applicant's outstanding and proposed loans.".

SEC. 724. ENCOURAGEMENT OF INVESTEMENT BY TELEPHONE BORROWERS IN RURAL DEVELOPMENT PROJECTS.

Title II (7 U.S.C. 922 et seq.) is amended by adding after the section added by section 723 of this title the following:

"SEC. 205. CERTAIN RURAL DEVELOPMENT INVESTMENTS BY QUALIFIED TELEPHONE BORROWERS NOT TREATED AS DIVIDENDS OR DISTRIBUTIONS.

"(a) IN GENERAL.—The Administrator and the Governor of the telephone bank shall not—

"(1) treat any amount invested by any qualified telephone borrower for any purpose described in section 607(c)(2) of the Rural Development Act of 1972 (including any investment in, or extension of credit, guarantee, or advance made to, an affiliated company of the borrower, that is used by such company for such a purpose) as a dividend or distribution of capital to the extent that, immediately after such investment, the aggregate of such investments does not exceed ⅓ of the net worth of the borrower; or

"(2) require a qualified telephone borrower to obtain the approval of the Administrator or the Governor of the telephone bank in order to make an investment described in paragraph (1).

"(b) QUALIFIED TELEPHONE BORROWER DEFINED.—As used in subsection (a), the term 'qualified telephone borrower' means a person—

"(1) to whom a telephone loan has been made or guaranteed under this Act; and

"(2) whose net worth is at least 20 percent of the total assets of such person.".

SEC. 725. IMPROVEMENTS IN TELEPHONE PROGRAM.

Title II (7 U.S.C. 922 et seq.) is amended by adding after the sections added by sections 723 and 724 of this title the following:

"SEC. 206. GENERAL DUTIES AND PROHIBITIONS.

"(a) DUTIES.—The Administrator and the Governor of the telephone bank shall—

"(1) notwithstanding section 553(a)(2) of title 5, United States Code, cause to be published in the Federal Register, in accordance with subsections (b) through (e) of section 553 of such title, all rules, regulations, bulletins, and other written policy standards governing the operations of the telephone loan and loan guarantee programs administered under this Act;

"(2) in evaluating the feasibility of a telephone loan to be made to a borrower for telephone services, use the depreciation rates used to compile the most recent report of the borrower's operations filed by the borrower with the Rural Electrification Administration, or, in the absence of such a report, the rates used by the borrower to calculate depreciation expenses in the most recent return to Federal income taxes (including information returns) filed by the borrower with the Internal Revenue Service; and

"(3) make loans for all purposes for which telephone loans are authorized under section 201 or 408, to the extent of qualifying applications therefor.

"(b) PROHIBITIONS.—The Administrator and the Governor of the telephone bank shall not—

"(1) rescind an insured telephone loan, or a Rural Telephone Bank loan, made under this Act without the consent of the borrower, unless all of the purposes for which telephone loans have been made to the borrower under this Act have been accomplished with funds provided under this Act;

"(2) regulate the order or sequence of advances of funds under telephone loans made under this Act to any borrower who has received any combination of telephone loans from the Rural Electrification Administration, the Rural Telephone Bank, or the Federal Financing Bank; or

"(3) deny a loan or advance to, or take any other adverse action against, an applicant for, or a borrower of, a telephone loan under this Act for any reason that is not based on a rule, regulation, bulletin, or other written policy standard that has not been published pursuant to section 553 of title 5, United States Code.".

SEC. 726. PROMPT PROCESSING OF TELEPHONE LOANS.

Title II (7 U.S.C. 922 et seq.) is amended by adding after the sections added by sections 723, 724, and 725 of this title the following:

"SEC. 207. PROMPT PROCESSING OF TELEPHONE LOANS.

"Within ten days after the end of the second and fourth calendar quarters of each year, the Administrator shall submit to the Committee on Agriculture and the Committee on Appropriations of the House of Representatives, and to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations of the Senate, a report—

"(1) identifying each completed application for a telephone loan under section 305, a guarantee of a telephone loan under section 306, or a loan under section 408, that has not been finally acted upon within ninety days after the date the completed application is submitted; and

"(2) stating the reasons for the failure to finally act upon the completed applications within such ninety-day period.".

Subtitle C—Amendments Relating to Title III of the 1936 Act

SEC. 731. CREATION OF SEPARATE ELECTRIC AND TELEPHONE ACCOUNTS WITHIN RURAL ELECTRIC AND TELEPHONE REVOLVING FUND.

Section 302 (7 U.S.C. 932) is amended by adding at the end the following:

"(c)(1) The Administrator shall maintain two separate accounts within the fund, which shall be known as the electric account and the telephone account, respectively.

"(2)(A) The Administrator shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to electrification loan operations in the electric account.

"(B) The Administrator shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to telephone loan operations in the telephone account.

"(3)(A) The assets accounted for in the electric account shall be available solely for electrification loan operations under this Act.

"(B) The assets accounted for in the telephone account shall be available solely for telephone loan operations under this Act (other than under title IV).".

SEC. 732. BORROWERS TO DETERMINE AMORTIZATION PERIOD FOR INSURED TELEPHONE LOANS.

Section 309 (7 U.S.C. 940) is amended by—

(1) designating the current section as subsection (a); and

(2) adding at the end the following:

"(b) The term of any telephone loan made under this title shall be determined by the borrower at the time the loan is made.".

SEC. 733. TIER REQUIREMENT FOR INSURED TELEPHONE LOANS.

Section 305 (7 U.S.C. 935) is amended by adding at the end the following:

"(d) The Administrator shall make a telephone loan under this title to an applicant therefor who is otherwise qualified to receive such a loan at the highest interest rate (but not less than the lowest interest rate, nor higher than the highest interest rate, specified in subsection (b)) at which the borrower would be capable of producing net income or margins before interest payments of at least 100 per centum (but not more than 150 per centum) of the interest requirements on all of the applicant's outstanding and proposed loans.".

SEC. 734. CLARIFICATION OF TELEPHONE LOAN GUARANTEE AUTHORITY.

Section 306 (7 U.S.C. 936) is amended by inserting after the first sentence the following new sentence: "The Administrator shall not provide such assistance to any borrower of a telephone loan under this Act unless the borrower specifically applies for such assistance.".

Subtitle D—Amendments Relating to Title IV of the 1936 Act

SEC. 741. MODIFICATION OF RURAL TELEPHONE BANK BOARD.

(a) IN GENERAL.—Section 405 (7 U.S.C. 945) is amended by striking all that precedes subsection (g) and inserting the following:

"SEC. 405. BOARD OF DIRECTORS.

"(a) IN GENERAL.—The management of the telephone bank, within the limitations prescribed by law, shall be vested in a board of directors (in this title referred to as the Telephone Bank Board).

"(b) MEMBERSHIP.—The Telephone Bank Board shall consist of thirteen individuals, as follows:

"(1) PRESIDENTIAL APPOINTEES.—The President shall appoint seven individuals to serve on the Telephone Bank Board who shall serve at the pleasure of the President—

"(A) five of whom shall be officers or employees of the Department of Agriculture and not officers or employees of the Rural Electrification Administration; and

"(B) two of whom shall be from the general public and not officers or employees of the Federal Government.

"(2) COOPERATIVE MEMBERS.—The cooperative-type entities, and organizations controlled by such entities, that hold class B or class C stock shall elect three individuals to serve on the Telephone Bank Board for a term of two years, by a plurality vote of the stockholders voting in the election.

"(3) COMMERCIAL MEMBERS.—The commercial-type entities, and the organizations controlled by such entities, that hold class B or class C stock shall elect three individuals to serve on the Telephone Bank Board for a term of two years, by a plurality vote of the stockholders voting in the election.

"(c) ELECTIONS.—(1) VALIDITY.—An election under paragraph (2) or (3) of subsection (b) shall not be considered valid unless a majority of the stockholders eligible to vote in the election have voted in the election.

"(2) BALLOTING.—Balloting in an election under paragraph (2) or (3) of subsection (b) shall be conducted by mail pursuant to the procedures authorized in the bylaws of the telephone bank.

"(3) NO CUMULATIVE VOTING.—Cumulative voting shall not be permitted in any election under paragraph (2) or (3) of subsection (b).

"(d) COMPENSATION.—(1) IN GENERAL.—Except as provided in paragraph (2), each member of the Telephone Bank Board shall receive $100 per day for each day or part thereof, not to exceed fifty days per year, spent in the performance of their official duties, and shall be reimbursed for travel and other expenses in such manner and subject to such limitations as the Telephone Bank Board may prescribe.

"(2) EXCEPTIONS.—The five members of the Telephone Bank Board appointed under subsection (b)(1)(A) shall not receive compensation by reason of their service on the Telephone Bank Board.

"(e) SUCCESSION.—A member of the Telephone Bank Board may serve after the expiration of the term of office of such member until the successor for such member has taken office.

"(f) CHAIRPERSON.—The members of the Telephone Bank Board shall elect one of such members to be the Chairperson of the Board, in accordance with the bylaws of the telephone bank. The Chairperson shall preside at all meetings of the Board and may vote on a matter before the Board unless the vote would result in a tie vote on the matter.".

(b) CONFORMING AMENDMENTS.—Section 405 (7 U.S.C. 945) is amended—

(1) in subsection (g) by striking "(g) The" and inserting "(g) BYLAWS.—The";

(2) in subsection (h) by striking "(h) The" and inserting "(h) MEETINGS.—The"; and

(2) in subsection (i) by striking "(i) The" and inserting "(i) ANNUAL REPORT.—The".

(c) APPLICABILITY OF SUNSHINE ACT.—Section 405 (7 U.S.C. 945) is amended by adding at the end the following:

"(j) OPEN MEETINGS.—For purposes of section 552b of title 5, United States Code, the Telephone Bank Board shall be treated as an agency within the meaning of subsection (a)(1) of such section.".

SEC. 742. RURAL TELEPHONE BANK CAPITALIZATION.

Section 406(a) (7 U.S.C. 946(a)) is amended in the second sentence by striking "but not later than fiscal year 1991".

SEC. 743. PRO RATA PURCHASE OF RURAL TELEPHONE BANK STOCK BY RURAL TELEPHONE BANK BORROWERS.

The second sentence of section 406(d) (7 U.S.C. 946(d)) is amended by inserting ", by paying an amount equal to 5 per centum of the amount of each loan advance, at the time of such advance" before the period.

SEC. 744. CLARIFICATION OF AUTHORITY TO SET RURAL TELEPHONE BANK LOAN LEVELS.

Section 408(a) (7 U.S.C. 948(a)) is amended by striking "is authorized on behalf of the telephone bank to make loans," and inserting "shall make loans on behalf of the telephone bank, to the extent that there are qualifying applications therefor, subject only to limitations as to amounts authorized for loans and advances as may be imposed by law enacted by the Congress of the United States for loans to be made in any one year, and".

SEC. 745. BORROWERS TO DETERMINE AMORTIZATION PERIOD FOR RURAL TELEPHONE BANK LOANS.

Section 408 (7 U.S.C. 948) is amended by adding at the end the following:

"(d)(1) Except as provided in paragraph (2), the term of any loan made under this title shall be determined by the borrower at the time the loan is made.

"(2) The term of any loan made under this title shall not exceed the maximum term for which a loan may be made under section 4.".

SEC. 746. FULL USE OF RURAL TELEPHONE BANK LOAN AUTHORITY.

Section 412 (7 U.S.C. 950b) is amended to read as follows:

"SEC. 412. FULL USE OF TELEPHONE BANK LOAN AUTHORITY.

"(a) FULL USE.—(1) IN GENERAL.—If an appropriations Act authorizes the telephone bank to make loans in a fiscal year and such Act requires that, within available resources and available authority, gross obligations for the principal amount of such loans be not less than a specified amount and not more than a different specified amount, the Governor of the telephone bank shall obligate for such loans for such fiscal year, to the extent of qualifying applications therefor and without regard to nonstatutory quotas or other restrictions that may be sought to be imposed by or within the executive branch of the Federal Government, all unobligated funds available to the Governor to the extent such unobligated funds do not exceed the greater of such specified amounts.

"(2) SPECIAL RULE.—Notwithstanding paragraph (1), until all unobligated funds available to the Governor of the telephone bank for any fiscal year before fiscal year 1990 have been expended, the Governor shall obligate for loans under this title, to the extent of qualifying applications therefor and without regard to nonstatutory quotas or other restrictions that may be sought to be imposed by or within the executive branch of the Federal Government, all unobligated funds available to the Governor.

"(b) RELATION TO OTHER LAW.—No subsequent statute may be held to supersede or modify this section, except to the extent that it does so expressly.".

SEC. 747. TECHNICAL AMENDMENTS RELATING TO THE RURAL TELEPHONE BANK PROVISIONS OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1987.

(a) SECTION 406(h) AMENDMENTS.—Section 406(h) (7 U.S.C. 946(h)) is amended—

(1) by inserting after the second sentence "All amounts so transferred shall not be transferred, directly or indirectly, to the reserve for contingencies."; and

(2) by striking "Rural Telephone Bank Borrowers Fairness" and inserting "Omnibus Budget Reconciliation".

(b) SECTION 408(b)(3) AMENDMENTS.—Section 408(b)(3) (7 U.S.C. 948(b)(3)) is amended—

(1) in subparagraphs (B), by striking "paragraph" and inserting "subparagraph";

(2) in subparagraph (D)(ii), by adding at the end the following: "For purposes of the calculation under this subparagraph, such rate shall be zero."; and

(3) in subparagraph (E), by striking "subparagraph" the second place such term appears and inserting "paragraph".

Subtitle E—Effective Date

SEC. 751. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title shall take effect on the date of the enactment of this title.

(b) TECHNICAL AMENDMENTS.—The amendments made by section 747 of this title shall take effect as if such amendments had been included in chapter 2 of subtitle D of title I of the Omnibus Budget Reconciliation Act of 1987 on the date of the enactment of such chapter.

The CHAIRMAN pro tempore. No amendments to said substitute, except pro forma amendments for the purpose of debate, are in order today except those printed in the CONGRESSIONAL RECORD on or before Wednesday, March 14, 1990.

AMENDMENTS OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer technical amendments to title II and title VII.

The Clerk read as follows:

Amendments offered by Mr. DE LA GARZA:

(1) On page 11, line 10, strike "on the first day of the fiscal year immediately following the enactment of this Act" and insert "October 1, 1991."

(2) On page 15—

(A) line 11, insert "(A) REQUIREMENTS.—" before "The term";

(B) strike line 12 through line 14 and insert the following: "means, with respect to a fiscal year, a State with respect to which all of the following apply not later than the first day of the fiscal year:"

(C) line 15, strike "(A) and insert "(i)";

(D) line 20, strike "(B)" and insert "(ii)";

(E) line 23, strike "(i)" and insert "(I)"; and

(F) line 24, strike "subparagraph (A)" and insert "clause (i)".

(3) On page 16—

(A) line 1, strike "(ii)" and insert "(II)";

(B) line 7, strike "(C)" and insert "(iii)";

(C) line 11, strike "subparagraph (A)" and insert "clause (i)"; and

(D) after line 12, insert the following:

"(B) GOOD FAITH EXCEPTION.—Notwithstanding the requirements of subparagraph (A), the Secretary of Agriculture may determine, no later than the first day of the fiscal year, a State to be an eligible State under this paragraph for the fiscal year if the Secretary determines that the State has made a good faith effort to meet, and has substantially met, such requirements.".

(4) On page 18—

(A) line 19, strike "and"; and

(B) line 25, strike the period and insert "; and

"(8) appoint a member to the State rural economic development review panel as provided under section 361(c)(1)(P).".

(5) On page 32, after line 24, insert the following:

"(4) FAILURE TO APPOINT PANEL MEMBERS.—The failure of the Governor, the Secretary of Agriculture, or an association or organization described in subparagraph (C), (D), (E), (F), (G), (H), (I), (K), (L), or (M) of paragraph (1) to appoint a member to the panel as required under this subsection shall not prevent a State from being determined to be an eligible State as defined under section 360(b)(3).".

(1) On page 17, line 20 strike "great weight" and insert "consideration."

(2) On page 18, lines 4 and 5, strike "not assisting any project ranked higher in priority by the panel" and insert "that determination."

Page 64, strike line 8 and all that follows through line 17 and insert the following:

"(2) in evaluating the feasibility of a telephone loan to be made to a borrower for telephone services, use—

"(A) with respect to items for which the regulatory authority with jurisdiction over the provision of such services had approved the depreciation rates used by the borrower, such approved rates; and

"(B) with respect to other items, the average of the depreciation rates used by borrowers of telephone loans made under this Act;

"(3) annually determine and publish the average described in paragraph (2)(B); and".

Page 64, line 18, strike "(3)" and insert "(4)".

Page 67, line 18, strike "is made" and insert "application if submitted".

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read, considered en bloc, and printed in the RECORD.

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

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, the three technical amendments are one.

The first amendment is to change the effective date of section 201 of the bill to October 1, 1991. This amendment is designed to afford the States the time necessary to comply with the requirements of the act, rather than say at the time of enactment.

The second amendment satisfies the Department of Justice's constitutional objections to title 2 of the bill.

The third amendment, Mr. Chairman, I am offering at the request of the administration. This amendments strikes language in the bill regarding the depreciation rates used by REA to evaluate telephone loans and in certain language that the depreciation rates used will be those of either the appropriate regulatory body or the average of all similar REA borrowers. That is an explanation of the three amendments.

Mr. COLEMAN of Missouri. Mr. Chairman, I rise in support of the amendments.

I just want to point out there may be some discussion later on the amendment about the constitutional issue the chairman mentioned, that by this amendment the State Review Panel's recommendations, the Secretary shall look at those and take consideration of what the recommendations are.

I think this meets the constitutional question, if there was one, and so this should no longer be an issue. It should be fully understood that the State Review Panel recommendations are advisory, and that the Secretary take them into consideration. That is the extent of the role. There is no constitutional issue now in this bill, if one ever thought there would be.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendments were agreed to.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 3581, the Rural Development Act of 1989. I would commend the leadership of the House Agriculture Committee, especially the distinguished subcommittee chairman, the gentleman from Oklahoma [Mr. ENGLISH] and ranking minority member, the gentleman from Missouri [Mr. COLEMAN], for bringing this legislation to the floor. Economic development is crucial to the survival and vitality of rural areas throughout America. Greater employment, social, academic and entertainment opportunities presented by our cities and urban areas continue to encourage outmigration of rural residents.

H.R. 3581 will help improve the rural development process by increasing the involvement and responsibility of rural residents in development projects, and enable them to concentrate on those issues necessary to improve opportunities in rural areas.

Without an active commitment by rural residents, development cannot be successful. H.R. 3581, provides strong encouragement to rural residents for proposing and prioritizing development projects and applying limited Federal funds to best meet the needs and goals of their particular region. This grass roots, rather than top down approach, should be of considerable benefit to rural areas.

AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. STAGGERS:

Page 15, line 25, strike "and".

Page 16, line 6, strike the period and insert a semicolon.

Page 16, after line 6, insert the following:

"(iii) ensure that all rural residents in the State are informed about the manner in which assistance under designated rural development programs is to be provided to the State pursuant to this section and section 361;

"(iv) provide information to State residents, on request, about the manner in which assistance under designated rural development programs is to be provided to the State pursuant to this section and section 361; and

"(v) coordinate the efforts of interested rural residents with the State rural economic development review panel.

Mr. STAGGERS (during the reading). Mr. 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 West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Chairman, my congressional district is one of the most rural in the country. Because of the great impact these programs have on my constituents, this rural development bill has been my top legislative priority. I am proud of the efforts we, in the Subcommittee on Conservation, Credit, and Rural Development, have made to bring this legislation onto the floor today and applaud Chairman ENGLISH, Mr. COLEMAN, and Chairman DE LA GARZA in their fine work.

I have an amendment to this bill that is simple, but could be far reaching to the more remote and isolated communities in West Virginia and elsewhere in our Nation. This amendment applies some fine tuning to the rural development delivery system that is contained in the English-Coleman Rural Economic Development Act.

Last fall, I introduced the Rural Economic Sustainability Act of 1989. The purpose of that act was to provide for every state a USDA coordinator that would orchestrate a concerted effort to assist rural communities in developing plans for a long term sustainable economy with an emphasis on capturing the interest, energy and imagination of rural young people.

This concept of having a State coordinator was merged into the context of H.R. 3581. However, there is a missing piece in this aspect of the designated Rural Development Program. With so much of the funding criteria based on the applicants having the correct and complete program information, there needs to be a mechanism to funnel this basic information out to remote rural communities. There also needs to be a contact person and a focal point for rural residents who need information about this new program.

To structure an effective Rural Development Program, our focus should be focused on the grassroots community level. My amendment gives the State coordinator two basic additional tasks that will provide the missing mechanism to serve this function.

One of those would be to provide information to rural residents about the program, and the second task that the coordinator would have is to coordinate efforts of the rural residents with the review panel.

I would urge all of the Members to support my amendment.

Mr. ENGLISH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to say that the gentleman from West Virginia has worked with the committee, and I want to commend him for the fine work he has done on this amendment. There is no question as far as incubators are concerned that they play a very important role with regard to rural development, and his particular proposal, I think without question, is one that is going to do much to enhance our overall efforts.

I also want to say that the gentleman from West Virginia is a member of the subcommittee and has made a substantial contribution to this legislation, and we deeply appreciate it.

He was kind enough to invite us to his home State to hold hearings, and much of the valuable information that was later translated into legislation originated at that hearing, so I want to say how much I appreciate his fine efforts.

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

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

Mr. COLEMAN of Missouri. Mr. Chairman, I also want to rise in support of the amendment. I think what the gentleman from West Virginia [Mr. STAGGERS] is trying to do is what we have done in the bill for the Federal Government is to give a focus to rural development activities within the Department of Agriculture. He has taken that one step further and closer to the people by providing these additional duties and focusing each State someplace to go, and I think that is very important that we recognize the need for this focusing and support his amendment to that extent.

Mr. ENGLISH. Reclaiming my time, I understand that the gentleman on this particular amendment on the coordinators and incubators is the amendment coming next, and that is a fine amendment as well.

The CHAIRMAN pro tempore (Mr. FROST). The question is on the amendment offered by the gentleman from West Virginia [Mr. STAGGERS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 35, line 4, insert ", and business incubators," after "businesses".

Page 38, after line 7, insert the following: (h) DEFINITION.—As used in this section, the term "business incubator" means a facility or management system which functions as an umbrella organization to provide new small businesses with shared support services, overhead expenses, and technical assistance.

Mr. STAGGERS (during the reading). Mr. 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 West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Chairman, I would like to introduce my second amendment to H.R. 3581. This is a very simple addition of two words to the language in section 202 that describes the State revolving loan fund. These two words are "business incubators."

A business incubator is a facility or a management system which functions as an umbrella organization to provide new small businesses with shared support services, overhead expenses, and technical assistance.

Rural incubators are gaining success in many parts of the United States. They share many resources, that is a valuable alternative for entrepreneurs who, alone, are faced with limited resources. They nurture young businesses that are trying to get off the ground in today's hyper-competitive business environment.

Rural incubators work, they promote resource sharing, and we should be promoting them. My amendment simply states that the term, "business incubators," will be included with the term "small business," in establishing what entities are eligible for loans under the State revolving Loan Program. Let us learn from success stories. I urge you to support my amendment.

Mr. WATKINS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I stand in support of the amendment offered by the gentleman from West Virginia [Mr. STAGGERS] and also the previous amendment.

Let me say title I on the reorganization of the USDA and establishing the Rural Development Administration, that was a bill, and part of bills, that I pushed for a number of years, because I think we have to distinguish between the rural development activities and agriculture for further emphasis on rural responsibilities.

My background is in agriculture. I have a couple of degrees in agriculture, but I realize that we cannot continue with just production emphasis alone, and that we have to be able to offer off-farm jobs in rural Oklahoma and rural America if these communities are going to survive. We have to have the kind of support from a rural development thrust that will allow us to bring more of the economic development activities into the USDA and that would support job development in rural America and rural Oklahoma.

In reference to the incubator amendment, it has been my opportunity over the last few years to piecemeal a program and build the first industrial incubators in rural America. I built those next to vo-tech schools in Oklahoma down in the Third Congressional District, and they have been very,

very much of a catalyst in helping us to attract some industry and also to attract the curiosity of chief executives to locate in rural areas who would not otherwise look at an economically distressed area of the country.

My congressional district was the ninth poorest district in the United States in the 1970 census, and as a result one of the major burning thrusts that I have had is to do some things to stimulate the economic growth.

I can share with my colleagues that as I have worked on industrial job development in rural Oklahoma and rural America, one of the things that without question first must be addressed is usually the financing. One must have financing in every case, and that is why I hope that this bill and the final bill approved by both Chambers will address the FmHA business and industry loans and make sure we have adequate dollars in this program. But without question, also, the No. 2 thing that most of the industrial prospects look at is: Is there an existing building, is there a facility out in those rural communties where a business can be located? In most cases, our rural communities do not have a speculative building or an industrial-type structure, but an incubator can be built and provided, that will lend itself to the kind of facility that many of the prospects are looking for in their search.

In fact, while working with the industrial people of an investor-owned utility, the Oklahoma Gas & Electric Co., I had said that 90 percent of the prospects are looking for a building, and they corrected me and said 87 percent of the industrial prospects are looking for an existing building. I was not off the mark by very far, only 3 percent.

Incubators are very, very important if we are going to revitalize some of the areas of this great Nation of ours and allow them to have some kind of opportunity for off-farm jobs, and I think this is what this bill is all about.

I have visited with my good colleague, the gentleman from Oklahoma [Mr. ENGLISH], whose leadership has provided a great deal of input into this bill and the structure of this bill, and I have said to my good colleague from Oklahoma, the rural development bill must be a thrust toward off-farm jobs. I have visited with the gentleman from Missouri about this. I share with people across my district and across the State: Back during the Depression days, history tells us that 85 percent of the people in America were in production agriculture.

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Thirty years ago, when I served as a State president of the Oklahoma FFA and I traveled across the State, I would say 18 percent of the people in this country were in the production of agriculture. Today we only have 2 percent of our people in the production of agriculture.

If we do not make a major thrust, and I would like to even have a Marshall plan to rebuild rural America, we are going to see a way of life, a value of life, totally destroyed in the next decade.

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

Mr. WATKINS. Mr. Chairman, I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I am glad the gentleman is on the floor and making a statement. Yesterday in my opening remarks I paid tribute to the gentleman from Oklahoma [Mr. WATKINS] and his contributions to rural economic development. Much of what the gentleman has done in the past 10 to 15 years I think has laid the foundation for what we are seeing transpire here today on the floor, and I want to commend the gentleman for it.

Too many times and too often during the good times in agriculture people did not pay any attention to trying to develop alternatives and diversify our economy. When the bad times came, there was nothing to catch them.

As the gentleman just recently said on the floor, it has got to be more than just production of agriculture. That is the tack and tone and direction of this legislation. It is nontraditional in approach. It is something new. It is perhaps bolder than some would like, but it is something that I think is going to work.

I just want to commend the gentleman from Oklahoma [Mr. WATKINS] for all his contributions to rural America over the years, and associate myself with his remarks.

Mr. ENGLISH. Mr. Chairman, I move to strike the last word.

I, too, want to commend the gentleman from Oklahoma [Mr. WATKINS] for the fine work he has done through the years. Certainly the gentleman has been known around Congress and Oklahoma as Mr. Rural Development. We appreciate the fine efforts the gentleman has put forth. There is no question that much that is in this legislation is from the thinking of the gentleman from eastern Oklahoma. We appreciate the fine work he has done, there is no question about that.

Let me say I think the concept of focusing on rural development and understanding the needs of rural development is one that needs to be underscored. We have in the past certainly had numerous rural development programs. However, we have never really had the focus specifically on rural development.

It has been I think considered and probably true to a great extent that the best rural development program is a good farm program. I think that in many of our rural communities that has been the case. Any time farm prices are up, the farmer is doing well, the rural community has done well. But as we have seen over the years, whenever times are tough, when times are bad and our farmers do not have a good price, then unfortunately the communities suffer, and they usually suffer to the point that they do not recover. That is when you see stores boarded up. That is when you see young people moving away, and those folks simply never come back, even when farm prices come back.

So we felt that it is vital, and I know the gentleman from Oklahoma [Mr. WATKINS] has long felt that it is extremely important that we focus on rural development for rural development's sake, and that the rural communities have the opportunity to continue in the future, even when farm prices are bad.

Mr. Chairman, we think that this legislation, given the very severe limitations that we have from a budget standpoint, will go a long way in providing rural communities that kind of an opportunity. For the first time we are really bringing all the forces, all the programs, not only on a Federal level, but the State and local level, together, and we are having people sit down and focus on the problems and focus on the communities to determine where it is that we can do the most and where we are going to be able to provide some good, where we are going to be able to give people an opportunity to continue to live in rural America and the young people have a future in rural America.

I think without question this legislation goes far. The amendment of the gentleman, as I stated earlier as far as incubators are concerned, there is no question that that is something that will play a very vital role. The revolving fund that is contained in the legislation, incubators is certainly intended to be a very important part of that. The amendment of the gentleman underscores that.

Mr. Chairman, I think that this is a very worthy contribution to this legislation, and I appreciate the help of the gentleman.

Mr. STAGGERS. Mr. Chairman, would the gentleman yield?

Mr. ENGLISH. Mr. Chairman, I would be happy to yield.

Mr. STAGGERS. Mr. Chairman, I do have to give the credit to the gentleman from Oklahoma [Mr. WATKINS], because he is really the founder of the incubators in rural America. It was not my idea. It does come from the hard work that the gentleman has done.

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

I wish at this time to engage the gentleman from Oklahoma [Mr. ENGLISH] in a colloquy concerning small business development centers.

The bill before us fundamentally restructures and redirects several programs at the Department of Agriculture. One issue which is of interest to me is a directive for the Agricultural Extension Service to provide management and technical assistance to our Nation's rural residents who aspire to run a successful small business. Is it the intention of the committee that the Secretary of Agriculture assure that such service and assistance does not duplicate already existing services provided through other Federal programs?

Mr. ENGLISH. That is correct. The committee seeks to assure that management and technical services are provided in geographic areas not currently served by existing Federal programs to the maximum practical extent. We do not seek to create competitive Federal programs whereby on one side of Main Street U.S.A. the Department of Agriculture offers a storefront assistance program and on the other side of the street some other Federal agency offers a similar service. It is in the best interests of rural development to make sure that the Federal agencies communicate and cooperate so that all rural areas will have access to assistance.

Mr. SKELTON. I thank the gentleman for his clarification. My particular interest is the Small Business Administration's Small Business Development Center Program. SBDC's, as they are known, are now in 49 States and in nearly 600 locations. In 1989, SBDC's counseled nearly 170,000 small businesses and conducted more than 11,000 training sessions for small businesses. The program is administered through the Small Business Administration which provides $50 million which is matched nearly 2 to 1 by States, universities, and the private sector. My point is that the SBDC program is a very substantial one which is providing a multitude of services to small businesses. I believe the Agricultural Extension Service can also be of assistance to small firms but I do not think it should duplicate SBDC services. To assure that, I would urge the Secretary of Agriculture to coordinate with the Administrator of the Small Business Administration to assure the best, most rational, nonduplicative use of Federal dollars.

Mr. ENGLISH. I thank my friend from Missouri. Oklahoma has a very strong SBDC. The purpose of this language is only to assure that small businesses now not having access to management and technical assistance receive such access.

Mr. SKELTON. I agree with my friend from Oklahoma and I greatly appreciate his clarification.

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

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

Mr. ENGLISH. Mr. Chairman, I would like to say that the gentleman from Missouri [Mr. SKELTON], the chairman of the Rural Caucus, has also contributed tremendously to this legislation and to the effort to bring Federal agencies together to make certain that we are able to focus our resources so that we do not have duplication. The jurisdiction of this committee is obviously restricted to that of the Department of Agriculture and those programs that come under our jurisdiction. The gentleman from Missouri has worked long and hard to make sure that those agencies outside the jurisdiction of the Committee on Agriculture are brought in and made to play a role. Certainly that will enhance our overall rural development effort and it enhances our chances of success in rural America.

Mr. Chairman, I want to commend the gentleman and thank him.

The CHAIRMAN pro tempore (Mr. FROST). The question is on the amendment offered by the gentleman from West Virginia [Mr. STAGGERS].

The amendment was agreed to.

□ 1250

Mr. ENGLISH. Mr. Chairman, I ask unanimous consent that title VIII be printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore (Mr. FROST). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The text of title VIII is as follows:

TITLE VIII—MISCELLANEOUS

SEC. 801. REGULATIONS.

Except as otherwise provided in this Act, no later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate such regulations as may be necessary to carry out this Act and the amendments made by this Act.

SEC. 802. LOAN RATES APPLICABLE TO CERTAIN LOANS UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

Section 307(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)) is amended by—

(1) in subparagraph (A) striking "guranteed" and inserting "guaranteed"; and

(2) adding at the end thereof the following new subparagraph:

"(C) Notwithstanding the provisions of subparagraph (A), the Secretary shall establish loan rates for health care and related facilities that shall be based solely on the income of the area to be served, and such rates shall be otherwise consistent with the provisions of such subparagraph.".

SEC. 803. ASSISTANCE FOR CERTAIN DISTRESSED COMMUNITY FACILITY PROGRAM BORROWERS.

(a) AMENDMENT.—The Consolidated Farm and Rural Development Act is amended by inserting after section 353 (7 U.S.C. 2001) the following new section:

"SEC. 353A. DEBT RESTRUCTURING AND LOAN SERVICING FOR COMMUNITY FACILITY LOANS.

"The Secretary shall establish and implement a program that is similar to the program established under section 353, except that the debt restructuring and loan servicing procedures shall apply to delinquent community facility program loans (rather than delinquent farmer program loans) made by the Farmers Home Administration to a hospital or health care facility under section 306(a).".

(b) REGULATIONS.—Not later than one hundred and twenty days after the date of enactment of this Act, the Secretary shall promulgate regulations, as modeled after those promulgated under such section 353, that implement the program established under this section.

SEC. 804. WATER AND WASTE FACILITY LOANS AND GRANTS TO ALLEVIATE HEALTH RISKS.

Subtitle A of the Consolidated Farm and Rural Development Act is amended by adding after section 306A (7 U.S.C. 1926a) the following new section:

"SEC. 306B. WATER AND WASTE FACILITY LOANS AND GRANTS TO ALLEVIATE HEALTH RISKS.

"(a) WATER AND WASTE FACILITY LOANS AND GRANTS TO ALLEVIATE HEALTH RISKS.—(1) The Secretary shall make or insure loans and make grants to rural water supply corporations, cooperatives, or similar entities, Indian tribes on Federal and State reservations and other federally recognized Indian tribes, and public agencies, to provide for the conservation, development, use, and control of water (including the extension or improvement of existing water supply systems), and the installation or improvement of drainage or waste disposal facilities and essential community facilities including necessary related equipment. Such loans and grants shall be available only to provide such water and waste facilities and services to communities whose residents face significant health risks, as determined by the Secretary, due to the fact that a significant proportion of the community's residents do not have access to, or are not served by, adequate affordable—

"(A) water supply systems; or

"(B) waste disposal facilities.

"(2) Loans made or insured or grants made under this section to rural water supply corporations, cooperatives, or similar entities, Indian tribes on Federal and State reservations and other federally recognized Indian tribes, or public agencies shall be made only if the loan or grant funds will be used primarily to provide water or waste services, or both, to residents of a county in which—

"(A) the per capita income of the residents of such county is less than or equal to 70 per centum of the national average per capita income, as determined by the Department of Commerce; and

"(B) the unemployment rate of the residents of such county is greater than or equal to 125 per centum of the national average unemployment rate, as determined by the Bureau of Labor Statistics.

"(b) LOANS TO INDIVIDUALS.—(1) The Secretary shall make or insure loans and make grants to individuals who reside in a com-

munity described in subsection (a)(1) for the purpose of extending water supply and waste disposal systems or connecting such systems to the residences of such individuals. Such loans shall be at a rate of interest no greater than the Federal Financing Bank rate on loans of a similar term at the time such loans are made. The repayment of such loans shall be amortized over the expected life of the water supply or waste disposal system to which the residence of the borrower will be connected.

"(2) The loans and grants to individuals authorized under paragraph (1) shall be made—

"(A) directly to such individuals by the Secretary; or

"(B) to such individuals through the rural water supply corporation, cooperative, or similar entity, or public agency, providing such water supply or waste disposal services, pursuant to regulations issued by the Secretary.

"(c) PREFERENCE.—The Secretary shall give preference in the awarding of loans and grants to—

"(1) rural water supply corporations, cooperatives, or similar entities, or public agencies, as provided under subsection (a), proposing to provide water supply or waste disposal services to the residents of those rural subdivisions commonly referred to as colonias, that are characterized by substandard housing, inadequate roads and drainage, and a lack of adequate water or waste facilities; and

"(2) individuals, as provided under subsection (b), who reside in a rural subdivision commonly referred to as a colonia, that is characterized by substandard housing, inadequate roads and drainage, and a lack of adequate water or waste facilities.

"(d) DEFINITION.—For the purposes of this section the term 'cooperative' means a cooperative formed specifically for the purpose of the installation, expansion, improvement, or operation of water supply or waste disposal facilities or systems.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated funds to carry out the purposes of this section as follows:

"(1) for grants as provided by this section, $30,000,000 per fiscal year; and

"(2) for loans as provided by this section, $30,000,000 per fiscal year.".

SEC. 805. PRESERVATION OF ELIGIBILITY.

Notwithstanding any other provision of law, nothing in this Act shall be construed to adversely affect the eligibility, as it existed on the date of enactment of this Act, of cooperatives and other entities for any other credit assistance under Federal law.

SEC. 806. STATE PROGRAMS NOT AFFECTED.

Nothing in this Act shall be interpreted to preclude States from creating and maintaining other rural development programs.

SEC. 807. TECHNICAL CORRECTIONS.

(a) SECTION 308 AMENDMENTS.—Section 308 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1928) is amended—

(1) in paragraph (a), by striking "prescribe,;" and inserting "prescribe;"; and

(2) by redesignating paragraphs (a) and (b), as paragraphs (1) and (2), respectively.

(b) SECTION 310B(d) AMENDMENTS.—Section 310B(d) of such Act (7 U.S.C. 1932(d)) is amended—

(1) by moving paragraphs (4), (5), and (6) two ems to the left so that the left margin of such paragraphs is aligned with the left margin of paragraph (3);

(2) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively; and

(3) by inserting "(1)" after "(d)".

(c) AMENDMENTS RELATING TO SECTION 331.—

(1) Section 331 Amendments.—Section 331 of such Act (7 U.S.C. 1981) is amended—

(A) in the second undesignated subsection—

(i) by moving paragraphs (f), (g), (h), and (i) two ems to the right so that the left margin of each of such paragraphs is aligned with the left margin of paragraph (e);

(ii) in paragraph (f), by striking "Release" and inserting "release";

(iii) in paragraph (g), by striking "Obtain" and inserting "obtain";

(iv) in paragraph (h), by striking "Not" and inserting "not";

(v) in paragraph (i)—

(I) by striking "Consent" and inserting "consent"; and

(II) by redesignating subparagraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(vi) by redesignating paragraphs (a) through (j) as paragraphs (1) through (10), respectively; and

(B) by redesignating the first and second undesignated subsections as subsection (a) and (b), respectively.

(2) CONFORMING AMENDMENTS.—Section 357(b) of such Act (7 U.S.C. 2005(b)) is amended by striking "331(d)" each place such term appears and inserting "331(b)(4)".

(d) SECTION 333A(c) AMENDMENT.—Section 333A(c) of such Act (7 U.S.C. 1983a(c)) is amended by striking "In" and inserting "If".

(e) SECTION 335(c)(2)(D) AMENDMENT.—Section 335(c)(2)(D) of such Act (7 U.S.C. 1985(c)(2)(D)) is amended by striking "caused" and inserting "cause".

(f) SECTION 338(d) AMENDMENT.—Section 338(d) of such Act (7 U.S.C. 1988(d)) is amended by striking "detemine" and inserting "determine".

(g) SECTION 343(a) AMENDMENTS.—Section 343(a) of such Act (7 U.S.C. 1991(a)) is amended—

(1) in paragraph (1), by striking "and";

(2) in paragraph (3), by striking "and" the third place such term appears; and

(3) in paragraph (5), by striking "contract of insurance" and inserting "'contract of insurance'".

(h) SECTION 346(b) AMENDMENTS.—Section 346(b) of such Act (7 U.S.C. 1994(b)) is amended—

(1) in paragraph (1)(B), by striking "subparagraph (c)" and inserting "paragraph (3)";

(2) in paragraph (1)(C), by striking "subparagraph (A)" and inserting "paragraph (1)";

(3) by redesignating paragraphs (1) (A), (B), (C), (D)(i), and (E) as paragraphs (1), (2), (3), (4), and (5), respectively;

(4) in paragraph (2) (as so redesignated by paragraph (3) of this subsection), by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively;

(5) in each of the subparagraphs redesignated as such by paragraph (4) of this subsection, by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(6) in paragraph (5) (as so redesignated by paragraph (3) of this subsection), by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively.

(i) SECTION 349(a) AMENDMENT.—Section 349(a) of such Act (7 U.S.C. 1997(a)) is amended by redesignating paragraph (5) as paragraph (4).

Mr. THOMAS of Wyoming. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first I want to express my appreciation to the leadership on this committee for the work they have done on this bill. Certainly Wyoming is one of the premier rural areas of this country, and we look forward to the adoption of the bill.

Mr. Chairman, I rise to discuss a problem that is occurring in rural areas and is important in fact to rural area development and the potential for rural area development. I am speaking of the conditions that have been placed upon the owners of underground fuel storage tanks.

Small businesses in rural areas have been especially hard hit. These rules have been authorized by Congress and implemented with great gusto by EPA. Unfortunately, I am persuaded that EPA operates in something of a vacuum sometimes and has little knowledge of the concerns that we have for a balanced implementation that brings together not only protection of the environment but protection of the economy as well.

I would like to raise a question with the subcommittee ranking member if I may. Under section 310 of the bill it provides for grants that may be made to assist small and emerging businesses, and to help develop certain facilities, including waste facilites, among others. If the State plan that is envisioned under this program would include assistance to small businesses to help meet the rules and allow for the availability of fuels, could they be granted under this proposal?

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

Mr. THOMAS of Wyoming. I am glad to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, first of all let me say I share the gentleman's concern regarding these problems facing many small businessmen and women, the owners of the gas stations in rural America and all over the country regarding the EPA rules, and we are trying to work with the EPA to assure that underground storage tank responsibility regulations are in fact themselves responsible and provide common sense. From that standpoint I know a number of the dealers in my district have contacted me, as the gentleman's dealers have contacted him as well.

Let me say that I believe that the gentleman's concern about the possibility of using some money contained in the current law is appropriate. Section 310(b)(c) of the Consolidated Farm and Rural Development Act, as amended, I believe provides the Secretary the authority to make grants to people like these filling station owners in order to repair their fuel storage

tanks and for other expenses to replace them. So I think the gentleman has raised an interesting concern as well as a possible solution. I think he has uncovered the possibility of some funding there, and I think that his leadership in this area and bringing it to our attention is very positive. I thank the gentleman for asking me, because I think that he in fact could be funded under, as I say, current law to deal with this problem.

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

Mr. THOMAS of Wyoming. I am glad to yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I too want to commend the gentleman for bringing this to our attention. There is no question that this is a very serious problem in rural America, and one that desperately needs a solution.

It appears from our examination of the law that under the rule about grant funds that could be dealt with in that program. But I think the gentleman is underscoring the fact that this is something that that program needs to look at very closely, and I commend the gentleman.

Mr. THOMAS of Wyoming. I thank the gentleman very much and appreciate his answer. I appreciate the leadership that both gentlemen have given to rural America.

I also want to commend the EPA for setting back the implementation of some of the regulations for a year. I think that will indeed be most helpful.

I thank both gentlemen and I will withdraw the amendment that I had proposed.

AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORGAN of North Dakota: Page 81, after line 2, insert the following:

SEC. 806. PROPORTIONAL DISTRIBUTION OF FEDERAL CONTRACTS AMONG THE STATES.

Section 901(b) of the Agricultural Act of 1970 (42 U.S.C. 3122(b)) is amended—

(1) by inserting "(1)" before "Congress"; and

(2) by adding after and below such provision the following new paragraph:

"(2) The Office of Management and Budget shall develop a plan under which, by 1995, Federal contracts will be distributed among the States so that the value of Federal contracts received by persons located in a State is roughly proportional to—

"(A) the aggregate value of all Federal contracts; multiplied by

"(B)(i) the number of persons in the State; divided by

"(ii) the number of persons in the United States.".

Redesignate succeeding sections accordingly.

Mr. DORGAN of North Dakota (during the reading). Mr. 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 North Dakota?

There was no objection.

Mr. ENGLISH. Mr. Chairman, I reserve a point of order against the amendment.

Mr. DORGAN of North Dakota. Mr. Chairman, I recognize that a point of order would lie against this amendment. I intend to discuss it briefly and withdraw it.

But I would like to raise some questions today in the discussion we are having about rural development because rural development is critically important. I applaud the gentleman from Okahoma and the ranking minority member for the work that they have done on this issue. Frankly, I do not think this is going to level mountains, but it is a start, and a very important start.

We are in desperate trouble in rural America in this country. I hear people talk about unprecedented economic expansion in America. It is not unprecedented in my part of the country. We have had nearly a decade of recession, and on top of that a couple of years of drought. We do not have growth. We do not have economic opportunity. We have had a desperate decade that we simply cannot repeat in the 1990's.

Our State is losing population. Our Main Streets are dying. Our farmers are going broke. We need to do something about that.

There has been some economic growth in America in about 16 States, and it has been wonderful, from Hollywood to Wall Street, and many of the States on the two coasts. I wish that we had that same experience, but we have not. Rural America, the heartland of the United States, is in desperate trouble.

This kind of legislation is one step to see if we cannot develop the kind of approaches that are necessary to bring opportunity to rural areas.

I want to make this observation with my amendment, which is entitled "Fair Share Rural Development Amendment." We need permanent jobs in our part of the country that diversify our economy. One source of permanent jobs is the body of jobs represented by the activities of the Government. Our Government builds and buys a lot of things every year. We buy things from toothpaste to pencils to plums. We build fighter airplanes and we purchase almost everything in dozens of different ways.

The question is, How are the permanent jobs that come from the activities by Government distributed around the country? I will tell my colleagues here how they are distributed. They are distributed so that the bulk of the benefits go to those areas where people are piled on top of people, living 80 on top of each other, and the States that are in economic decline and suffering through economic recession are getting much much less than their fair share of those jobs.

For example, the Federal Procurement Data System Standard Report shows that North Dakota receives only about one-third of the Federal procurement that it might expect to receive on a per capita basis. Let me restate that. If we were to expect that the permanent jobs that result from the activities of Government—contracts and so forth around the country—would be distributed on a reasonably fair model, we are getting only one-third of what we would normally expect with that kind of fair distribution. Oklahoma suffers a similar fate, as does Wyoming, South Dakota, and dozens of other States. The fact is in many parts of the country, like the Midwest, like the Farm Belt, we are getting much, much less than we should expect from the permanent job creation of Federal activities.

My amendment proposes that we direct the Office of Management and Budget to develop a plan by which we try and determine how we can equitably distribute those permanent job opportunities from Federal activities around the country, and thereby stimulate economic opportunity for rural America. My amendment provides that the Director of the Office of Management and Budget develop a plan by 1995 in which we would redistribute those opportunities so that rural America is not left looking over the fence at other areas enjoying Federal job creation, where we already have overcrowding and population problems and crime. In urban coastal areas, we are continuing with our spending patterns at the Federal level to put more and more permanent Federal jobs in those districts—despite the fact that they already have more than their fair share—at the expense of those of us in other parts of the country who are getting much less than our proportional share of those permanent jobs.

That is the purpose of my amendment. I understand a point of order would rest, and I do not intend to pursue it. But I would like to ask the chairman, and I have also similarly addressed the chairman of the Committee on Government Operations and others who have responsibility here, to see if we cannot begin a process of hearings that would lead to hopefully some action to address this very important issue. I think this is something we should consider, because as I said, the Federal Government is and will always be a provider of permanent jobs just by virtue of its activities in contracting and purchasing, and that is why this is a very important issue.

I might add that rural areas have some of the hardest working people and most productive enterprises, so that efficiency is not an issue here. If anything letting more Federal contracts in rural areas, would make Federal procurement more economical.

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

Mr. DORGAN of North Dakota. I am happy to yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, as the gentleman well knows, I am very sympathetic to his amendment. I think it is a fine amendment. If we did not run into a couple of problems with regard to germaneness, I would be delighted to accept that amendment. However, we do have a problem in that area.

The CHAIRMAN pro tempore. The time of the gentleman from North Dakota [Mr. DORGAN] has expired.

(By unanimous consent Mr. DORGAN of North Dakota was allowed to proceed for 3 additional minutes.)

□ 1300

Mr. ENGLISH. I have held discussions with the Committee on Government Operations, and they have assured me that they will look into this matter, and I think the gentleman can be assured it is not something that will be dropped.

Mr. Chairman, I want to commend the gentleman for bringing this to our attention. I think it is one that has a great deal of merit.

Mr. DORGAN of North Dakota. Mr. Chairman, I appreciate the remarks of the gentleman from Oklahoma. I would like to observe that a related approach was dealt with in the bill that is coming out of the other body to conference. They dealt with it, I assume, because they believed, as well, it is very important for us to consider.

Let me again, without trying to restate it too many times, say that part of our development in rural America is what the gentleman and others have described in the bill that they have brought to the floor, it is very important, developing the infrastructure, the opportunities, and the planning; I understand all that and I support very strongly what the gentleman has done. Mr. ENGLISH has done a wonderful job on this bill.

Another part of it, going the next step, is to say that actions that we take as a Government determine where people live and where their jobs exist by the way we buy what we buy, by the way we contract what we contract for, and what we have done is predicate, on our behavior, it seems to me in recent years, that we want the permanent jobs to exist in areas where there already exist massive populations and all the problems attendant thereto. And it takes money away from those areas of the country that already have underemployment and unemployment and are lacking opportunities for permanent jobs.

So what we do is determining where those jobs go and we are wrong, in my judgment, and we are doing it in an especially unfair way as regards rural America.

We must do a better job than that. We must try to find a way to spread that around the country in a reasonably fair manner so that the folks in Oklahoma and the folks in North Dakota understand those permanent jobs created by us go to this country in a way that is reasonably fair to the various populations that exist in our States.

We must stop the process which now allocates four times as much Federal procurement to urban areas as rural ones, nationwide. We get only one-third of what we ought to expect in North Dakota. That is far too few permanent jobs.

Mr. ENGLISH. If the gentleman would yield further, I am very much in sympathy with what he is saying, and I think he has made an excellent point.

Mr. DORGAN of North Dakota. I hope we can move forward and have some hearings.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment at this time.

The CHAIRMAN pro tempore (Mr. FROST). Is there objection to the request of the gentleman from North Dakota?

There was no objection.

AMENDMENT OFFERED BY MR. TALLON

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

The Clerk read as follows:

Amendment offered by Mr. TALLON:

On page 15, strike line 11 and all that follows through page 16, line 12, and insert the following:

"(3) ELIGIBLE STATE.—The term 'eligible State' means a State that has established an advisory rural economic development review panel meeting the requirements of section 361 not later than the effective date of this section.";

(2) On page 16, strike line 23 and all that follows through page 17, line 2 and insert the following:

"(5) STATE COORDINATOR.—The term 'State coordinator' means, with respect to each State, the individual appointed by the Secretary pursuant to subsection (c)(7).";

(3) On page 18—

(A) line 15, insert "a State coordinator or" after "is";

(B) line 19, delete "and";

(C) strike lines 20 through 25, and insert the following:

"(7) appoint an officer or employee of the Department of Agriculture to serve as State coordinator of each State rural economic review panel, who shall—

"(A) manage, operate, and carry out the instructions of, the State rural economic review panel;

"(B) serve as a liaison between the panel and the Federal and State agencies involved in rural development; and

"(C) transmit to the Secretary any list transmitted to the State coordinator pursuant to section 361(b)(6); and

"(8) designate an agency within the Department to provide the panel and the State coordinator with support for the daily operation of the panel described in subsection (b)(3).";

(4) On page 33, line 19, insert "State coordinator or" after "each".

Mr. TALLON (during the reading). Mr. 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 South Carolina?

There was no objection.

Mr. TALLON. I thank the chairman.

Mr. Chairman, first and foremost I want to congratulate the chairman of the subcommittee, the gentleman from Oklahoma [Mr. ENGLISH], and the ranking minority member, the gentleman from Missouri [Mr. COLEMAN], for their yeoman work of putting together this legislation, and also the entire staff committee headed by Bill Cherry, who has done a wonderful job in helping us craft this legislation over a period of almost 2 years now.

Mr. Chairman, I have an amendment that I think addresses the potential problem with what I will refer to as intrastate politics involving the State panels that are proposed in the legislation.

Mr. Chairman, this amendment provides that the staff coordinators serving these State panels be a USDA employee and deletes the $5 million provided for in the bill for the staff appointed by the Governor.

In my view, there's no need for us to finance staff for the Governor's to appoint to these panels.

The programs addressed in the bill are Federal and the staff providing the leg work should have the support and expertise of USDA.

I frankly, see no reason that the staffers for the different State committees to be employees of the Governor. Nor do we need to allocate an extra $5 million for this purpose.

This bill provides these State panels and consequently their staffers with a great deal of power.

They are prioritizing and shifting funds among the hundreds of project applications put forward in each State annually.

That is a pretty big stick and I do not think it should be placed in the hands of State politics.

Mr. ENGLISH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I very, very reluctantly rise in opposition to the amendment. The gentleman is certainly a valid member of the subcommittee. We have talked about this in the full committee several times.

The State coordinator is one who does not have a policymaking position; he is more of a clerk than any type of policymaking role. We are attempting to weave together systems; we are trying to get entities to work together.

So we have on the Federal side those who handle the applications, all the requirements for the applications. Nothing is changed with regard to this particular panel's concern. It is only after those applications have reached the point that they are approvable and prioritization is needed.

It is only at that particular point then that the panel is called into being. The clerk simply transmits information back and forth to the panel and has the responsibility of pulling the panel together.

But this panel will elect its own chairman, and that chairman most likely will not be a Federal official. It seemed to us appropriate that someone other than a Federal employee be in charge of handling this particular point.

So I would oppose the amendment, Mr. Chairman.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

Mr. Chairman, let me share with you: As I have tried to work in putting together economic programs in rural America, many times it is not the USDA person who is the one who is motivated, and the one who has the vision and commitment to carry out an active program.

Many times the USDA employee feels like he or she has a full-time job already and does not want to take on additional burdens or responsibilities.

Some folks might think I have a conflict of interest since I am planning on running for Governor, but I think we should not tie the hands of the Governor. The Governor of any State will want to have the most dynamic person, the most committed person, and the most sincere person there to carry out a mission of building the rural areas of their States.

So I think that even though my good friend from South Carolina, who is deeply committed, deeply devoted to rural development aspects, and has worked closely with me on many, many occasions, has an amendment that might work in some States I think in the case of States such as Oklahoma, we would like to have the opportunity of putting someone in the lead role who will carry out with a great deal of enthusiasm a rural development program to help build many of these rural areas.

So I reluctantly oppose the amendment and ask my colleagues to vote against it.

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

Very briefly, Mr. Chairman, let me say that the gentleman from South Carolina has indeed made a lot of contributions to this bill in our subcommittee. But I also have to rise in opposition to the amendment.

What we are trying to do is provide States flexibility and get State input, and to try to put a layer of Federal bureaucracy on the State review panel I think would be like adding oil to water. I do not think it would be a good mixture and a good direction for us to take.

What we are trying to do is just the opposite. While the amendment is well intentioned, it really serves an adverse purpose to what we are trying to accomplish by this legislation, and we hope that the committee would defeat the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from South Carolina [Mr. TALLON].

The amendment was rejected.

□ 1310

AMENDMENT OFFERED BY MR. BOEHLERT

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

The Clerk read as follows:

Amendment offered by Mr. BOEHLERT:

Page 58, after line 12, insert the following:

SEC. 604. RURAL DEVELOPMENT RESEARCH ASSISTANCE.

Section 502 of the Rural Development Act of 1972 (7 U.S.C. 2662) is amended by adding at the end the following:

"(g) RESEARCH GRANTS.—

"(1) IN GENERAL.—In addition to the programs already conducted under this section, the Secretary shall also establish and carry out a program to award competitive research grants to land-grant colleges and universities, research foundations, and centers established by land-grant universities, State agricultural experiment stations, and to all colleges and universities having demonstrable capability in rural development research, as determined by the Secretary, to carry out research to evaluate the impact of Federal and State economic development policies and programs designed to improve economic competitiveness and diversification, support strategic planning for economic investments, improve human resources, and improve the data base for rural development decisionmaking in rural areas.

"(2) "LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this subsection, there are authorized to be appropriated to the Secretary not to exceed $3,000,000 in each fiscal year. Amounts appropriated under this subsection shall remain available until expended.".

Redesignate succeeding sections accordingly.

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

The CHAIRMAN pro tempore (Mr. FROST). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume. I rise today to commend my colleagues for considering legislation which is intended to help revitalize rural America. Last year, I along with several of my northeast agricultural caucus colleagues introduced H.R. 3530, the Rural Assistance and Revitalization Act of 1989. Our goal was to bring attention to a topic which needed immediate action from this Congress and the administration. George Bush, during his campaign for President, aptly pointed out that: "America's economic recovery will not be complete until rural America's economic recovery is complete—and that Main Street is not going to shut down" under his administration.

Over the past decade, it has become abundantly clear that there are significant inequities between rural and urban areas in levels of income, employment, and education. Congress has not been inattentive to these differences. In the last few years, it has prepared or requested a number of reports which have fueled the need for congressional action. All of these reports, including those by our own Joint Economic Committee, point to problems of a declining economic base, a decaying infrastructure, inadequate access to basic services such as health care and education, and an eroding tax base for local government. A recent U.S. Department of Agriculture report to Congress concludes that the "most salient condition of rural America—is its disadvantage in comparison with urban areas." This measure is designed to bring about much-needed change.

Earlier in this decade, the Federal Government's approach to rural development was limited to farm legislation. That is no longer enough. Farm policy, although a main ingredient, is no longer synonymous with rural policy. The changing dynamics of rural America dicate that Congress must take a broader approach to address the problems facing small communities, as fewer than 20 percent of nonmetropolitan counties now rely on agriculture as their primary source of income and employment. Yes, agriculture is very important to rural America, but so is employment and job opportunities created by other businesses which rural residents and farm families depend on. Nearly half of the farm families in the United States depend on a second income from a nonagricultural source.

There is a debate as to what constitutes the proper role for the Federal Government in rural development activities. I believe, and my bill reflects this, that the Government's role is to help foster an environment where risk taking and innovation are encouraged. The ingredients necessary for economic growth in rural areas are the same

as those elsewhere—accessible capital, adequate infrastructure, research and development capacity, an educated and skilled work force, suitable land, government incentives, and tax policies that promote development and local leadership. On the Federal level we need a policy that builds on the capacity of local institutions to assess their comparative advantage, identify competitive opportunities, and marshal public and private resources to take advantage of these factors. It is this approach that will make a difference in the economic, educational, and health needs in rural America. More money is not the only answer.

I am aware, Mr. Chairman, that the legislation before us today is not in itself a cure-all for the problems in rural America, but it's a good start. Mr. ENGLISH and Mr. COLEMAN should be commended for bringing the bill to the floor of the House. There are however, some areas missing from this legislation and I have an amendment which I now offer.

Study after study have indicated a need for rural businesses to tap national credit markets, and obtain access to venture capital. The Rural Assistance and Revitalization Act, which my colleagues and I in the northeast agricultural caucus introduced, built on existing credit delivery systems. Under our proposal, farm credit institutions could lend to agriculturally related businesses that serve rural America and to promote rural housing in small communities. These are areas that the farm credit system and its network of over 200 lending offices have experience in. They know the community, its people, and their needs, and the farmers owned system is an efficient and effective provider of credit. It is unfortunate, that a dispute between the banking industry and the Farm Credit System over the expanded authority of the FCS, resulted in the removal of this recommendation from the bill we are considering today. With proper credit safeguards and safety and soundness standards, the Federal Government can build upon and use the existing delivery system to further Federal policy objectives. My colleague, Mr. ENGLISH, has indicated that he intends to address this subject in the 1990 farm bill. I pledge my support in working with him on this issue which is important to the future economic health of rural America.

The amendment I now offer authorizes the Secretary of Agriclture to establish a modest competitive grants program to land-grant colleges and universities, research foundations, State agricultural experiment stations, and all post-secondary education institutions that have rural development research capability. The purpose of this modern grant program is to evaluate the impact of Federal and State economic development policies and programs designed to improve economic competitiveness and deversification, support strategic planning for economic investments, improve human resources, and improve the data base for rural development decisionmaking in rural areas. The information from these studies will be invaluable in evaluating the impact of Federal and State economic development policies and programs on rural economies. Many times we legislate politices at the Federal level with little ultimate understanding of the impact these policies have on local people and their communities.

Mr. Chairman, again I want to commend my colleagues Mr. ENGLISH and Mr. COLEMAN for bringing this legislation before the House. While the bill may not be as comprehensive as we all would like, because of budgetary constraints, it is a major step forward. Not long ago, a USA Today poll discovered that more than two-thirds of Americans living in rural areas feel the Federal Government has neglected them. From economic development, to farming, health care, the environment and education, they feel short changed. The basic needs of millions of Americans in small towns and the countryside are often neglected or sacrificed for the needs of the cities. We can do better, and this legislation sends a message to Main Street USA that we will.

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

Mr. BOEHLERT. Mr. Chairman, I yield to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of his amendment.

The gentleman is very concerned about the whole subject matter of rural development. We have discussed that. However, I think his amendment is something we can accept because it says let Members find out after things happen if they are happening in a correct fashion. Also, if it is not happening, what we can do to make it better. We do not worry about coming under the microscope. We encourage this type of research and evaluation. I think it is very key.

I note that there is right now not much information available in most centers on whether or not the economic development policies and programs are working. I asked, for example, the General Accounting Office 2 years ago to go through and make a review of all of the economic development rural programs that exist, and they had a hard time finding all of them that existed. OMB cannot tell Members. We do need some assistance in this area.

Frankly, I know that the gentleman, trying to develop a data base, is exactly what our University of Missouri is doing, and trying to set up some econometric models, and doing some good research in this area.

The gentleman's amendment, could in a parochial sense, help that institution and others that are doing the same thing. I support the gentleman's amendment.

Mr. BOEHLERT. Mr. Chairman, I want to thank the gentleman for his remarks.

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

Mr. BOEHLERT. Mr. Chairman, I yield to the subcommittee chairman.

Mr. ENGLISH. Mr. Chairman, I have a couple of questions that I would like to ask the gentleman.

It is my understanding that the evaluation should cover the efforts in the State on rural development programs, including national and local efforts. Is that a correct statement?

Mr. BOEHLERT. That is correct, right.

Mr. ENGLISH. Second, the $3 million in funding for grants can only be used for research to support strategic planning, and not for the actual planning, is that correct?

Mr. BOEHLERT. That is correct.

Mr. ENGLISH, Mr. Chairman, I thank the gentleman. I think his amendment makes a contribution to be appreciated. I want to commend the gentleman for his interest in rural development, and the fine work.

(By unanimous consent, Mr. BOEHLERT was allowed to proceed for 1 additional minute.)

Mr. BOEHLERT. Mr. Chairman, this is a mutual admiration society, but it is inspiring. A lot of people wonder, why is a kid from New York so concerned about rural America. Well, some of the finest pieces of real estate in the great United States is upstate New York, and Oklahoma, and Missouri. Therefore, I thank all Members for their support.

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

Mr. BOEHLERT. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding, and want to commend the gentleman for his initiative.

As Members may know, I worked in this area for some period of time, and I attest to the deficiency of information about the impact of our rural development efforts. I do think our universities and colleges have the capacity, in many parts of the country, to give Members that kind of assessment which will be helpful to the authorizing committee.

I commend the gentleman for the initiative. I support it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. BOEHLERT].

The amendment was agreed to.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

I do this for the purpose of a colloquy with the chairman of the subcommittee. First, as a member of the Committee on Agriculture, I want to commend the subcommittee and the chairman of that subcommittee and its counterpart on the minority side for the tremendous job they did in bringing this rual development bill to the floor. It took a lot of work, took a lot of negotiation, and they did it, I think, recognizing the budget constraints that we all are dealing with. For that, I thank them. I think they did a tremendous job.

The reason I want to engage in this colloquy, Mr. Chairman, I have a small community in my district, Los Osos, that is facing a very difficult problem. The Los Osos-Baywood Park community, in San Luis Obispo County, CA, was ordered by the State Water Resources Control Board to install a sewage system to replace the community's septic tank system. Because of its concern about contamination of ground water by the septic tanks, the Board was adamant about the need to go to a sewer system, and even threatened to impose a building ban if the community did not move quickly.

Faced with this order, the community, with the assistance of the county and my office began to review its options. However, this task was quite disappointing because the community fell just short of qualifying for many Federal and State programs that would be of assistance.

However, the Rural Economic Development Act will provide increased funding for projects of this type. The total amount of grants available from the new Rural Development Agency will be increased from $155 to $500 million. This funding will be shared among rural communities across the Nation and limits on the amounts of individual grants will continue. In addition grants will be available for economically distressed communities. And finally, the Farm Credit System banks would be allowed to make water and sewer loans to cooperative formed specifically to establish and operate such systems and to rural towns with populations less than 20,000 for health and development purposes.

One of the main stumbling blocks in our pursuit to find Federal assistance for this community was the population requirements of the FmHA programs. Los Osos has a population of just over 12,000, which made it ineligible for FmHA assistance that is limited to communities under 10,000. However, I believe that Los Osos would be eligible to apply for the assistance provided for in the Rural Economic Development Act. Mr. Chairman, is this correct.

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

Mr. ENGLISH. Yes, under the Rural Economic Development Act, the community of Los Osos would be eligible to apply for the new grants and loans provided for in the legislation. The community could apply on its own or as part of a larger rural economic plan developed by the County of San Luis Obispo.

Mr. PANETTA. Thank you for that clarification, Mr. Chairman. The residents of Los Osos will be grateful for another chance at Federal assistance for the massive sewer project ordered by the State.

AMENDMENT OFFERED BY MR. TRAFICANT

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

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: Page 81, after line 2, insert the following:

SEC. 805. BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY THE ADMINISTRATOR.—If the Administrator, with the concurrence of the United States Trade Representative and the Secretary of Commerce, determines that the public interest so requires, the Administrator may award to a domestic firm a contract that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 51 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

In determining under this subsection whether the public interest so requires, the Administrator shall take into account United States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) LIMITATION.—This section shall apply only to contracts for which—

(1) amounts are authorized by this Act (including the amendments made by this Act) to be made available; and

(2) solicitations for bids are issued after the date of the enactment of this Act.

(d) REPORT TO CONGRESS.—The Administrator shall report to the Congress on—

(1) contracts covered under this section and entered into with foreign entitities in fiscal years ending after the date of the enactment of this Act;

(2) the number of contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party; and

(3) the number of contracts which (but for this section) would have been awarded to foreign firms under this Act and the amendments made by this Act.

(e) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—The Secretary of Commerce shall declare any person ineligible to bid for a federal contracts for a period of 3 to 5 years who intentionally affixes a label bearing a "Made in America" inscription to any product sold or shipped to the United States that is not made in America and may bring action against such person to enforce this section in any U.S. district court.

(f) DEFINITIONS.—As used in this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Rural Development Administration.

(2) DOMESTIC FIRM.—The term "domestic firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States.

(3) FOREIGN FIRM.—The term "foreign firm" means a business entity not described in paragraph (2).

(4) PERSON.—The term "person" means a person or individual, corporation, partnership, limited partnership, joint venture and all and any business entity engaged in a business transaction with the U.S. Federal Government.

Mr. TRAFICANT (during the reading). Mr. 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 Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this amendment is a Buy America amendment, that has been offered to all procurement and authorization bills in the House. It provides for a 6-percent weight advantage to a domestic firm when competing for a contract under the purview of this particular authorization bill, when competing against a foreign firm; with the requirement that leaves 51 percent of the parts and contents be domestically produced. It does not interfere with GATT. It provides waiver for same, and includes a clause that, in fact, gives the Secretary an opportunity for those who fraudulently mislabel and purchase foreign goods but put "Made in America" on them. That they can, in fact, withhold both companies from bidding on American contracts in 3 to 5 years.

□ 1320

I appreciate the support of the subcommittee chairman, the gentleman from Oklahoma [Mr. ENGLISH], and the support of the vice chairman, the gentleman from Missouri [Mr. COLEMAN].

Mr. Chairman, I yield to the gentleman from Oklahoma.

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

Mr. Chairman, I think nearly all Americans have a great deal of sympathy for the amendment that the gentleman is offering. As the gentleman

knows, I want to work with him in determining how such an amendment can be implemented with the least amount of disruption. We want to make sure that this kind of provision, when it is part of the law, is one that can be carried out as simply and as cheaply as possible.

Mr. TRAFICANT. Mr. Chairman, I agree with the chairman of the subcommittee. There are going to be mechanisms that have to be worked out, but it is very easy to buy foreign goods. We are going to have to put some structure and discipline into insuring that we have an opportunity to buy American-made goods. I appreciate the fact that the gentleman from Oklahoma and the gentleman from Missouri [Mr. COLEMAN] have been receptive enough to try to work that out, and hopefully, with their leadership, some mechanism will be worked out that will make it very practical and useful.

The CHAIRMAN pro tempore (Mr. FROST). The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

Mr. ESPY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to take this opportunity through this means to rise in support of H.R. 3581, the Rural Economic Development Act, and in doing so, I would like to praise the subcommittee chairman, the gentleman from Oklahoma [Mr. ENGLISH], and the vice chairman, the gentleman from Missouri [Mr. COLEMAN], for their hard work, their leadership, their guidance, their advice, and their philosophy of inclusion. There have been so many of us with our thumbprints on this legislation.

Mr. Chairman, I believe this measure will give rural economic development an enhanced and responsive delivery system with the creation of the Rural Development Administration in the Department of Agriculture. I am a firm believer in keeping the decisions and the prioritization functions at the local level, and this legislation will do just that.

This is all about decentralization, it is all about local input, and it is all about giving those most affected a chance to participate in the decision-making process.

My rural Mississippi district might be the third poorest in the Nation, but, Mr. Chairman, it is filled with hopes and bursting with potential. Over the past 3 years we have struggled with the administration of rural programs that provide water services, community facilities, and business and industry loans in my district. I am certain that rural economic development can be tailored to meet local needs and stabilize economic conditions in small communities all across the Nation.

We are taking a bold, new direction with rural economic development. We place more control of rural development programs at the local level and require the system of ranking project proposals to assess need as an element of the formula. That is to say, when two or more projects are vying for funding and are comparably ranked based on feasibility and potential for growth, the State review panel must make need the deciding factor.

So for all those reasons, Mr. Chairman, I am glad to rise to promote and sponsor H.R. 3581. I believe it is an excellent method to get assistance to rural areas that have the potential and the need, and I would just advise all of those Members here on the floor and all the Members of this body to vote for passage of this bill.

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

Mr. ESPY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I want to commend the gentleman from Mississippi [Mr. ESPY] for his statement and certainly for his fine participation in the effort to develop this legislation. He was kind enough to host one of the hearings in his district. The people of his district had substantial input into this legislation, and certainly his guiding hand, as this legislation moved through the months, has been one that has made great contributions.

Mr. Chairman, we deeply appreciate the fine help the gentleman has given us and the great contribution he has made to this legislation.

Mr. ESPY. Mr. Chairman, I thank the chairman of the subcommittee for his statement and for his leadership.

AMENDMENT OFFERED BY MR. ROSE

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

The Clerk read as follows:

Amendment offered by Mr. ROSE: On page 19, line 10, strike "LIMITED TRANSFER AUTHORITY.—(A)".

On page 19, strike line 18 and all that follows through page 21, line 6.

On page 21, line 7, strike "(3)" and insert "(2)".

On page 34, strike line 18 and all that follows through page 38, line 7.

On page 45, after line 9, insert the following:

"SEC. 308. LIMITATION ON CONDITIONS FOR WATER AND SEWER GRANTS AND LOANS.

"Secton 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) is amended by adding the following new paragraph:

"'(20) In making or insuring loans or making grants under this subsection, the Secretary may not condition approval of such loans or grants upon any requirement, condition or certification other than those specified under this Act'.".

Mr. ROSE (during the reading). Mr. 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 North Carolina?

There was no objection.

Mr. ROSE. Mr. Chairman, nobody in this body can hold a candle to me on rural development interests. That is a bold statement, I know, but let me explain myself.

When I came here back in 1973, there was an Oklahoman here by the name of Clem McSpadden whom I am sure the gentleman from Oklahoma [Mr. ENGLISH] knows and remembers well. Clem and I formed something called the rural caucus which through the years has done a lot to promote programs and things of interest for rural America.

I want to commend the gentleman from Oklahoma [Mr. ENGLISH] and the members of his committee for going this far in putting together a needed piece of legislation to highlight rural economic development. But I have just one problem here. It has been explained clearly, I say to our brothers and sisters, that the money for this bill comes out of something else that is vitally important to rural America. The gentleman from Oklahoma [Mr. ENGLISH] does not come up with any new money. The Budget Committee did not give him any new money. As a matter of fact, the gentleman from Mississippi [Mr. WHITTEN] wrote a letter to us on the authorization committee and said it was a backward step to take money from rural water and sewer programs, from business and industry, and from community development and put it all into one pot and to give the Secretary of Agriculture the authority to take specifically authorized and appropriated money and spread it as he sees fit.

Mr. Chairman, my amendment simply says that water and sewer money appropriated for that purpose must be used for water and sewer grants and loans. The Rose-Anthony-Rogers amendment does this: If it is not adopted, it would give the Secretary of Agriculture unprecedented, uncontrollable, and unheard-of authority to transfer authorized and appropriated moneys without input from Congress. If we want to responsibly limit the authority of the Secretary to spend moneys that are unappropriated, we need to vote for this amendment.

I wish that we had all the money that we need to make things better in rural America. I wish we could encourage businesses, because the Lord knows there are a lot of businesses out there that would like to have free buildings and better places to build their plants, and this bill would do that. But we also have to have water and sewer for the infrastructure of rural America.

Mr. Chairman, I offered this amendment in the full committee, and my good friend, the chairman of the subcommittee, the gentleman from Oklahoma [Mr. ENGLISH], offered a substitute which in fact took a good portion of the water and sewer money and said it must stay in water and sewer. But still some $35 to $40 million of the depleted water and sewer fund can still flow out of that fund and into this bill for other things.

Mr. Chairman, I beg my colleagues not to lose their interest and zeal for rural economic development, and I ask them to please support my amendment to keep the rural water and sewer programs sacrosanct. I ask the Members to support the Rose-Anthony-Rogers amendment.

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

Mr. ROSE. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I will ask the gentleman to add my name to the amendment as a cosponsor at the appropriate time. I want to get my own time specifically in support of the amendment, but I want to ask the gentleman a question in order to clarify the situation.

Just today I received word that we have about $1 million to fund an extension of the so-called Clay Council Rural Water Association out of the pool money. Is it my understanding that that $1 million might not have been available for the expansion of this project if the rural development bill would go through as it is planned?

Mr. ROSE. Yes.

Mr. ALEXANDER. And that the money probably would have been spent somewhere else?

Mr. ROSE. That is absolutely correct.

The CHAIRMAN pro tempore (Mr. VENTO). The time of the gentleman from North Carolina [Mr. ROSE] has expired.

(By unanimous consent, Mr. ROSE was allowed to proceed for 1 additional minute.)

Mr. ROSE. Mr. Chairman, I will answer the gentleman very briefly. I will let the gentleman pursue this on his own time, but I will answer the question.

My colleague, the gentleman from Oklahoma, will tell us they could have gotten the money for the purpose the gentleman expressed, but they would have had to go through a State committee, through people who are basically interested in rural economic development. So the chances are that the gentleman would not have gotten the money.

Mr. ALEXANDER. But the chances are the Governor would have some control over the money, some disposition of the money or control over the money?

Mr. ROSE. That is my fear.

Mr. ALEXANDER. And with the Governor's priorities in my case, which are compatible with mine, but not always so because Governors have their own priorities and have misunderstandings, would that in effect dilute that authority of Members of Congress to have influence to implement the priorities in their various districts?

Mr. ROSE. Mr. Chairman, the gentleman is absolutely correct.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman from North Carolina for his response.

□ 1330

Mr. ENGLISH. Mr. Chairman, I move to strike the last word.

Mr. ENGLISH. Mr. Chairman, the amendment of the gentleman from North Carolina [Mr. ROSE] strikes at the very heart of the bill. It strikes at the flexibility.

As I stated yesterday, the one thing that we cannot tell people is that there are going to be huge amounts of money available for rural development. That is a fact.

The one thing local folks have asked for all across this country is flexibility. That is what we have attempted to do.

Instead of looking at each individual program and each individual category and saying, "This is my money, that's my money, that is my money," we pull it all together. Each State is allocated so much under certain categories. This legislation allows for the State to sit down together and look at the total amount of money that is available to them and to determine where their priorities are and where they can do the most good for their State.

Mr. Chairman, each State is different. Each State has different needs. This legislation allows us or allows the States to make certain that they respond to their individual State's needs. It makes certain that we get the most for every tax dollar that is spent that is spent on a priority project.

Let us cut through the smoke here in what we are talking about. What we are really talking about here is that under the past system there has been a tremendous inequity. We have some States that have been winners and some States that have been losers. Most of the States have been losers under the existing program. The reason is that they have not spent all the funds that have been allocated for their State, and there are a number of reasons for it.

Mr. Chairman, one reason may be the Farmers Home Director. There may be a whole host of other reasons, but they have not done it. That money gets turned back, and then any other States that have projects that are available, that are set and ready to go, that money goes to them. We do not touch that pooling concept, but what we do say is that each and every State should have the maximum opportunity to spend those resources for the projects that they feel are important for their State instead of having to turn back to some other State.

Interestingly enough, that very small number that continues to benefit year after year after year are the same States. It does not seem to change. In fact, if we look at it for the last 3 years, some 36 States have lost over the last 3 years. Last year alone 32 States lost, gave up their resources. This legislation gives them an opportunity to make the best possible use that they can out of those resources. If the amendment of the gentleman from North Carolina [Mr. ROSE] passes, those 36 States that have lost over the past 3 years most likely are going to lose over the next 3 years unless things change drastically within their States.

The bottom line, Mr. Chairman, is whether we are going to give the States the option to make certain that we spend those dollars in the best possible manner, and I want to go over, Mr. Chairman, so there is no mistake, those 36 States that have lost in the past 3 years. Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Iowa, Indiana, Kansas, Louisiana, Maryland, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Utah, Washington, Wisconsin, and Wyoming. All would likely lose if the Rose amendment is adopted.

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

Mr. ENGLISH. I yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Chairman, I would like to rise in support of the position of the chairman of the subcommittee and opposed to the amendment of the gentleman from North Carolina [Mr. ROSE]. The bottom line is that, if we adopt the Rose amendment, we really do not have much of a bill here for our rural development.

Mr. Chairman, it seems to me that in a time when we have got very limited economic resources coming from Washington, whether to dictate by an artificial or an arbitrary formula how this money should be used, that it makes eminent sense to let the States determine how to use these limited resources.

So, Mr. Chairman, I would urge my colleagues to stay with the gentleman from Oklahoma [Mr. ENGLISH], the subcommittee chairman, and oppose the amendment of the gentleman from North Carolina [Mr. ROSE].

Mr. ENGLISH. Let me also say, Mr. Chairman, that without question we can transfer from one program to the next. It can go from water to commu-

nity facility, from community facility to water; so, if that is where one's priorities are, in water, that is where they can put their money.

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

First, I wish to applaud the committee and the work of the members of the committee, in particular the gentleman from Oklahoma [Mr. ENGLISH], the chairman of the Rural Development Subcommittee. About 16 years or so ago I served as chairman of the Rural Development Subcommittee and had the same job that the gentleman from Oklahoma [Mr. ENGLISH] has today, and we went through the process years ago that we are going through again today.

Mr. Chairman, all of us that serve rural districts in places like Arkansas, and Oklahoma, and Minnesota, and Kentucky and everyone in the room here today know that the most essential ingredient to economic development in rural areas is clean healthy water, and the most important improvement to the quality of life of people who live in nonmetropolitan regions is water. It is the heart of any community, and it is the life, it is the necessary life blood, of that community.

Mr. Chairman, over the years we have debated who should be the principal spokesman for deciding priorities for the placement of rural water, and I do not believe that there is an elected official anywhere, or an unelected official anywhere, that knows the priorities of an area better than a Member of Congress that serves that area because every week we are out in our districts, we are meeting with the people, we are hearing their needs, we understand the district, we know the district, we know the priorities of that district, and I for one am very uncomfortable with the provisions of this bill which transfer the authority for determining priorities to someone else; in the instance, the Governor of a State.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

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

Mr. DE LA GARZA. Mr. Chairman, as in the exchange that the gentleman from Arkansas [Mr. ALEXANDER] had with the gentleman from North Carolina [Mr. ROSE], the distinguished chairman, we have to insist that that is not what the bill does. The establishment and review of written policy and criteria for evaluating; it is not the Governor. The panel shall be composed of more than 16 members, and those are the people that conceivably better than the Congressmen from that area know the need, and we do not select. The Member of Congress does not say yea or nay on any project, as well as we know that area. But I think it should be made clear now. It is not the Governor, the Governor or a person designated by him. One of Sixteen. The Governor, person designated by him, a Member of Congress now does not have the authority of, in fact, saying yea or nay on any project. The Member could not, if they did not want to give that grant to Clay County, the gentleman could have done somersaults on top of the dome, and they still would not give it.

□ 1340

So I just wanted to clear the air to see that we are addressing the issue as it relates to the bill and the practicality of the situation.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas has expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for 2 additional minutes.)

Mr. ALEXANDER. I am pleased, of course, to yield to the chairman of the full committee, but I respectfully disagree with his analysis of this bill and of the provisions of this bill; but notwithstanding the gentleman's opinion, even if it is not in the Governor himself who is going to decide the priorities, it will be someone that the Governor chooses that is supposed to be the expert in the congressional districts.

Now, I do not as a Member of Congress have the final say about who gets the money for these projects, but I feel like I have a better chance under the present system, where this money is pooled, of letting my priorities be known than I will have if there is another authority created which is superimposed, you might say another layer of bureaucracy, be it the Governor, be it the Department of Agriculture, be it a combination of those two authorities.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. Of course I yield to the gentleman from Texas.

Mr. DE LA GARZA. I just want the gentleman to know, I can appreciate the gentleman's interest and I can sympathize with it, but I just want us to be correct in the discussion.

The gentleman would replace 29. The Governor's designee is only one, one of whom is appointed by a statewide association of rural telephone companies. Who better knows the needs than the telephone company? One is appointed by a statewide association of noncooperative phone companies, by rural electric companies, by health care organizations.

It is not the Governor. It is a 16-member board with several advisory nonvoting members, if the gentleman will just read the bill.

Mr. ALEXANDER. The practical effect of this bill is to take influence away from a Member of Congress.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas has again expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for 2 additional minutes.)

Mr. ALEXANDER. I will be glad, of course, to yield further to the gentleman, but I disagree with the gentleman. I think that the practical effect of this bill is to lessen the influence of Members of Congress in determining priorities for awarding rural water and rural waste disposal systems for their congressional districts, and it creates another level of bureaucracy on which the Governor has a great influence, and I am compatible with my Governor. I want him to be reelected. I have no problem with that whatever, but I do not know who is going to succeed him. I know who preceded him, with whom I had no authority, no influence.

I think it disserves the cause of our representation of our congressional districts to create this new authority, and I think the bill as it is written will lessen our authority, and that is why I am supporting the Rose amendment.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield further?

Mr. ALEXANDER. I am glad to yield to the gentleman from Texas.

Mr. DE LA GARZA. I just want to clear the record. The gentleman has no authority under the Constitution or the laws, but if the gentleman is concerned, again I guess he is obsessed with mention of the Governor.

Mr. ALEXANDER. Let me reclaim my time for just a second, Mr. Chairman.

Let us amend the word "authority" to read "influence." I am not talking about authority. I am talking about influence. I have more influence under the present system than I will under the system that is created by this new bill.

Mr. DE LA GARZA. Mr. Chairman, if the gentleman will yield further, I doubt that very much, because now under this administration, which is of a different political party, the gentleman's influence is very, very small.

Mr. ALEXANDER. I am happy with the present administration. I like the President. He is a personal friend of mine.

Mr. DE LA GARZA. Go back to the bill, read the bill. One is appointed by a statewide association of counties and the State.

The CHAIRMAN pro tempore. The time of the gentleman from Arkansas has again expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for 2 additional minutes.)

Mr. ALEXANDER. Mr. Chairman, I am pleased to yield further to the gentleman from Texas.

Mr. DE LA GARZA. Let me just conclude. I just wanted to insist that when the gentleman says Governor, he is but one of the members of the group. When the gentleman says that the influence of a Member of Congress would be eroded, he is yielding that influence to the people who elect him and the people who elect the Congressman are the associations within the State. So leave the Governor out. Leave it that the Member may or may not have influence. This says that the local entities decide through their Representatives. That is what we know as representative government.

Mr. ALEXANDER. Like the gentleman from Texas, I have had some experience here for 22 years. I understand what this bill says. I like it the way it is. I do not think it is going to serve the people who have elected me for 22 years to change it in the way that the gentleman recommends.

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

Mr. ALEXANDER. I yield to the gentleman from South Carolina.

Mr. TALLON. Mr. Chairman, I thank the gentleman for yielding to me. I certainly share some of the concerns my colleague, the gentleman from Arkansas, has.

The legislation, and if I am wrong I will stand corrected, but I think the legislation says that the Governor can appoint either one or two Members to the board and the head of the committee is an employee of the government, and actually the legislation—and I had an amendment earlier that was defeated—provides for $5 million for the Governor to actually hire this executive director of advisory committees. I feel that gives the Governor a great deal of power and we are going to get involved in all kinds of State politics.

Mr. ALEXANDER. Mr. Chairman, I would just conclude by saying that I do not think it serves our cause here as Representatives of the people to in any way dilute what influence we may have under the present system, and that the committee bill as it is presented not only dilutes our influence, but it also dilutes the amount of money that is available for rural water and sewage.

Mr. Chairman, I urge my colleagues to vote for the Rose amendment.

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

I urge adoption of the amendment offered by our colleague from North Carolina [Mr. ROSE] and would ask if the gentleman would join me for a question at this moment.

Mr. ROSE. Mr. Chairman if the gentleman will yield, I am happy to do this.

Mr. MARLENEE. Mr. Chairman, it is my understanding that the EPA acting in consort or directing the State Departments of Health and/or Environmental Sciences, whichever agency happens to handle water and sewer, that the EPA through its extension of State agencies demands, directs, and requests that certain water and sewer requirements be met for small communities. Is that correct?

Mr. ROSE. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. MARLENEE. So on the one hand we have the Federal Government, through the EPA, demanding that these small towns and communities have certain types of water and sewer facilities, and now we are on the verge of passing legislation, and it is the contention of the gentleman that this legislation would remove the funding that has in the past been available for partially funding those water and sewer projects.

Mr. ROSE. Mr. Chairman, will the gentleman yield further?

Mr. MARLENEE. I am happy to yield to the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, that is correct. It will remove a great deal of the funds. The EPA estimates that 80 percent of the sewage treatment systems not in compliance with EPA standards are located in small rural communities, that is the sewage treatment. In addition, two-thirds of the rural drinking water supplies violate Federal drinking water standards, so that there is actually a need for $28 billion in financing for sewer systems in rural areas, never mind the need for safe water systems.

Mr. MARLENEE. What the gentleman is telling me is that this legislation has no appropriation tied to it, but confiscates that money that was supposed to go to pay for sewer and water that was mandated by the Federal Government.

Mr. ROSE. Mr. Chairman, the gentleman is correct.

Mr. MARLENEE. Now, I can hear the supporters of the legislation say, "But the rural communities and the areas will have the option of setting priorities themselves."

Let me address that for just one moment. If the gentleman will hold at the well in case we have another question, I would appreciate it.

Let me address that for just one moment. It is not my understanding of the bill, it is not until each area has a plan, a regional plan that has been put together or an area plan that has been put together as mandated by the bill. Some municipalities, some rural areas may not have an area plan.

□ 1350

I will be happy to yield very shortly if I can finish with the planned portion of my remarks.

On page 12, "Definition: Area Plan. The term area plan means with respect to a local regional plan in a State, the long-range rural development plan developed for the area. Each plan shall identify the geographical boundaries of the area, an overall development plan for the goal of the area including business development, infrastructure, development goals, time line basis, the number and types of businesses," and it goes on, "Water and waste facilities, industrial recruitment in the area, potential for the development of tourism," and so forth and so on, "that will be in this plan."

What it appears to me is that in addition to the Federal Government demanding that the localities develop water and sewer, as we have through EPA and the environmental legislation we have passed, we are further demanding that each community, each municipality, develop a plan. One more time it appears to me that the committee here has embarked upon paying consultants and attorneys, consultants and attorneys. How much are we going to require that these communities come up with before they ever qualify for a water and sewer grant? Because they developed the plan, how many thousands of dollars?

Mr. ROSE. If the gentleman will yield further, the gentleman makes eminent sense to me. I think he is correct.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, it is awkward to be placed in a position truthfully of trying to correct the record and to insist that we discuss the areas covered by the bill.

The gentleman said would confiscate funds, and so forth, agreed to by the gentleman from North Carolina.

This legislation does not deal with the EPA, EPA funds, or EPA funding at all.

The CHAIRMAN pro tempore (Mr. FROST). The time of the gentleman from Montana [Mr. MARLENEE] has expired.

(At the request of Mr. DE LA GARZA and by unanimous consent, Mr. MARLENEE was allowed to proceed for 2 additional minutes.)

Mr. MARLENEE. Mr. Chairman, I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, that is an erroneous statement. We do not deal with EPA funding or EPA funds.

Also, priorities for health reasons: that is explicitly mandated in the bill, page 27.

Mr. MARLENEE. Mr. Chairman, reclaiming my time, only after each area develops a regional plan, after we have paid, as local people have paid for consultants and attorneys to develop these plans.

Mr. DE LA GARZA. If the gentleman will yield further, they do that now.

They do that now, every area. We may be overrun by consultants, but that is done. This does not change anything.

The fact is that the gentleman's insistence that we would confiscate money from EPA is not correct, not under this bill.

Mr. MARLENEE. Reclaiming my time and correcting the record, I did not say from EPA; confiscates money, and I referred to those funds that were available that were grant funds that this bill takes under its wing and makes available.

The EPA has a different set of funds, and I acknowledge that.

Mr. DE LA GARZA. If the gentleman will yield further, I would not challenge the gentleman, but not from EPA, and then priority is given to applications for projects designed to address health emergency declared to be such by the appropriate Federal or State government agency, so we do not deal with EPA funds in this legislation period, but if EPA gives a grant to an area, then we say declared to be a health problem by the appropriate Federal or State agency.

Mr. MARLENEE. Reclaiming my time, absolutely. The funds we are siphoning off, and the chairman is correct, are FmHA funds that would otherwise go to help pay for these water and sewer projects.

The CHAIRMAN pro tempore. The time of the gentleman from Montana [Mr. MARLENEE] has again expired.

(At the request of Mr. ENGLISH and by unanimous consent, Mr. MARLENEE was allowed to proceed for 1 additional minute.)

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

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

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

Mr. Chairman, I am rather puzzled by the gentleman's position.

Looking at the State of Montana last year, they only spent 27 percent of the funds allocated for them. I would have to assume that the gentleman has some problems in Montana, and I do not know whether it is the State Director of the Farmers Home Administration who does believe in the program and does not want to use it or what it may be. But under the circumstances, money from Montana is being sent back to the national pool, and I would assume is being sent to Arkansas or being sent to North Carolina or South Carolina.

Let me simply say that what we are pointing out under this legislation is that the gentleman's home State of Montana would then be able to utilize those funds to meet those needs he points out to us are so desperate, and I would suggest he would be better off with a panel than he is with the Farmer's Home Director he has right now, because right now he is losing his shirt.

Mr. MARLENEE. Reclaiming my time, I hope we do not have to utilize them to pay for consultants.

The CHAIRMAN pro tempore. The time of the gentleman from Montana [Mr. MARLENEE] has again expired.

(At the request of Mr. ALEXANDER and by unanimous consent, Mr. MARLENEE was allowed to proceed for 1 additional minute.)

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

Mr. MARLENEE. I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, is the gentleman not saying that under the committee bill that authority is created for this new level of bureaucracy to choose between funds that are appropriated for water and sewer on one hand and for rural economic development on the other, and that the choice made by that committee may be different from that made by Congress in appropriating those funds?

Mr. MARLENEE. Reclaiming my time, this is true. This is true.

Mr. ALEXANDER. If the gentleman will yield further, what we really need is funds both rural water and sewer and economic development, but what we are doing here is giving someone else the authority to use the funds for either?

Mr. MARLENEE. The gentleman is correct.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, this is getting more awkward by the minute. The bureaucracy does not transfer funds in the Government of the United States of America. The Secretaries are allowed discretion in some areas.

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

Mr. Chairman, by providing the Secretary of Agriculture with the authority to transfer funds between programs based on the recommendations of the State economic development review panels what we've set up is a modified block grant proposal.

That scares me.

It scares me because historically block grants have died a slow withering death.

It scares me because we are abdicating our responsibility to recognize and direct Federal funds where they are most needed.

We are taking the dollars and the heat from the taxpayers without any say-so in how this money is being spent.

And it scares me because I believe that turning all decisionmaking authority over to these State panels will result in money chasing money with total disregard for the basic quality of life for hundreds of small, struggling towns across this country.

For instance, there is a tremendous need for rural water and sewer funding across America. EPA estimates that 80 percent of the sewage treatment systems that do not meet EPA requirements are located in small communities.

In addition, two-thirds of rural drinking water supplies violate Federal drinking water standards.

There is a need for more than $28 billion in financing for sewer systems alone.

While FmHA, under the direction of Congress, is doing everything it can to meet the demand, the continued need is evidenced by the backlog of water-sewer loans and grants.

As of December, FmHA had on hand some 2,000 applications representing over $1.3 billion in applications and preapplications for funding.

Virtually every State has a huge number of proposals on hand.

I think it's important for us to send a signal to the Appropriations Committee and to Congress that rural development is a priority. If we're serious about bringing jobs and a better way of life to rural America then this is the place to start.

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

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

Mr. ENGLISH. Mr. Chairman, I believe the gentleman was saying that the panel would approve. The panel does not approve. It is up to the Farmers Home Administration, and the rules and regulations as outlined by the Farmers Home Administration, as they stand today, continue to be the case.

Mr. TALLON. Mr. Chairman, reclaiming my time, I said the Secretary of Agriculture has the authority to transfer funds between programs based on recommendations of these State panels.

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

Mr. Chairman, the amendment offered by the gentleman from North Carolina is a constructive amendment in addition to the bill. It will strengthen the bill, and I hope my colleagues will join me in supporting it.

Mr. Chairman, this amendment simply says that the Department of Agriculture must spend its appropriations for the programs that are approved for funding under the Appropriations Act.

□ 1400

This amendment simply protects the integrity of the actions of this House.

39-059 O-91-44 (Pt. 3)

Now, to my colleagues who may not be as familiar with this bill as some of us on the committee are, let me say that my concerns are linked specifically to the funding of water and sewer projects in rural areas of this country. The fact remains that there can be very little real rural economic development without water and sewer infrastructure in place to accommodate this development.

The problem is that under this bill water and sewer needs are only one of the many types of activities that are to be considered by the State panels. I frankly believe that there will be intense pressures from the job creation side and the water and sewer needs will take a back seat. Let us face it: it is much easier to build speculative industrial buildings than sewer lines.

I also have some problems with the basic application process required by the bill. I think going before a State board for approval only adds red tape to an already difficult process.

But if it is the will of this Congress to go with the new deliver system, then I will try to live with it. But I need some reassurance that at the end of the planning process there will still be funds available for the water needs of our rural communities. The amendment provides this assurance.

Let me explain to my colleagues about the need for funding of these programs.

In some of our rural areas we still have a large population that is served by wells. These wells are becoming increasingly contaminated.

For the safety of these rural people, as well as for rural development, we need water and sewer systems in rural America.

Since 1981 there has already been a 50-percent reduction in these funds. Again, all we are asking for is some tiny bit of reassurance that this erosion will not continue and the rural communities with water and sewer needs will not continue to receive the short end of the stick.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. LANCASTER. I yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, again I just want to clarify for the record, because the gentleman is knowledgeable, that there is no district in the United States possibly that has more problems than mine bringing rural water supplies to the border area. The gentleman and I would agree on that.

But the fact of the matter is that in actuality, the gentleman made a statement about building buildings and so on. The first thing you do is bring water. Industrial parks, first you bring water. Rural enterprise, first you bring water. A sterile, impotent building out in rural America is not going to do anything. It is not going to make jobs.

The fact is that under this legislation, the local districts or the advisory is going to advise what are the priorities. We already say health is a priority, period, to begin with.

The local State agency or advisory committee, Farmers Home is going to decide under their criteria or eventually the Secretary. But water is the beginning. That is what the gentleman from North Carolina [Mr. LANCASTER] and I have worked with together.

So this is not water competing with a sterile, impotent building, or water competing with some job-making industry. Every industry that comes first must have water and sewage. Otherwise it would not be a viable economic industry. You cannot have a building without the utilities that are needed for the people that are going to work there.

So the priority has, is, and will continue to be water. Otherwise you do not have any industrial development.

Mr. LANCASTER. Mr. Chairman, reclaiming my time, I agree with the gentleman from Texas [Mr. DE LA GARZA] that water and sewer must be the priority. But what I fear is when we have a system that allows the States to set those priorities, they will be different from our priority.

This amendment permits Congress to continue to exercise what I think is their right for the role of allocating those priorities and making certain that water and sewer receives a finite amount of money that is not going to be transferred by the Secretary or recommendation of the panel to some other purpose.

Mr. Chairman, the amendment gives those of us who are uncertain about the basic structure of the bill what we need, while still maintaining the locally oriented planning process that is a centerpiece of the bill of the gentleman from Oklahoma [Mr. ENGLISH]. I urge my colleagues to vote yes on the Rose amendment.

Mr. Chairman, I would ask if the gentleman from North Carolina [Mr. ROSE] would clarify for us the winners and losers argument made by the gentleman from Oklahoma [Mr. ENGLISH], the chairman of the Subcommittee on Conservation, Credit, and Rural Development, that over a 3-year period 36 States gave up money under this bill, that under the current system 36 States over a 3-year period turned money back.

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

Mr. LANCASTER. I yield to the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Mr. Chairman, that is correct. But that money was then redistributed to 43 States. So 43 States came out better under the system the way the Rose amendment would leave it than would come out if the bill is enacted without my amendment.

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

Mr. Chairman, there has been a lot of talk of fears of losing money. I have a fear also. We have a very effective FHA director in my State, John Musgrave, who does a very good job. My fear is what if he leaves? How is my State going to fare in this competition?

Also I think if one looks at the problem here, the bottom line is do we have enough money? Obviously we do not. I think that is the question we should really be debating here.

We did have a compromise in the committee and it will protect the water and sewer money coming into the States, as I understand it. I think that is very important, because water and sewer money is a very important economic development, especially in West Virginia. But the water and sewer money coming into West Virginia is not doing enough at this point. I think that is the question we should be addressing here.

The reallocation, the question has come up. We are gnawing away at the problem with dull teeth. What this bill would do is sharpen our teeth so we can be more effective in getting economic development in rural America.

Earlier today we heard the gentleman from Oklahoma [Mr. WATKINS] talk about a Marshall plan. That is what we need, a Marshall plan. We have the ability to provide rural development in this Nation. I think that if Members would look at this issue from that standpoint, it is that if we have the political will, we can in fact accomplish what we want to accomplish. I think that is the bottom line. I have my fears, but I think this is the best way to approach that.

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

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

Mr. ENGLISH. Mr. Chairman, the question was raised with regard to funds and who wins and who loses. I would suggest that we have got the list here from the Department of Agriculture, from the Farmers Home Administration. What I was listing are the net bottom line, after all the switching and adjustments are done, those that win and lose.

Over the last 3 years there have been 36 States that have lost. Last year alone 32 lost. That is what it comes down to. It is the same States year after year after year that win.

I would suggest that Arkansas, North Carolina, South Carolina, and Kentucky are certainly States that fall into those categories every time.

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

Mr. STAGGERS. I yield to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Chairman, I am very concerned here. We are hearing all this about which States win and which States lose. I have a list here of States that benefited last year from the current policy of pooling funds. I have friends and colleagues from the States. I think they ought to know. Alaska, Arizona, Arkansas, California, Connecticut, Delaware, and Florida.

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

Mr. STAGGERS. Mr. Chairman, I reclaim my time and yield to the gentleman from Oklahoma [Mr. ENGLISH], the chairman of the Subcommittee on Conservation, Credit, and Rural Development.

Mr. ENGLISH. Mr. Chairman, I would suggest to the gentleman from South Carolina [Mr. TALLON] the Department of Agriculture might be trusted more than the typed list the gentleman has in his hand. I would be happy to sit down with the gentleman and show him the list, if he has any questions.

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

Mr. STAGGERS. I yield to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Chairman, I went over this list very carefully. These are States that benefited from the present policy of pooling only last year.

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

I rise in favor of the Rose amendment. I want to first commend the gentleman from Oklahoma [Mr. ENGLISH] and the gentleman from Missouri [Mr. COLEMAN] for their work on this bill. Most of the provisions of this bill are good.

Mr. Chairman, I want to say that I also thank the gentleman from Oklahoma [Mr. ENGLISH] particularly for his move to accommodate members of the Subcommittee on Conservation, Credit, and Rural Development during the markup sessions that we had.

Mr. Chairman, it seems to me that the issue is very clear. We have been appropriating something like $400 million a year for water and sewer projects in this country and about $200 million for other development purposes. Water and sewer money is still the most critical need of our rural communities. And even under the bill, with the limited transfer that is in the bill, even any transfer of water and sewer funds to other purposes would hit our poor rural communities in a way that they do not need to be hit.

□ 1410

The bill has in it a provision which says that funds can be transferred under the bill only to the extent of the gap between appropriated funds and authorized funds. That gap is presently $34 million. But it would not take very long, with a little skulduggery to get the authorization level up enough to transfer a fair amount of money.

Mr. Chairman, I think that the case is pretty simple. The underlying goal of this bill is to promote job growth and population increases in rural America. Jobs go where there are available workers. Workers go where there is adequate housing. Housing is built where there is water and sewer facilities. We have to keep the basics first, and keep the water and sewer funds intact. We will get plenty of economic development out of that.

Vote for the Rose amendment.

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

Mr. Chairman, let me first of all make sure that everybody knows that the Rose amendment is one of those few things that can be called a gutting amendment, because that is exactly what it does. It guts the thrust of this new approach to dealing with rural America and trying to solve the problems of rural America.

It is no wonder that the gentleman from North Carolina is offering an amendment because he is milking, and his State has milked the current system for all it is worth. If we are going to continue the approach to rural development that has not worked, frankly, very well over this last 20 or 25 years, then Members will want to vote for the Rose amendment.

But if Members believe we need a new focus, and we need new ways of dealing with rural America, and they like flexibile funding, they like State input, and believe that people closest to the people can make better decisions than even Members of Congress, and I know it is kind of hard for us to think that we do not have all of the knowledge and are all important, but I do not think under the current system we have talked about influence that Members of Congress have. I do not think any place in any law that it says a Member of Congress shall provide water and sewer grants. It specifically says the Secretary, and we are talking about the Secretary of Agriculture. That is even true under the English-Coleman proposal.

The reason is we have some constitutional limitations we have to operate under. We cannot give this authority to Members of Congress to issue. We cannot give it to a panel in the States, we cannot give it to the Governor. We are giving it to the Secretary, who currently has it, but a Secretary who will take into consideration, and that was under the de la Garza amendment earlier today, "He shall take into consideration what the review panel in each State will propose." What they will propose, Mr. Chairman, is a combination of how to use money currently available.

In the State of North Carolina they may have different needs than the State of California. The State of Oklahoma may have different needs than the State of Texas. What is wrong with letting the North Carolinians make an advisory opinion to the Secretary on how to spend that money? There is nothing wrong with that.

I think most Members from rural areas have always gone around and campaigned to our people that, gee, those people in Washington, those bureaucrats, they do not know what is going on. It is you good folks back here at home who know what is going on. Now when we have a chance to see happen what we really believe and are given an opportunity to vote, we say no, you do not know what is going on, I know what is going on, because that is the philosophy of the Rose amendment.

So what we are trying to do, very simply, is say look, the old system may be worked for a handful of States, but it has not worked for this country as a whole. Maybe we are being too bold by trying something different, but we believe, and the committee believes, and I think the vast majority of Members of this body believe that we can do better.

All this stuff about winners and losers is fine. The winners and losers, we can make up lists and so forth, but we are trying to construct a national delivery system in which everybody will win and there are not losers.

Also let me say we are not disturbing the appropriation process. We will undoubtedly hear from a few Members of the Appropriations Committee. We are not trying to involve ourselves in their territory. We are simply allowing flexibility.

Members who are watching this in their offices, I would say to them do not get the impression that because we have heard some Representatives of North and South Carolina, and Arkansas, and perhaps Virginia and one or two other States, that this is some kind of landslide movement here. They are the ones who are gaining and will gain under the Rose amendment, very parochial. The rest of us will not. That is very important to recognize.

In fact, if Members are interested in sewer and water money, as all of us are, and the chairman very appropriately pointed out that water is the basic necessity in all of this economic development for jobs and opportunities, that they could even get more money under our proposal than less money. They have concentrated on the fact that they may lose. The fact of the matter is they may gain, because they might be able to keep their

commitment to sewer and water by pulling out some funds from some other programs, and even increase their participation. So there are no winners and losers per se. It is whether or not the State wants it on a review panel not controlled by the Governor but made up of 16 citizens from rural communities that represent various interests in the State, who could increase the water and sewer money as opposed to reducing it.

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

Mr. Chairman, virtually every local unit of government used to benefit from a program called revenue sharing. That program provided funding to local units of government, and it was used at their discretion for local priorities. Now that program is gone.

At the Federal level we are now focused primarily on dedicated grant programs. These categorical grant programs, like the Water and Sewer Funding Program, are available to some communities, but most communities do not qualify for assistance for these programs, and it is not always the communities in greatest need that get the money. Too often, with these categorical grant programs, the communities that get the money are the communities with the best grant writers.

This Water and Sewer Grant Program is a classic example of a program in which those communities which aggressively utilize water and sewer grants get the lion's share of the money. The emphasis given water and sewer funding shortchanges other worthwhile rural development initiatives across this country.

The whole thrust of this rural development bill is to give our rural communities a better chance at the rural development assistance coming from the Federal Government. Pooling the various programs within the U.S. Department of Agriculture, including the funding available for water and sewer projects, will allow each State to draw on that pool of money to finance its own priorities. If water and sewer funding happens to be a priority within that given State or a geographic region within that State, then fine. But we should not impose a Federal water and sewer prejudice on local officials who may have greater rural development needs in other areas.

I urge the rejection of the Rose amendment.

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

Mr. PENNY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I want to commend the gentleman for his statement. I think the other point should be made that it is a two-way street. Certainly money from any of these other programs could be transferred into water and sewer if that is the need of that particular State.

One thing that has not been mentioned, however, is that we also have a crisis in rural health care and other community facility programs, and that money is desperately needed. So other funds can be transferred in for rural health care as well, and certainly I would think that no Member of Congress wants to have to choose between saying yes, your local hospital closed because I did not want to give you the flexibility of determining the priorities of your particular State or your locale.

□ 1420

I think the gentleman has done an outstanding job of underscoring the need for local decisions. Let us trust the local people.

Mr. PENNY. I thank the chairman for his remarks. I laud his leadership in this area. He has done an outstanding job of developing the rural initiative.

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

Mr. PENNY. If I have the time, I yield to the gentleman from South Carolina.

Mr. TALLON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has made an excellent statement, but what he has outlined is truly a classic block grant program, and we will see the money wither away and drop just like we did in the revenue-sharing area, and that is a very deep concern of mine. I appreciate the gentleman outlining it, but would still encourage people to vote for the Rose amendment.

Mr. PENNY. Here again my fundamental concern is the classic pattern of categorical grant programs in which far too often it is not the community in greatest need that gets the money but it is the communities with the best grant writers that get the money. I would rather have a general pool of money within the Department of Agriculture available for a wide variety of rural development initiatives and then let the States and the regions within those States highlight for us what the greatest need is, apply through this pool of money for assistance and move forward with those projects that mean the most to those rural communities.

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

Mr. Chairman, let me first congratulate our two colleagues, especially the gentleman from Oklahoma [Mr. ENGLISH] and the gentleman from Missouri [Mr. COLEMAN], for this exercise in focusing America's attention and this body's attention on what needs to be, and that is economic development in the rural areas.

However, I have to rise in support of the Rose amendment in this case because even though the bill on the floor has many good points, this is one of the areas that I think it is very, very threatening to the poorest and most isolated of our rural counties.

Mr. Chairman, I rise to urge my colleagues not to destroy the only opportunity many rural Americans have for good safe water. If we pass H.R. 3581 as it is now written, sending a message to the most isolated rural Americans that they must leave their homes to survive.

There is no one here more committed to rural economic development than I am. Education and economic development organizations which I have created in my district are my pride and joy, but dedication to economic development is no excuse to obliterate those weaker, poorer communities who have less potential for growth. Given the standards by which water and sewer applications must be prioritized under H.R. 3581, the opportunity for many rural Americans to access good safe water will be destroyed because they will not be able to compete with the America which is becoming less rural.

There is no way that our neediest communities will be able to meet the criteria this bill establishes for assistance. If we allow this bill to pass as currently written, priority will be given to those who can demonstrate the greatest potential for growth. Applications will be considered based on the ability to identify "the number and types of businesses in the area that are growing or declining, and a list of the types of businesses that the area could potentially support; the realistic possibilities for industrial recruitment; the potential for the production of value-added agricultural products; the potential for tourism development; the generation of employment; a list of area residents with special skills; a current list of organizations in the area and their special interests; the availability of general and specialized skills"; the list goes on.

We already have programs—CDBG, EDA, ARC—which tie jobs and economic development goals to funding.

Don't you see, this bill strangles the poorest and weakest. Heaven only knows I'm for rural economic development—but not at the expense of our poorest and weakest. In this bill the weak get weaker and the rich get richer. Do we really want to suffocate/poison a part of America. In my district, Owsley County has only 5,500 people on 200 square miles of hills and hollows.

Just this morning, I was notified that Owsley County in my district—the 10th poorest county in the Nation—was awarded a Farmers Home loan of $101,000 and a grant of

$350,600 to upgrade their water system. This would not have happened were this legislation in place. With this legislation, areas like Owsley County—and folks we have many across our Nation—will lose the most important source of infrastructure development. The current water and sewer backlog for Kentucky is $60.1 million in loans and $25.9 million in grants. These numbers represent project requests which have been filed and declared eligible for funding.

The bill's sponsors might argue that special allowances will be made for areas experiencing a declared water and waste emergency. Is an emergency the only standard which many of my rural communities will be eligible for assistance with their water and sewer needs in the future?

Furthermore, this bill creates a bureaucratic nightmare. We don't have any idea how this legislation will be implemented. Will we have a rural development administration director in each State; what will Farmers Home Administration employees on the district level do; who will process the loan applications? There are no answers to these questions. We do know that this bill will mean new layers of bureaucracy, new money—$100,000 per State just for the review panel.

I commend by colleague, Mr. ROSE, for recognizing this problem and stepping forward with this amendment to protect the poorest and maintain the integrity of water and sewer assistance. Please support rural America and the Rose amendment.

Underdeveloped America loses with this legislation—my district loses with this legislation—I know that many of your districts must lose, too. This legislation is not what this Congress is about.

The CHAIRMAN pro tempore (Mr. FROST). The time of the gentleman from Kentucky [Mr. ROGERS] has expired.

(On request of Mr. COLEMAN of Missouri and by unanimous consent Mr. ROGERS was allowed to proceed for 1 additional minute.)

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

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

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Mr. Chairman, the gentleman says that the neediest of the projects would not be able to be funded under this bill. I want to also point out that if the gentleman would have gone on in the bill, there was a provision that if there were two that tied, the one that will be funded will go to that application where there is the greatest need. So we tried to recognize that. Mr. ESPY offered that in committee.

But it pains me for Members to stand here and say that certain projects in their districts, certain counties, and the gentleman from Kentucky mentioned one and someone else mentioned one in Arkansas, would not be funded under this bill that we propose. I do not see how you can possibly make that statement. I certainly could not make the statement that it would not or would. But how can anybody anticipate what would happen under this proposal unless he is suggesting it is not a meritorious proposal because under our bill you would get even more chance to be funded by transferring funds.

Mr. ROGERS. Reclaiming my time, the reason I say that is because the bill itself suggests the application must be based on certain criteria.

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky has again expired.

(By unanimous consent Mr. ROGERS was allowed to proceed for 1 additional minute.)

Mr. ROGERS. Mr. Chairman, the criteria are based on growth factors such as the numbers and types of business in the area, whether or not there is potential for growth, the potential for tourism development and so on and so forth. What about just plain old need for water in those areas which do not have the potential for growth? There are areas like that in this country that are ignored by this bill.

Mr. ANTHONY. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the Rose-Anthony-Rogers amendment. Under normal circumstances I would be totally supportive of H.R. 3581, and I would like to commend the gentleman from Oklahoma [Mr. ENGLISH], as well as the gentleman from Missouri [Mr. COLEMAN], and the gentleman from Texas [Mr. DE LA GARZA], for bringing to the House floor a bill that emphasizes rural development. If there has been any other segment of the American public and population that has been ignored over the last 10 years it has been rural America. We are hurting. We need help.

What disturbs me, though, is that we are here fighting over a little bitty pie and, as a result, it has each of us at each other's throats.

I say to the gentleman from Missouri [Mr. COLEMAN], you cannot have all winners when you have cut 50 percent of the funding for water and sewer out of the appropriated process over the last 10 years. In Arkansas we got $8.3 million as our allocation from Farmers Home.

□ 1430

We have well over millions and millions of dollars over and above that. If Members wanted to take a close look, and I am sure the gentleman from Oklahoma [Mr. ENGLISH] probably has the numbers. My State got $23.5 million back from the pool. So to that extent, we are large winners.

However, it also proves the point, and the point simply is this. If Members vote for Rose-Anthony-Rogers, Members are saying that they wanted a national policy on water and sewer. If Members vote against it, Members are saying they want a policy on a State-by-State basis. If we have some States that have a greater need, that is just tough.

The real answer here is to put the amount of money back in that we had 10 years ago, and we would not be down here scratching each other like we are scratching each now. If the amendment fails, we have done exactly what the gentleman from Minnesota [Mr. PENNY] says that he is opposed to, and that is a national viewpoint on water and sewer, because what Members do is force the Agriculture Secretary to take money that is not spent in that program and reallocate it to other programs. That is exactly what the intent of the legislation is. That is what occurs.

Therefore, what we have is another back-door way to even eliminate less money nationwide for water and sewer. We cannot cut it any other way. That is the way it works. If my State happens to benefit from it, so be it. However, we ought to be voting to put more money, not less money, in water and sewer. We ought to be looking at it on a nationwide basis. The amendment should pass overwhelmingly because it is the right thing to do. It does not gut this piece of legislation. H.R. 3581 will pass overwhelmingly after this amendment passes.

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

Mr. ANTHONY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I appreciate what the gentleman says and I am in complete agreement with regard to increasing the funds.

The difficulty is with the budget situation we find ourselves in, as pointed out by the chairman of the Committee on the Budget. The funds simply are not there. I would like to see all aspects of rural development increased as far as funding. We desperately need it. There is no question about that. The point is, if we cannot increase funding, and simply having Members down here wishing it were so does not make it so. If we do not increase the funding, and funding has not been increased, the only thing that local people have asked for—not up here, local folks. Local folks ask for the flexibility. They say a program that is designed in Washington, DC, and straitjacketed on the entire Nation does not necessarily meet the needs in Oklahoma, does not necessarily meet the needs in Georgia, does not necessarily meet the needs in California.

The point that we are making in this legislation is, folks, we have not got the extra money to give people right now. The one thing that we can though, is let people take that money allocated for your State and use it the best way.

Mr. ANTHONY. Mr. Chairman, reclaiming my time, I understand the noble statement, but once we take away the nobleness of the statement and look at the stark reality of what happens nationwide, the amount of money is not asked for and spent, so it is pooled back. Therefore, what we are saying, rather than taking the pool and spending it back out on water and sewer, we are saying, spend it in some other category.

That is a back-door raid on water and sewer appropriations. I am in opposition to it. I think it is the opposite way to go. We ought to be down here having the guts to ask for more money, for all these programs, because that would really solve our problem. If we want to get into a budget debate, maybe that is where we ought to be debating it. But do not be fooled, this is a back-door raid against the national policy on water and sewer projects.

Mr. PARRIS. Mr. Chairman, I move to strike the last word.

I support the amendment offered by the gentleman from North Carolina and urge its adoption.

We have heard an awful lot here this afternoon in this debate on this amendment, Mr. Chairman, about winners and losers. I do not know about all of that. If Members show me a good loser, I will show Members a guy playing golf with his boss.

The reason I rise in support of this amendment, Mr. Chairman, is because I think it is in the best interests of the Nation. My own district is now largely urbanized. I share the concerns of a great number of my colleagues, however, about the continuing economic and social problems which plague the small towns and settlements in rural America. Just as urban mass transit assistance is an important cornerstone for the economic well-being of more populous areas, the existing Farmers Home Administration water and sewer loan and grant program will continue to be an essential element in any meaningful future revitalization efforts for rural areas of our country.

The amendment offered by the gentleman from North Carolina [Mr. ROSE] will, in my view, protect this important program and prevent the scarce funds available for rural water and sewer loans and grants from being siphoned off for other, less basic, development projects and increased administrative overhead costs.

Mr. HOPKINS. Mr. Chairman, I rise today to support the amendment to remove the Secretary of Agriculture's authority to transfer appropriated moneys between various rural development accounts.

The Farmers Home Administration has built most of the rural water systems in Kentucky and throughout the United States.

These systems have made an outstanding contribution to rural economic development.

Kentucky's State FmHA office is recognized as an industry model in effeciency and effectiveness, and its role in providing funds, technical assistance, and fiscal management to rural communities is unsurpassed.

Anyone familiar with the operation of the FmHA rural water and waste water program clearly recognizes its importance. Clean water and safe sewage disposal systems are basic to the daily life and health of our Nation's rural communities.

I strongly support the continuation of the current mechanism, whereby FmHA apportions, approves, and administers these important funds.

The current system of apportioning money for rural water projects has worked well in Kentucky, and Kentucky currently has a backlog of $85 million in requests for this type of assistance.

Foldling these dedicated moneys into a larger pool would be detrimental to the interests of the many water districts in my State and is contrary to the interests of Kentucky as a whole.

Continuing efforts to extend treated water to rural residents will not be well served by transferring these funds to another pool.

Expanding the rural economy will be difficult without adequate infrastructure. The Rose amendment will ensure that Federal resources will be devoted to infrastructure projects that are essential elements for promoting economic growth.

Mr. Chairman, I urge my colleagues and fellow Kentuckians to support the Rose amendment.

The CHAIRMAN pro tempore (Mr. FROST). The question is on the amendment offered by the gentleman from North Carolina [Mr. ROSE].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. ROSE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded by their name:

[Roll No. 26]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Bateman
Bates
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Conte
Cooper
Costello
Coughlin
Courter
Cox
Coyne
Craig
Crane
Dannemeyer
Darden
Davis
de la Garza
DeFazio
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Douglas
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Grant
Gray
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hoagland
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Machtley
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moorhead
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Parris
Pashayan
Patterson
Paxon
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Sawyer
Saxton
Schaefer

Scheuer
Schiff
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stearns
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Towns
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (FL)

□ 1457

The CHAIRMAN pro tempore (Mr. FROST). Three hundred eighty-four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN pro tempore. The pending business is the demand of the gentleman from North Carolina [Mr. ROSE] for the recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. The Chair will state this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 204, noes 193, not voting 34, as follows:

[Roll No. 27]

AYES—204

Ackerman
Akaka
Alexander
Anthony
Aspin
Atkins
Ballenger
Bateman
Bates
Beilenson
Bennett
Berman
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Boucher
Boxer
Brennan
Bruce
Bunning
Cardin
Carr
Clarke
Clay
Clement
Clinger
Coble
Condit
Conte
Costello
Coughlin
Courter
Coyne
Davis
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Douglas
Downey
Durbin
Dwyer
Dymally
Edwards (CA)
Engel
Evans
Fascell
Fazio
Flake
Foglietta
Frank
Gallo
Gejdenson
Gibbons
Gordon
Goss
Grant
Green
Hammerschmidt
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Hopkins
Hoyer
Hubbard
Hughes
Hunter
Hutto
Hyde
Ireland
James
Johnson (SD)
Johnston
Jones (NC)
Kanjorski
Kennedy
Kennelly
Kostmayer
Kyl
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowey (NY)
Machtley
Manton
Marlenee
Martinez
Matsui
Mazzoli
McCandless
McCollum
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oberstar
Obey
Olin
Owens (NY)
Packard
Pallone
Panetta
Parker
Parris
Patterson
Payne (VA)
Pelosi
Perkins
Pickett
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Rinaldo
Robinson
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Sangmeister
Savage
Saxton
Scheuer
Schiff
Schneider
Schroeder
Schulze
Schumer
Shaw
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Stangeland
Stark
Stearns
Stokes
Studds
Tallon
Taylor
Thomas (CA)
Torres
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Waxman
Weber
Weiss
Whitten
Wolf
Young (FL)

NOES—193

Anderson
Andrews
Annunzio
Applegate
Archer
Armey
AuCoin
Baker
Barnard
Bartlett
Bentley
Bereuter
Bilbray
Bosco
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Bryant
Buechner
Burton
Bustamante
Byron
Callahan
Campbell (CA)
Campbell (CO)
Carper
Chandler
Chapman
Coleman (MO)
Coleman (TX)
Combest
Cooper
Cox
Craig
Crane
Dannemeyer
Darden
de la Garza
DeWine
Dickinson
Dingell
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Fawell
Feighan
Ford (MI)
Frenzel
Frost
Gallegly
Gaydos
Gekas
Gephardt
Geren
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Grandy
Gray
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harris
Hastert
Hatcher
Hefley
Henry
Herger
Hiler
Hoagland
Holloway
Horton
Houghton
Huckaby
Inhofe
Jacobs
Jenkins
Johnson (CT)
Jones (GA)
Jontz
Kaptur
Kasich
Kastenmeier
Kildee
Kleczka
Kolbe
LaFalce
Lagomarsino
Laughlin
Leach (IA)
Leath (TX)
Levin (MI)
Lewis (GA)
Lightfoot
Long
Luken, Thomas
Madigan
Martin (IL)
Martin (NY)
Mavroules
McCloskey
McCrery
McCurdy
McDermott
McEwen
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Moody
Moorhead
Morella
Morrison (WA)
Murphy
Nielson
Ortiz
Owens (UT)
Oxley
Pashayan
Paxon
Pease
Penny
Petri
Pickle
Porter
Ray
Regula
Rhodes
Richardson
Ridge
Ritter
Roberts
Rohrabacher
Rowland (GA)
Saiki
Sarpalius
Sawyer
Schaefer
Schuette
Sharp
Shays
Shumway
Skaggs
Slattery
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Staggers
Stallings
Stenholm
Sundquist
Swift
Synar
Tauke
Tauzin
Thomas (GA)
Thomas (WY)
Traficant
Unsoeld
Upton
Vander Jagt
Visclosky
Vucanovich
Walgren
Walker
Walsh
Washington
Weldon
Wheat
Whittaker
Wise
Wolpe
Wyden
Wylie
Yatron

NOT VOTING—34

Barton
Bevill
Borski
Collins
Conyers
Crockett
DeLay
Fields
Fish
Flippo
Ford (TN)
Gillmor
Guarini
Hayes (LA)
Kolter
Lent
Levine (CA)
Lukens, Donald
Markey
Mfume
Morrison (CT)
Nelson
Oakar
Payne (NJ)
Sensenbrenner
Smith (NE)
Stump
Tanner
Torricelli
Watkins
Williams
Wilson
Yates
Young (AK)

□ 1506

Messrs. SMITH of Vermont, PASHAYAN, and SHAYS changed their vote from "aye" to "no."

Mr. PURSELL and Mr. HERTEL changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. TANNER. Mr. Chairman, I rise today to extend my congratulations to the Committee on Agriculture for bringing to the floor the Rural Development Act. This is a much-needed piece of legislation that should provide badly needed Federal attention to assist in economic development in rural areas of this country.

There is overwhelming evidence that rural areas are behind their urban cousins in achieving the economic growth necessary to provide job opportunities for their people. There is a rising sense of unease among rural people that their traditional values, their hope for a better life for their children, and in many cases their communities themselves may no longer be viable as economic progress stagnates.

This bill reaffirms traditional Federal support for programs to assist rural communities in controlling their own destiny and not be abandoned by decisions in far away financial markets over which they have no control. I urge passage of this legislation as a way of telling rural communities that the Federal Government is committed to their future.

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

Mr. Chairman, I do this for two purposes: First, that information and debate on the amendment just adopted was inaccurate in some points, misrepresented in other points. We feel that the membership was not fully enlightened as to the impact of the amendment. Therefore, I feel that we owe an obligation to the membership that accurate information be presented to them.

The second point is that the leadership had asked us, if at all possible, that we rise by 3 today. That time having passed and because of the need to further edify the Members as to the accuracy of the legislation, I think that it would be better if we delay this to another time.

Accordingly, Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

□ 1510

Accordingly the Committee rose; and the Speaker pro tempore (Mr. OBERSTAR) having assumed the chair, Mr. FROST, 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. 3581) entitled the "Rural Economic Development Act of 1989," had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present I would have voted "aye" on rollcall Nos. 25 and 27.

LEGISLATIVE PROGRAM

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

Mr. MICHEL. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished gentleman from Texas [Mr. FROST] the program for next week.

Mr. FROST. Mr. Speaker, will the distinguished Republican leader yield?

Mr. MICHEL. I am happy to yield to the gentleman from Texas.

Mr. FROST. Mr. Speaker, let me, if I may quickly, announce the program for the balance of this week and next week. The legislative program is as follows: The House will not be in session tomorrow. On Monday, March 19, the House meets at noon, no legislative business. On Tuesday, March 20, the House meets at noon. Six bills are under suspension. Recorded votes on suspensions will be postponed until after debate on all suspensions.

The bills to be considered under suspension are:

H.R. 4167, to provide for short-term extension of the strategic petroleum reserve;

H.R. 3834, Selma to Montgomery National Trail Study Act;

H.R. 2566, to disclaim any interest of the United States in certain lands on San Juan Island, WA;

H.R. 2692, amending the Woodrow Wilson Memorial Act;

H.R. 509, Coast Guard Bicentennial Medal; and

H.R. 3182, Yosemite National Park Centennial Medal.

On Wednesday, March 21 and Thursday, March 22, the House meets at 2 p.m. on Wednesday and 11 a.m. on Thursday. Under consideration on those days will be:

H. Res. 346, providing expenses for investigations and studies by standing and select committees on the House, 1 hour of debate;

H.R. 3847, to establish a Department of Environmental Protection, as amended, subject to a rule; and

H.R. 644, to amend the Wild and Scenic Rivers Act by designating the East Fork of the Jemez and Pecos Rivers in New Mexico, subject to a rule.

Friday, March 23, the House will not be in session.

Mr. MICHEL. Mr. Speaker, might I inquire of the distinguished gentleman if he can inform us as to when child care will be on the floor. I know that it is not scheduled for next week, but there was some indication in a conversation with the Speaker that it might be up next week, although he said, if not, the following week, and that, of course, being as controversial as it is, Members would surely want to be present when we debate that issue.

Mr. FROST. If the gentleman will yield further, in response to the distinguished minority leader, it is my understanding the Speaker does want this legislation considered by the end of March, and we are making progress toward that end. It is not on the schedule for next week as of this point, but it is the Speaker's intention that it be considered by the end of March.

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

Mr. MICHEL. I am happy to yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I just want to say for the record that child care is an extremely important issue, that there are a number of people across this country who have a very, very real interest in this, and that nothing could be more disastrous to sound legislation than to try to produce a child-care bill magically on a Tuesday and vote on it on a Thursday.

It would seem to me that the Democratic leadership owes it to the country to produce their version of child care on a Wednesday or Thursday and allow a weekend to intervene before rushing to a vote. It would be literally impossible for Members and for interested constituencies around the country to analyze a child-care bill which did not come out of committee and did not have a normal amount of time to be looked at, and that I would very strongly urge the Democratic leadership to initially bring the child-care bill out, their proposal, with adequate time for it to be analyzed.

Mr. MICHEL. I thank the gentleman for his comment.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FROST. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

ADJOURNMENT TO MONDAY, MARCH 19, 1990

Mr. FROST. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

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

There was no objection.

THE PRESIDENT'S ANTICRIME PACKAGE

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

Mr. MCCOLLUM. Madam Speaker, I have taken this 5 minutes today to discuss with my colleagues a very important piece of legislation and to bring to their attention some of the provisions of that piece of legislation. That is the President's anticrime package.

The President's anticrime package was sent up last May to Congress, introduced in June by the gentleman from Illinois [Mr. MICHEL], and has been in the Committee on the Judiciary ever since then.

The chairman's decision was not to refer it to any particular subcommittee but, rather, to advise by letter each of the subcommittee chairmen of the presence of that bill and to ask that they proceed to mark up or at least have hearings on the portions that were relevant to their subcommittee.

□ 1520

Based on an assessment we have done this week, to date only the Crime Subcommittee in the area of assault weapons has looked at this crime package and has held hearings on it. That is very unfortunate.

There are several very important provisions in this package that need to be brought out, need to be voted on, and that the American public would be served best by having out here this year sooner rather than later. One of those is a provision that would revise the capital sentencing laws of this country so that we can put the death penalty back in place again for things like kidnaping, murder for hire, and killing of prison guards and the like. We have been after that for years, since the Supreme Court ruled unconstitutional some of the procedures up here. States have done it; we have not.

Another one is the provision that would eliminate these endless appeals that go on after somebody is convicted of a crime. The habeas corpus laws of this Nation have been grossly abused, and Members on both sides of the aisle have wanted that reform a long long time. The gentleman from Florida [Mr. BENNETT], introduced a piece of legislation on that when I first came to this Congress. Yet that is in the

President's crime package, and now has his endorsement, but it has not seen hearings or the light of day yet this year.

It is my intent to talk about those and to talk about the changes in the exclusionary rule over a period of time, with some of my colleagues joining me in special orders not only today, but next week and the week after, and so on until we are able to at least explore with my colleagues what this package is really all about.

For a brief moment or two that is left in this 5-minute segment I would like to talk about the exclusionary rule changes the President has proposed, along with others. That is a somewhat long name. Most people do not understand it. But it is a court law, a court rule, not something by statute, the excludes from evidence in a criminal trial those items that might have been seized by a police officer in a search if the search was unconstitutional in some way. The question involved is that there are some exceptions to those rules that would allow evidence to more easily be presented, such as drug contraband that is seized, if we simply changed the laws to conform, or warrantless searches to the same that the courts have ruled on under searches with warrants, and there is no reason why we cannot do that. It is basically a technical decision to be made, and yet we are told by experts in law enforcement that this would make a great difference in terms of getting convictions in drug cases and other major crime cases around the country.

We have been after this for a long time. It was 1984 when the court decision came down on searches with warrants. I do not see why we cannot go to the warrantless searches and do the same thing.

There are examples about this warrantless search. It could be in a case where an accused gave consent, and perhaps the reason why the evidence is being excluded is because of the fact that the police officer really did not know that there was a problem involving some constitutional matter, and in those cases where he exercises good faith, he ought to be allowed to proceed with the evidence being taken in, even if the search was unconstitutional technically.

The studies done also on the exclusionary rule generally show that the reason for it is not very valid overall. It was designed to deter police officers from making these intrusions and these violations of constitutional rights. That has not been the case. It has not been effective in doing that.

But the President's package does not propose abolishing the rule that the courts go by, by their own reasoning in excluding this evidence. But it does provide a measure of modification that is responsible and reasonable.

Again, over the next few days we intend to point out some very specific examples of how these changes could affect actual cases and would have affected these cases that have already been tried in the courts of this Nation and the evidence has not been allowed and the convictions not obtained. I think it is important again that we understand this and we understand the other components of this bill and this package, because we need to have a vote on the President's crime package in this Congress and to get it through the subcommittees and committees this year, now, not later.

REINSTITUTING THE DEATH PENALTY

The SPEAKER pro tempore (Mrs. UNSOELD). Under a previous order of the House, the gentleman from New Hampshire [Mr. DOUGLAS] is recognized for 5 minutes.

Mr. DOUGLAS. Madam Speaker, the reason I want my remarks to follow those of the gentleman from Florida [Mr. MCCOLLUM] is that he and I both serve on the Crime Subcommittee of the House Judiciary Committee. This week we had hearings on the death penalty, something that 80 percent of the American public supports. But I do not think the American public knows what the House Judiciary Committee has done to the death penalty.

What it has done is to basically kill the death penalty. It has killed it by inaction, not action. What we have done is to refuse to bring the death penalty provisions of the Federal laws into compliance with Supreme Court opinions.

That is one of the things that we were hearing this week in an attempt to change a rather bizarre situation in America. Right now people on death row stand a greater chance of dying of natural causes than they do of the death penalty. That is the result of Justice Powell's study on habeas corpus, and that is one of the brutal facts of life, that we have more people dying on death row just waiting there than we do by the punishment that our society wants exacted and that our courts have meted out.

How long do they tend to wait on death row, and how long does the case take before they even get the finality of judgment? On average it is 6.8 years, and 7 years is too long to grind around in the judicial system and to keep appealing, and appealing and appealing. We need to act in the Judiciary Committee and get to this House a bill that cleans up the death penalty, expands it into the case of drug kingpins who are killing thousands of people a year through AIDS needles, through the sale of drugs to kids, and we need to do all of that this year.

If we are going to have a war on drugs, somebody should be dying, and it should not be America's teenagers. It should be the drug kingpins.

We need to reform the judicial process so that we do not take 7 years to have a case grind through the system and keep coming back over and over again.

So I join with the gentleman from Florida [Mr. MCCOLLUM] and my Republican colleagues on that committee in urging the Democrats who control that committee, and have controlled this House since Eisenhower in 1954, to get on with it, get the bill out of the committee, and let us come down here and do what people pay us to do: Vote on it.

FAA 6-POINT PROGRAM TO DEAL WITH DRUG ABUSE AMONG COCKPIT CREWS ON COMMERCIAL AIRLINES

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

Mr. OBERSTAR. Madam Speaker, the Administrator of the Federal Aviation Administration issued a 6-point program to deal with an extraordinary situation of alcohol abuse among the cockpit crews on commercial airlines. The 6-point program is an effective, thoughtful response to an unusual situation that could have had widespread effects had the FAA not responded as decisively as it did.

This six-point program will assure that all FAA inspectors at all stations across this country and all other FAA personnel on station who have safety or related responsibilities will be trained to deal with drug or alcohol problems among the cockpit crew and will not know how to respond in the future. This training will be incorporated into the curriculum of newly hired personnel of the FAA. The program will involve the Administrator himself in a massive nationwide training program to be conducted additionally later this summer.

Madam Speaker, I will include for the RECORD the statement of the Administrator including the 6-point program he has announced, because it is so vitally important to aviation safety:

FEDERAL AVIATION ADMINISTRATION,
Washington, DC, March 14, 1990.

To all Flight Standards Inspectors:

From time to time, inspectors receive tips from informants, some of them anonymous, alleging that a crew member is violating or will violate the agency's alcohol- or drug-related regulations. When this information is specific enough to permit further investigation, standard agency procedures currently in force demand that the investigation be considered of the highest priority to prevent any threat to public safety.

In cases where you receive information sufficient to warrant further investigation

of the allegations, it is imperative that you promptly share with the carrier the information you have received and the steps you intend to pursue. Airline management shall be given pertinent information and shall be urged to assist the agency in the investigation.

Therefore, effective immediately, the Flight Standards organization that initiates an investigation into allegations that a flight crew member has or might operate an aircraft in violation of the agency's alcohol- or drug-related regulations shall:

Notify promptly airline management that such an investigation is being initiated, and

Urge airline management to assist the agency in the conduct of the investigation.

This notification should be accomplished using the most effective means available which is typically through the FAA Operations Center in the field.

Inspectors who receive tips relating to alleged violation of alcohol- or drug-related regulations shall notify immediately their supervisors and the appropriate certificate management office. Through coordinated teamwork within the FAA and with industry, we will be able to fully assess the allegations and make the right decisions to protect the public safety.

Within a few days, we will provide all Flight Standards employees with a summary of procedures to be used in these cases so you understand the actions to be taken and the authorities currently in place.

JAMES B. BUSEY,
Administrator.

ADMINISTRATOR'S SIX POINT PROGRAM

1. Procedural change.—Effective immediately, in cases where FAA receives information sufficient to warrant further investigation of an allegation that a crew member is violating or will violate the agency's alcohol- or drug-related regulations, the investigating inspector shall promptly share with the carrier the information received and the planned course of action. This will enable the carriers to institute promptly their own internal investigation. This procedural change was effected by notice to all Flight Standards facilities on March 14.

2. Summary of procedures and authorities.—The Administrator will provide to each facility a "quick reference" guide summarizing the existing agency procedures to be followed in investigations of this nature. The guide will also outline the steps to be taken to implement, if necessary, existing FAA authority to take any actions needed to prevent a flight from taking place with a crew that FAA has reason to believe is likely to be in violation of the agency's stiff anti-alcohol or anti-drug rules. This will be accomplished within a few days.

3. Letter to CEO's.—The Administrator will write to CEO's of all "major" and "national" airlines, as well as the CEO's of Washington aviation lobby organizations, expressing his personal conviction that enforcement of these regulations must continue to receive the highest priority. He will remind them of their fiduciary duty to the travelling public to join us in this effort, and provide them with a copy of our procedures and authorities summary. This will be completed next week.

4. Administrator's video message.—The Administrator will deliver a personal message to all Flight Standards employees that they must continue to place highest priority in the investigation and resolution of all alcohol- and drug-related complaints which come to the attention of the agency. This message will be videotaped and distributed to all Flight Standards facilities within about two weeks.

5. Inspector training.—The agency has planned a series of compliance and enforcement training seminars for all agency inspectors and attorneys. The Administrator has directed that a session be added to these seminars to deal specifically with the issues discussed above. These seminars will be completed by late summer.

6. Review and revision of inspector initial training.—The agency will review all training material and the curricula used in initial training of all Flight Standards inspectors (both general aviation and air carrier specialties). This training program, which is given at the FAA Academy in Oklahoma City, will be revised to gather all alcohol- and drug-related material discussed throughout the 9 to 16 week series into one place, so that it will be brought into sharper focus and its priority more clearly stressed. The new training curricula will be completed by late summer.

AMENDING PASSIVE ACTIVITY LOSS LAWS RELATING TO A FEDERALLY DECLARED DISASTER

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

Mr. PANETTA. Madam Speaker, I rise today to introduce legislation that will bring much needed relief for individuals who have incurred passive losses due to the recent natural disasters that have struck California and South Carolina.

As we all know, these disasters have caused extensive damage to businesses in these two areas. Unfortunately, many accounting provisions contained in the Internal Revenue Code that are inadvertently working against our efforts to rebuild the disaster devastated areas.

Under current law, many individuals who have invested substantial amounts of their savings in area businesses are not allowed to deduct those losses from other passive income if the loss was associated with a natural disaster. There is no justification for this loophole in the Tax Code.

My bill would amend section 469 of the Internal Revenue Code to allow those losses associated with a natural disaster to be applicable under the same laws as other passive losses for deduction purposes. There is precedent for such an amendment to section 469. As you know, Congress exempted the oil and gas industry from having to meet the current criteria for passive loss deductions. This was done in an effort to promote investment in a very important but struggling industry. Therefore, if the Congress is willing to amend the code to help an entire industry, we should certainly help those individuals who have lost their savings due to an act of nature.

I have also been alerted to two additional problems in the Tax Code due to the recent disasters. Under section 473 of the Internal Revenue Code, businesses must determine their tax liability on inventory based on previous year's inventory. Unfortunately, due to the disaster, many businesses in my district are unable to replace their entire inventory and therefore will have to base those calculations on the first year they opened up for business. My bill would allow a waiver of this law for those businesses affected by a natural disaster. I do not think it is reasonable that a business must replace their entire inventory while at the same time they are having to literally pick up the pieces of their business.

Last, my bill would help meet the expenses of demolition costs that many businesses can not afford. As you know, the Tax Code does not allow for the deduction of demolition costs associated with a natural disaster. As a result, many businesses who are barely able to afford the rebuilding costs are threatened to use up valuable resources to pay for its demolition. This was not the intention of the Federal Government. The bill would simply allow for the full deduction of costs associated with the demolition of a business due to a natural disaster.

It is my hope that the Congress will continue to review accounting provisions of the Tax Code to ensure that those individuals and businesses that have been devastated by natural disasters will have a fighting chance to rebuild their lives and businesses.

The text of the bill follows:

H.R. 4290

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

SECTION 1. DEDUCTION OF DEMOLITION COSTS ATTRIBUTABLE TO DISASTER.

Section 280B of the Internal Revenue Code of 1986 (relating to demolition of structures) is amended—

(1) by inserting "IN GENERAL.—" after "(a)", and

(2) by adding at the end the following new subsection:

"(b) SPECIAL RULE FOR DEMOLITION COSTS ATTRIBUTABLE TO DISASTER.—

"(1) IN GENERAL.—Subsection (a) shall not apply to any demolition required as a result of damage attributable to a federally declared disaster occurring after Septemper 1, 1989.

"(2) FEDERALLY DECLARED DISASTER.—For purposes of paragraph (1), the term 'federally declared disaster' means any disaster referred to in section 165(i)."

SEC. 2. TREATMENT OF DISASTER LOSSES UNDER PASSIVE ACTIVITY LOSS RULES.

Subsection (j) of section 469 of the Internal Revenue Code of 1986 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(13) DISASTER LOSSES.—

"(A) IN GENERAL.—The passive activity loss of a taxpayer shall be computed without regard to any loss attributable to a federally declared disaster occurring after September 1, 1989.

"(B) FEDERALLY DECLARED DISASTER.—For purposes of subparagraph (A), the term 'federally declared disaster' means any disaster referred to in section 165(i).

"(C) INCOME IN SUBSEQUENT YEARS.—If any taxpayer has any loss for any taxable year from an interest in property which is, pursuant to subparagraph (A), not treated as a passive activity loss, then any net income from the property (or any other property the basis of which is determined in whole or part by reference to the basis of such property) for any succeeding taxable year shall, to the extent of such loss, be treated as

income of the taxpayer which is not from a passive activity."

SEC. 3. ADJUSTMENTS TO GROSS INCOME FOR DELAYED REPLACEMENT OF INVENTORY ATTRIBUTABLE TO DISASTER.

(a) IN GENERAL.—Clause (i) of section 473(c)(2)(B) of the Internal Revenue Code of 1986 (relating to qualified liquidations of LIFO inventories) is amended by striking "or" at the end of subclause (I), by inserting "or" at the end of subclause (II), and by inserting after subclause (II) the following new subclause:

"(III) any federally declared disaster occurring after September 1, 1989,".

(b) DEFINITION.—Subsection (d) of section 473 of such Code (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(6) FEDERALLY DECLARED DISASTER.—The term 'federally declared disaster' means any disaster referred to in section 165(i)."

(c) CONFORMING AMENDMENT.—Subparagraph (A) of section 473(c)(2) of such Code (relating to definition of qualified inventory interruption) is amended by striking "or interruption" and inserting ", interruption, or disaster".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1988.

□ 1530

ANNUNZIO SUPPORTS "PAY-AS-YOU-GO" BUDGET PROPOSAL

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

Mr. ANNUNZIO. Madam Speaker, it has been my deep-seated belief that the Federal Government ought to conduct its business like the household of the average taxpayer. It should not spend more than it receives in revenue, just like the average head of a household can't spend more than he or she earns without going into a deep black hole of debt. The Government should not go into catastrophic debt to acquire the programs it wants. If the Government decides it wants a program, it should have the funds to pay for it immediately. The Government should not mortgage the future of our children and our grandchildren by shouldering them with a debt that they had nothing to do with but would require them to pay for.

In less than the decade of the Reagan and Bush administrations' policies, the national debt has tripled to $2.2 trillion, a burden that has been placed on future generations. Paying interest on the national debt is now the third largest category of spending, led only by defense and Social Security. The huge debt has become a national embarrassment.

Mr. Speaker, it is for that reason that I have joined in sponsorship of legislation introduced by Budget Committee Chairman LEON E. PANETTA to establish a rational and effective "pay-as-you-go" process which would balance the Federal budget, without counting the Social Security surplus, by 1998. The measure would repeal the deficit-reduction law—better known as Gramm-Rudman-Hollings—which Congress enacted 5 years ago, and replace it with a budgeting system that promises more modest but less illusory annual reductions in the Federal deficit.

The legislation proposes a relatively simple formula which would produce both 1-year and long-term deficit reduction and require new spending increases or tax cuts to be paid for by either offsetting spending cuts or tax increases. The plan would require any spending increases or tax cuts to be offset dollar for dollar by additional revenue or other spending reductions, except for Social Security expenses and increases in other mandatory benefit programs driven strictly by demographic changes.

Between now and 1993, the new process would be designed to achieve real deficit reduction of at least $30 billion annually, about the same rate as the Gramm-Rudman law. After 1993, it would reduce the remaining non-Social Security deficit at a rate of about $20 billion each year.

The basic principles of the Panetta "pay-as-you-go" plan, which I endorse, are: Most spending is assumed to be held to the previous year's level, the deficit declines because revenues continue to grow due to economic growth while spending is restrained and spending beyond the previous year's levels or tax measure which would reduce revenues must be paid for with offsetting spending cuts and tax increases.

The proposal establishes a new budget timetable and eliminates many of the accounting gimmicks that have prevailed under Gramm-Rudman. It also replaces the across-the-board spending cuts, or sequestration, that Gramm-Rudman imposes as an enforcement tool with rules that prevent consideration in the House and Senate of any measures which violate the pay-as-you-go limits.

Mr. Speaker, Budget Chairman PANETTA went into great detail on his proposal when he introduced the legislation on January 31, so I will not repeat here the intricate workings of the process. It is spelled out in the CONGRESSIONAL RECORD. I would like to say, though, it is a proposal whose time has come. We have achieved little in terms of true deficit reduction. Gramm-Rudman has not proved to be the answer; it has, instead, become part of the problem. The Panetta proposal will provide true budget discipline. It sends a simple message: If you want to increase spending or reduce taxes, then find a way to pay for it. We don't need more gimmicks. No more spending cuts that are really increases. No more pretending that tax cuts reduce deficits. Let's pay for the programs we want and not put future generations in hock.

INTERGOVERNMENTAL CASH MANAGEMENT IMPROVEMENT ACT OF 1990

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

Mr. CONYERS. Madam Speaker, I am pleased to introduce today a bill to improve the efficiency of management of funds transferred between the Federal Government and the States to finance Federal assistance programs.

The Federal Government transfers over $100 billion annually to the States and local governments in order to carry out Federal programs. For years, there has been disputes between the Federal executive agencies and the States over the timing of these cash transfers. The Federal agencies have been concerned that the States draw down on the Federal program funds in advance of State disbursement of such funds, thereby earning interest on Federal cash. The States, on the other hand, point to instances where they have had to advance moneys to fund Federal programs, such as highway construction, and absorb the cost for these funds while awaiting Federal reimbursement.

Similar in its provisions to S. 926, which passed the Senate on August 4, 1989, this bill would require the establishment of consistent and uniform procedures within each State for the management of Federal cash transfers. As an incentive for the timely transfer and disbursement of Federal program funds, the bill provides for interest payments to the Federal Government in the event of early drawdown by the States, and interest payments to the States if there should be late disbursement of Federal program funds by Federal agencies.

Mr. Speaker, I believe that this bill will add needed equity into the system of cash transfer for support of Federal assistance programs. In addition, the Congressional Budget Office has estimated that the requirements for interest payments will result in a net savings to the Federal Government of $50 million per year. The General Accounting Office, the Office of Management and Budget, and the Department of Treasury are all in support of the concepts outlined in this bill. We will have hearings on this bill, and anticipate reporting this bill to the full House in the near future.

THE 223D ANNIVERSARY OF THE BIRTH OF ANDREW JACKSON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. CLEMENT], is recognized for 60 minutes.

Mr. CLEMENT. Madam Speaker, today, March 15, is the 223d anniversary of the birth of Andrew Jackson. As the 37th individual to succeed Andrew Jackson in representing the district which includes Nashville and Jackson's home, the Hermitage, I am proud to join in today's celebration of Jackson's birth.

As my fellow citizens know, Andrew Jackson was our Nation's seventh President, serving two terms from March 4, 1829 to March 3, 1837. Andrew Jackson was also Tennessee's first Representative to the U.S. House of Representatives, being elected shortly after Tennessee's admission in 1796 as a State into the Union.

Andrew Jackson represented what is called the Hermitage district, which incorporates Davidson County, TN, and which is named after Jackson's beautiful home just outside Nashville. I am proud to be one of the individuals elected to succeed Jackson and to represent his home, the Hermitage, and the half million individuals who reside in what is now Tennessee's Fifth Congressional District.

Andrew Jackson was born into a life of hardship, suffering, and deprivation. His father died in 1767, a few weeks before Jackson's birth in the Waxhaw settlement of South Carolina, a tragedy that set the tone for Jackson's early life. He lost two brothers during the American Revolution, and he, himself, almost died as a result of a sword wound from the hand of an angry British officer and from smallpox which he contracted while in prison. A final blow during childhood was the loss of his mother while she administered to sick relatives aboard ship in Charleston Harbor. At age 14 Jackson was orphaned and cast upon the world to fend for himself. Some believe that this experience forged the fiercely independent spirit and enormous strength of will that characterized Jackson's personality.

After the Revoluntionary War, Jackson briefly pursued the saddlery trade and schoolteaching but in 1784 decided to study law, a profession which was often a key to leadership in early America. Licensed as an attorney in 1787, he became prosecutor of North Carolina's western district across the Appalachian Mountains, which included the territory that later became the State of Tennessee. Jackson came to Nashville in the fall of 1788 and cast his future with this community, where he remained for the rest of his life. Three years later he married Rachel Donelson Robards, who was a member of one of the first families of the Cumberland basin. By this act, Jackson acquired a network of relatives, many of whom became business partners and companions, and whose financial and personal problems Jackson adopted as his own. His sense of family responsibility was extravagant even for the time in which he lived.

Upon arriving in Nashville, Jackson moved quickly to assume leadership in Tennessee politics. His alliance with William Blount, Tennessee territory's first Governor, proved fortuitous, for Jackson was elected successively a member of the Tennessee Constitutional Convention in 1796, Tennessee's first Member of the U.S. House of Representatives upon the State's admission to the Union that same year, and as a U.S. Senator in 1797.

In 1798 Jackson was appointed a superior court judge, a position requiring him to ride circuit to hold court at Knoxville, Jonesboro, and Nashville. He occupied the bench for 6 years and, although only a few of his decisions survive, students of his legal career are impressed with the studied logic and soundness of his judgments.

Jackson's early career shows little in the way of a polished political philosophy. However, from the start Jackson was a strong advocate of western rights to deal with the Indians as seemed to the West appropriate. He was also an advocate of trade wherever the Western economy dictated in spite of Spanish restrictions on use of the Mississippi River, and of keeping the Federal Government on a tight budget in order to contain its growth.

The financial base for Jackson's career rested primarily on land, which he came to rely upon for his chief means of support through speculation and cultivation. Compared to the great land speculators of the day, however, Jackson was a small investor. He had learned the dangers of speculation in the late 1790's when he came perilously close to bankruptcy.

In 1804 Jackson purchased a farm in Davidson County, just outside Nashville, which he called the Hermitage. The Hermitage is now a national historic landmark, supported and maintained since 1889 by the Ladies' Hermitage Association. I want to extend an invitation to my colleagues and their families to visit the Hermitage and see America as it was more than 150 years ago, when Andrew Jackson returned from Washington to live in the fine Greek revival house.

At the Hermitage, Jackson cultivated cotton for the New Orleans market with slave labor. He also operated general stores for several years with a succession of partners. A cotton gin and a still seemed to be natural concomitants of his farming operation. And one time he made a serious but unsuccessful effort at salt mining.

Within 15 years of his arrival on the western frontier, Jackson had achieved a good measure of success as a social and political leader, a gentleman farmer-businessman, and a respected lawyer and judge. His quick intellegence and native shrewdness, his enormous physical courage, resourcefulness, and dedication to duty were qualities early apparent in Jackson. These qualities would determine success on the battlefield and during his presidency of the country.

These qualities were also evident during his tenure as a Member of the U.S. House of Representatives during the fourth and fifth Congresses.

As I mentioned, in 1796, when Tennessee was admitted to the Union as the 16th State of the new Nation, Jackson was elected to serve in the Congress which, at that time, met in Philadelphia.

Albert Gallatin, a Representative from Pennsylvania who later served as Secretary of the Treasury under Presidents Jefferson and Madison, remembered seeing Jackson on his arrival in Philadelphia. Gallatin later described Jackson as "A tall, Lank, uncouth-looking personage, with long locks of hair hanging over his face, and a queue down his back tied with an eel skin; his dress singular, his manners and deportment those of a rough backwoodman."

According to most historians, Gallatin's description is a distortion. To depict Jackson as uncouth, ill-mannered, and dressed in a bizarre costume is more fancy than reality. In fact, Jackson has a Philadelphia tailor who provided him before the start of the congressional session with a black cloth coat with velvet collar, a pair of Florentine breeches, and sundry other items of apparel. There may have been rough spots, in Jackson in 1796, but he had been to a big eastern city before and he knew how gentlemen dressed. As one of the first men of Tennessee and our State's single Representative, he would no more walk into Congress outlandishly dressed than he would deliberately outrage Cumberland society. And, as an early biographer noted, Gallatin's description was unrecognizable to Jackson's friends.

But Jackson was also passionate in his beliefs. Another observer, Thomas Jefferson to be exact, said that Jackson had violent passions and that when he attempted to make a speech he was unable to go on with it because he "choked with rage." With certain allowances for the exaggerations of an enemy, the charge is thought to be well-founded. Jackson may have felt too strongly to express himself in extempore speeches; but ready speechmaking was not essential to political success.

Nonetheless, Philadelphia, a city of 65,000 people, offered a rare opportunity for a young westerner as intellegent, ambitious, and socially mobile as Andrew Jackson. His close relationship with Tennessee's first Governor, William Blount, afforded Jackson many social connections in the city and it is believed that Jackson enjoyed a rich social life.

Unlike many other Congressmen, Jackson was present December 5, 1796, when the second session of the 4th Congress convened. He found himself in the company of many distinguished statesmen and Founding Fathers. But such a coterie of prominent individuals did not intimidate Jackson nor prevent him from showing independence and courage.

Just a few days before Congress convened, President George Washington had, in his farewell address, called for the creation of a Navy to protect American commerce in the Mediterranean, suggested Government aid to manufacturers, recommended a national university and military academy, and denounced the assault on American ships by French cruisers. He ended with the wish that the Government the Founding Fathers had instituted for the protection of American liberties would be perpetual. In many respects, the tone of the speech was mildly partisan.

The House appointed a committee to prepare a formal reply to President Washington's Address. The reply was full of extravagant praise and intended as an appropriate, albeit similarly partisan, farewell to the Father of the Country. On December 11, the reply was reported out of the committee and, for 2 days, debated on the House floor. It soon became apparent that not every Representative approved of the lavish tributes heaped by the committee on Washington.

A recorded vote was demanded on the resolution and, among those opposing it, was Andrew Jackson. Years later, when Jackson himself ran for the Presidency, the vote was remembered and used against him. Some believed that anyone showing the slightest disrespect to Washington during his lifetime was a traitor and certainly did not deserve to follow Washington into the White House.

But historians have concluded that Jackson's vote took courage and independence, even if it showed a lack of respect. Jackson had believed that the treaty with Great Britain negotiated by Washington's Secretary of State, John Jay, was a stain on the honor of the Republic. Jackson believed that the Washington administration was too tolerant of Indian massacres in Tennessee. Despite pleas for help, the administration had done nothing. Last, because of his revolutionary experiences, Jackson did not agree with Washington's sympathy for England against France. He saw England thwarting further western expansion and knew of England's role in fomenting attacks along the frontier.

Jackson also believed that Washington has retaliated against those individuals who professed "Republican principles." He believed that several individuals had been removed from office because they did not think exactly with the Executive. Jackson said in a letter to another young Congressman that:

The Executive of the Union has ever since the commencement of the present Government, been grasping after power, and in many instances, exercised powers, that he was not constitutionally invested with.

To those historians of the Jacksonian era, the irony of these charges is clear.

With the vote against the resolution commending Washington, Jackson teamed with other Congressmen who shared his conservative philosophy of government. They interpreted the Constitution narrowly and were concerned that the privileges of the States would be usurped by the Central Government. Jackson and his conservative allies were opposed to all but the most necessary of Federal appropriations. And, in identifying himself with his faction, he reinforced his own conservatism, which was grounded in western concern for the rights and sovereignty of the States.

In a letter Jackson wrote in January 1797, a month after the session began, he said that:

The legislature of the Union progress slowly in business. The greater part of the time as yet have been taken up in committee preparing business for the House. It is much talked of to increase the salaries of the officers of Government and to lay a deficit tax, neither of which I hope will take effect.

It is surprising how similar sessions 200 years ago are to today's.

Jackson is reported to have been for the most part a quiet freshman Congressman. As promised, he voted against the direct tax when it came up for final consideration. Otherwise, it is believed that he took counsel for his more senior conservative colleagues.

But then he received a petition from a soldier asking for compensation for services in an offensive attack against the Indians which had been led by Gen. John Sevier in 1793. President Washington has refused to honor the petition, claiming he needed congressional authorization to do so. The House Committee on Claims brought the petition to the floor of the House, but with a report which said that the Indians had "greatly perplexed and harassed" the settlers of Tennessee by "thefts and murders" but asked the House itself to judge how far these "aggressions * * * constitute a case of imminent danger, or the expedition a just and necessary measure." The committee stated that the attack was offensive, undertaken without Presidential approval, and in defiance of general orders from the War Department not to wage war against the Indians unless attacked.

The report deeply angered Jackson. He believed that it clearly implied that the Tennesseans had acted improperly. In his remarks on the House floor, Jackson countered the implication that the attack was unjust and unnecessary. Indeed it was just and necessary. Jackson said:

When it was seen that war was waged upon the state, that the knife and tomhawk were held over the heads of women and children, that peaceable citizens were murdered, it was time to make resistance.

"As an inhabitant of the country," Jackson claimed full knowledge of the facts. He asserted that the militia had acted entirely on the defensive for months preceding the attack. But, despite peacekeeping efforts, some 1,200 Indians suddenly attacked and it became necessary for the militia to adopt measures for pursuing the enemy. Indeed, the measures had been authorized by the territorial secretary. Thus, Jackson, argued, the expedition was necessary and the claim of the soldier-petitioner was legitimate.

Jackson went further. He moved that since the expedition was just and necessary all expenses for everyone involved should be paid by the Government, not just the expenses of the soldier who had initially petitioned the Congress.

The committee on claims report was debated. Several Representatives argued that the entire matter should go back to the committee on claims for further consideration. Then, like now, such a move would do more than temporarily dispose of the issue, it would permanently kill consideration of the issue. The House adjourned for the day without taking action of the report.

When the session reconvened the next afternoon, Jackson asked to address the full House when his resolution was taken up again. In a speech bound to generate enthusiasm at home, Jackson outlined several basic principles that were constants throughout his later life, particularly during his later military career. Jackson spoke of authority and responsibility, subordination and obedience, discipline and loyalty. Jackson's ideas were strict and allowed no room for compromise. The expedition soldiers obeyed orders properly authorized and governments were to support and defend their soldiers regardless of expense or the risk of embarrassment.

As reported in the "Annals of Congress," Jackson said that if this vote was refused, the discipline of the militia would be destroyed; the private soldier ought now have to determine the authority of the officer who called him into the field; it was his to obey, and if the call was illegal the solider should not have to suffer for the error of his superior by losing his pay.

Jackson's speech earned him a measure of respect among his colleagues. And, in the long debate that followed, one Virginia Representative observed that Jackson had set the matter in "so fair a light" that it was really not necessary to say anything further. Nevertheless, James Madison, a Representative also from Virginia, felt compelled to add his voice of support to Jackson's position, agreeing that the Government had made a commitment that extended to every man who served in the campaign.

Finally, the matter was referred to select committee chaired by Jackson, and composed of Jeremiah Smith of New Hampshire, Thomas Blount of North Carolina—brother of Tennessee Gov. William Blount—George Dent of Maryland, and Robert Goodloe Harper of South Carolina.

About a month later, on January 17, the select committee issued its report in strong, clear, dispassionate language. After describing the events that occurred during the expedition, the report stated that there were two questions: Was the expedition essential for the defense of the frontier? And was the authority of the territorial Governor such as to oblige the militia to obey his orders? The committee said "yes" to both questions and recommended full compensation to the entire militia. Without a word of debate the recommendation was approved by the House and sent to the Committee on Ways and Means to be introduced into the Federal appropriations for expenditure in 1797. The amount granted was $22,816.

Thus, Jackson, a Member of Congress only a month, had realized a very respectable achivement. According to some, he had not simply won compensation for a detachment of Tennesseans; he had won a victory over the National Government. He had struck a blow for westerners in their continuing struggle to survive on the frontier.

The responsibilities of representing all of Tennessee in the Congress took a considerable amount of time. But Jackson faithfully performed his duties, devoting considerable attention to his constituents. He made all but two rollcall votes and by the time Congress adjourned in March 1797, Jackson had made a mark, albeit a modest one, on his colleagues.

According to scholars who research this period, Jackson served on five committees, chaired one, presented two petitions, introduced one resolution, made five speeches, and voted 24 times with the majority out of a total of 39 votes. He proved himself a diligent hardworking Representative, devoted to the interests of his State and his constituents. And though he was committed to the rights of the States in principle, scholars have concluded that his voting pattern demonstrated a pragmatic concern for the needs of Tennesseans. As a politician, Jackson developed fast and he acquired skills which he honed further during his service in the Senate and during his military service in the War of 1812 and the campaign against the Seminole Indians.

Jackson's performance as a Member of the House, Tennessee's first Member, was solid. Jackson did not rule nor acquire influence by great speechmaking nor by political management but, by the force of his personality.

Certainly for most Americans, Jackson is remembered for leaving an indelible mark on the Nation through his military career and his tenure as our seventh President. But Jackson should also be remembered for his early life, and particularly, for his life as a Member of Congress. In the House of Representatives, Jackson sharpened political skills in what I would like to think is a caldron for ideas, principles, and issues. Just as we depart today the great issues of the day, so too did Andrew Jackson and his contemporaries. Just as the fourth and fifth Congresses shaped the course of a young nation as it entered the 19th century, so too do we chart the Nation's course as we enter the 21st century.

On this anniversary of Jackson's birth, it is perhaps hyperbole to say that the seeds which shaped the unusual nature of this extraordinary man sprouted, in part, while Jackson served here in this institution. Nonethe-

39-059 O-91-45 (Pt. 3)

less, as one of Jackson's successors to the Congress, I am proud to join my colleagues and my fellow Tennesseans in commemorating his birth and celebrating his legacy as a Member of Congress, military leader, statesman, and President.

Just as Jackson lent his name to an era of American history, he also left a mark on the individuals who followed him in representing Tennessee's Hermitage district. I am proud to be among that select group.

Finally, Mr. Speaker, I am joined in today's commemoration of the anniversary of Andrew Jackson's birth by fellow Tennessean, and Jackson admirer, Brandon Pippin.

Brandon is a member of the eighth grade class at DuPont Hadley Middle School, which is located in Old Hickory, TN. As my colleagues can surmise, the town of Old Hickory is named after the nickname of our Nation's seventh President and I am proud to have it as one of the communities in the Fifth Congressional District.

I want to thank Brandon's history teacher, Sharon Nichols, and DuPont Hadley's principal Paul Burgess, for sharing with me Brandon's essay interpreting Andrew Jackson's life and times. I know Brandon's essay will encourage others to study the exciting period in which Jackson lived and the role he played in shaping our young Nation.

ANDREW JACKSON

(By Brandon Pippin)

Andrew Jackson was a leader of men. Raised among the common working class, he aspired to become head of a nation. Born in Waxhaw, South Carolina, Jackson lived most of his life in the state of Tennessee. He was loved for his belief in the integrity of the common man, and equally hated and feared by the wealthy who felt threatened by his views. Andrew Jackson was, perhaps the most controversial political figure of the early 1800's.

Jackson began his political career as an attorney in North Carolina, where he both practiced law and tended a store. In 1788 he was made public prosecutor of the western district in North Carolina. It was later during this year that he settled in Nashville. In 1796, he was elected to the United States House of Representatives and a year later to the United States Senate.

By the time he became general of the Tennessee militia, Jackson was well known for his determination and fiery temper. This marked his very successful military career and it was during this time he received his famous nickname "Old Hickory" for his unyielding strength. It was this strength and quick temper that almost ruined his chances as a serious politician. Jackson had killed several men in his numerous duels, including Charles Dickinson. The scandal that followed that particular duel left Jackson a social outcast for months.

By the time Jackson was nominated for President in 1822, he had married and adopted two children, one of which was an Indian child. The presidential campaign against Henry Clay was successful. He was defeated in the House election. Eight months later he was nominated for the Presidency by the Tennessee Legislature. In November of 1828, he was elected, President; this success occurred only a month before his wife, Rachel, would die. On March 4, 1829, he was inaugurated the seventh President.

Jackson's first term in office was marked by many important historical events. In the first two years, his largest political movement was to sign the Indian Removal bill, which removed the Indians from their native land in the east toward unorganized publicly owned land in the western United States. The last two years of his first presidency were largely colored with personal affairs. In early 1831 he appointed new cabinet members after accepting the resignations of the others. Later that year his surviving adopted son, Andrew Jackson, Jr., was married to Sara Yorke. A few months later, in January of 1832, the President was operated on in order to remove a bullet. Shortly before the end of his first term, his first grandchild, Rachel Jackson, was born. In November of 1832 Andrew Jackson was re-elected President of the United States.

The most important issue Jackson faced in his second term was the uprising and threats of secession from South Carolina, which had become angered over what was felt a violation of states' rights. In order to control South Carolina, Jackson signed the Force Bill, which gave him access to the armed forces if it was necessary to use force. In 1844 his grandson and namesake, Andrew Jackson III, was born. And in October of that same year, Jackson's home, The Hermitage, lay in ruins after an extensive fire. The rebuilding was not completed until August of 1836. Shortly before the renovation of his home, Jackson issued the Specie Circular, which required gold and silver to be paid in all sales of land. This caused the Whigs (a nickname given to Jackson's opposers including Henry Clay) to verbally attack Jackson and denounce him as nothing less than a dictator. Before he issued his farewell address, Jackson recognized the independence of Texas. On March 7, 1837, he departed from the White House, for the Hermitage in Tennessee, and shortly after this arrival, his second grandson, Samuel Jackson, was born. In 1844 Jackson supported Polk in his campaign for presidency, and urged the annexation of Texas. A little over five months later, Andrew Jackson's failing health took his life at his home, the Hermitage. He was buried on June 10, 1845, in the Hermitage Garden, next to his wife, Rachel.

Andrew Jackson's strong political leadership made him many enemies, and far more fans. While some of his actions were viewed as extreme, his devotion to his family and his country showed him to be a true hero in American history.

Mr. Speaker, I want to thank you and my House colleagues for allowing me to celebrate Andrew Jackson's birthday today in this special order.

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. DOUGLAS) to revise and extend their remarks and include extraneous material:)

Mr. DOUGLAS, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes each day, on March 20, 21, and 22.

Mrs. BENTLEY, for 60 minutes each day, on March 20, 21, 22, 27, 28, and 29, and April 3 and 4.

Mr. DREIER of California, for 5 minutes, today.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on March 19 and 22.

Mr. SKELTON, for 60 minutes, on March 19, 20, 21, and 22.

Mr. SMITH of Florida, for 60 minutes, on March 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DOUGLAS) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.
Mr. SCHULZE.
Mr. HENRY.
Mrs. BENTLEY in two instances.
Mr. DOUGLAS.
Mrs. JOHNSON of Connecticut.
Ms. SCHNEIDER.
Mr. PARRIS.
Mr. SKEEN.
Mr. CLINGER in three instances.
Mr. MACHTLEY.
Mrs. MARTIN of Illinois.
Mr. LAGOMARSINO.
Mr. FISH.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. BONIOR.
Mr. TRAXLER.
Mr. SYNAR.
Mr. DWYER of New Jersey.
Mr. SMITH of Florida.
Mr. PANETTA.
Mr. LEVINE of California.
Mr. PALLONE.
Mr. DONNELLY.
Mr. GRAY.
Mr. YATRON.
Mr. TRAFICANT.
Mr. STARK in three instances.
Mr. WOLPE.
Mr. MAZZOLI in two instances.
Mr. BEVILL.
Mr. PENNY.
Mr. KENNEDY.
Mr. BORSKI.
Mr. ANNUNZIO in two instances.
Mr. STARK in three instances.
Mr. JACOBS.
Mr. FAZIO.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 243. Joint resolution to designate March 25, 1990, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

ADJOURNMENT TO MONDAY, MARCH 19, 1990

Mr. FEIGHAN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until Monday, March 19, 1990, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2746. A letter from the Secretary of Education, transmitting the annual report on the activities of the National Technical Institute for the Deaf, with an accounting of all indirect costs paid by NTID to the Rochester Institute of Technology, pursuant to 20 U.S.C. 4332; to the Committee on Education and Labor, March 15, 1990.

2747. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report on activities under the Freedom of Information Act of the Federal Open Market Committee for calendar year 1989, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2748. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1989, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

2749. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report on activities under the Freedom of Information Act for calendar year 1989, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2750. A letter from the Deputy Director for Administration, Central Intelligence Agency, transmitting a report on activities under the Freedom of Information Act for calendar year 1989, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2751. A letter from the Attorney General, transmitting the annual report for the fiscal year 1989 on the private counsel debt collection pilot project, pursuant to 31 U.S.C. 3718 nt.; to the Committee on the Judiciary.

2752. A letter from the Comptroller General of the United States, transmitting a report on the Department of the Air Force's determination not to fully implement the Comptroller General's recommendation in connection with a bid protest from Litton Systems, Inc., pursuant to 31 U.S.C. 3554(e)(2); to the Committee on Government Operations.

2753. A letter from the Director, National Science Foundation, transmitting a report on actions and plans for fiscal year 1990 and fiscal year 1991 regarding metric conversion; to the Committee on Science, Space, and Technology.

2754. A letter from the Assistant Secretary for Legislative Affairs, Department of State transmitting a letter from OMB Director Darman concerning the repeal of section 614 of the Commerce, Justice, State appropriations bill; jointly, to the Committee on Appropriations and Foreign Affairs.

2755. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for further participation by the United States in the International Development Association and for the establishment of the legal status of the International Finance Corporation's securities in the United States; jointly, the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

2756. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report concerning the President's supplemental request for $500 million for Panama; jointly; to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

2757. A letter from the Secretary of State, transmitting a letter concerning the lifting of sanctions imposed against Namibia once Namibian independence takes effect; jointly; to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs; Public Works and Transportation; and Ways and Means.

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. DINGELL: Committee on Energy and Commerce. H.R. 3386. A bill to prohibit the use of refrigerated motor vehicles for the transportation of solid waste, to prohibit the use of cargo tanks in providing motor vehicle transportation of food and hazardous materials, and for other purposes; with an amendment (Rept. 101-390, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. GAYDOS: Committee on House Administration. House Resolution 346. Resolution providing amounts from the contingent fund of the House for the expenses of investigations and studies by standing and select committees of the House in the 2nd session of the 101st Congress; with an amendment (Rept. 101-419). Referred to the House Calendar.

Mr. CONYERS: Committee on Government Operations. Report entitled "U.S. Marshals Service: Don't Arrest Oversight" (Rept. 101-420). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 908. A bill to provide for 5 years, staggered terms for members of the Federal Energy Regulatory Commission, and for other purposes; with an amendment (Rept. 101-421). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4167. A bill to provide for a short-term extension of the strategic petroleum reserve, and for other purposes. (Rept. 101-422). 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. BLILEY:

H.R. 4277. A bill to amend the Communications Act of 1934 to require radio and television broadcasters to provide free broadcasting time for political advertising; to the Committee on Energy and Commerce.

By Mr. CHANDLER (for himself, Mr. STARK, Mr. MRAZEK, Mr. DURBIN, Mrs. JOHNSON of Connecticut, Mr. ANDREWS, Mr. CROCKETT, and Mr. WHITTAKER):

H.R. 4278. A bill to amend the Internal Revenue Code of 1986 to increase the excise tax on cigarettes, to allow a credit against such increase for one-half the State and local sales taxes on cigarettes, and to allow a deduction for health insurance costs to employees whose employer does not offer subsidized health insurance; to the Committee on Ways and Means

By Mr. CONYERS (for himself and Mr. HORTON):

H.R. 4279. A bill to amend title 31, United States Code, to improve cash management of funds transferred between the Federal Government and the States, and for other purposes; to the Committee on Government Operations.

By Mr. STARK:

H.R. 4280. A bill to amend the Social Security Act to provide for a program of health insurance for children under 23 years of age and for mothers to be financed through a general payroll tax; to the Committee on Ways and Means

By Mr. DELLUMS:

H.R. 4281. A bill to amend the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act to permit the Secretary of Health and Human Services to enter into an agreement with the Mayor of the District of Columbia with respect to the completion of repairs and renovations to the physical plant and facility support systems of Saint Elizabeths Hospital, and for other purposes; to the Committee on the District of Columbia.

By Mr. DYSON:

H.R. 4282. A bill to amend the Federal Election Campaign Act of 1971, the Internal Revenue Code of 1986, and the Communications Act of 1934 to provide for House of Representatives campaign finance reform, and for other purposes; jointly, to the Committees on House Administration, Ways and Means, and Energy and Commerce.

By Mr. DYSON (for himself, Mr. FIELDS, and Mr. LIPINSKI):

H.R. 4283. A bill to authorize expenditures for fiscal year 1991 for the operation and maintenance of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GRAY (for himself, Mr. FOGLIETTA, Mr. WELDON, and Mr. BORSKI):

H.R. 4284. A bill to reduce the amount of obligation authority available to certain States for Federal-aid highways and highway safety construction programs for fiscal year 1991 if the laws of those States do not provide for the establishment of a dedicated tax-based source of revenues for funding mass transit projects by January 1, 1992, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HANSEN (for himself, Mr. YOUNG of Alaska, Mr. STUMP, Mr. HERGER, Mr. PASHAYAN, Mr. THOMAS of California, Mr. LEWIS of California, Mr. LOWERY of California, Mr. HUNTER, Mr. SCHAEFER, Mr. MARLENEE, Mr. ROBERT F. SMITH, Mr. NIELSON of Utah, Mr. THOMAS of Wyoming, Mr. CRAIG, Mrs. VUCANO-

VICH, Mr. DENNY SMITH, Mr. GALLEGLY, and Mr. DANNEMEYER):

H.R. 4285. A bill to give any State in which lands are more than 25 percent federally owned the right to disapprove the establishment of wilderness areas located in that State; to the Committee on Interior and Insular Affairs.

By Mrs. JOHNSON of Connecticut (for herself, Mrs. KENNELLY, Mr. ROWLAND of Connecticut, Mr. SHAYS, Mr. GEJDENSON, Mr. MORRISON of Connecticut, Mr. SUNDQUIST, Mr. BOEHLERT, Mr. BENNETT, Mr. CHANDLER, and Mr. SMITH of Vermont):

H.R. 4286. A bill to amend the Tax Reform Act of 1986 to provide for the deductibility of State and local income and sales taxes exceeding 1 percent of adjusted gross income; to the Committee on Ways and Means.

By Mr. LEVIN of Michigan (for himself, Mr. CHANDLER, Mr. ARCHER, and Mr. FRENZEL):

H.R. 4287. A bill to amend the Internal Revenue Code of 1986 to permit tax exempt organizations to establish qualified cash or deferred arrangements for their employees; to the Committee on Ways and Means.

By Mr. NAGLE (for himself and Mr. EMERSON):

H.R. 4288. A bill to amend the Agricultural Act of 1949 to provide soybean producers with freedom of planting choice and fair income support, and to eliminate any indirect subsidization of foreign oilseed production; to the Committee on Agriculture.

By Mr. OWENS of Utah (for himself, Mr. ROE, Mr. SIKORSKI, Mr. WILSON, Ms. SCHNEIDER, Mr. DEFAZIO, Mr. MILLER of Washington, and Mr. BEREUTER):

H.R. 4289. A bill to require the Secretary of the Treasury to prohibit the importation of fish or wildlife products into the United States from countries violating international fish or wildlife conservation agreements; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. PANETTA:

H.R. 4290. A bill to amend the Internal Revenue Code of 1986 to provide relief for losses resulting from natural disasters; to the Committee on Ways and Means.

By Mr. PANETTA (for himself, Mr. HERGER, Mr. FAZIO, Mr. EMERSON, Mr. HATCHER, Mr. LEHMAN of California, Mr. CONDIT, Mr. SHUMWAY, Mr. HUNTER, Mr. PASHAYAN, Mr. LAGOMARSINO, and Mr. MCCANDLESS):

H.R. 4291. A bill to amend the Agricultural Adjustment Act to prohibit the importation of kiwifruit, nectarines, and plums that do not comply with any grade, size, quality, and maturity provisions of a marketing order applicable under such act to the respective kind of fruit produced in the United States or with comparable restrictions promulgated under such act; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. PORTER:

H.R. 4292. A bill to amend title 5, United States Code, to deny annuity benefits with respect to any Member of Congress convicted of a felony; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE (for himself, Mr. THOMAS of Georgia, Mr. STANGELAND, Mrs. SAIKI, Mr. LAGOMARSINO, Mr. BUNNING, Mr. WALSH, Mr. MCDADE, Mr. WILSON, Mr. LAUGHLIN, Mr. HANSEN, Mr. BROWN of Colorado, and Mr. LIPINSKI):

H.R. 4293. A bill to extend the Conservation Reserve Program and to make converted wetlands eligible for placement in the conservation reserve; to the Committee on Agriculture.

By Mr. STENHOLM (for himself, Mr. SHAW, Mr. SLATTERY, Mrs. JOHNSON of Connecticut, Mrs. LLOYD, Mr. BROWN of Colorado, Mr. SKELTON, Mr. SUNDQUIST, Mr. ROWLAND of Georgia, Mr. HENRY, Mr. RAY, Mr. BARTLETT, Mr. SARPALIUS, Mr. KASICH, and Mr. HUTTO):

H.R. 4294. A bill to amend the Head Start Act to authorize appropriations to enable Head Start agencies to provide developmentally appropriate child care services to participating children; to amend title XX of the Social Security Act to provide allotments to States to improve and expand child care services; to promote small business involvement in meeting child care needs; to amend the Internal Revenue Code of 1986 to increase the earned income credit based on the number of the taxpayer's children; and to exclude child care earnings from the Social Security excess earnings test; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. YOUNG of Alaska:

H.R. 4295. A bill entitled: "Greens Creek Exchange Act"; to the Committee on Interior and Insular Affairs.

By Mr. HOYER (for himself, Mr. MCMILLEN of Maryland, Mrs. MORELLA, Mr. FAUNTROY, Mr. PARRIS, Mr. WOLF, Mr. BOUCHER, and Mr. SLAUGHTER of Virginia):

H.J. Res. 520. Joint resolution granting the consent of Congress to amendments to the Washington Metropolitan Area Transit Regulation Compact; to the Committee on the Judiciary.

By Mrs. MARTIN of Illinois (for herself and Mr. HASTERT);

H.J. Res. 521. Joint resolution designating July 8 through 14, 1990, as "National Agent Orange Screening Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SKELTON (for himself, Mr. BENNETT, Mrs. BENTLEY, Mr. BERMAN, Mrs. COLLINS, Mr. DAVIS, Mr. DONNELLY, Mr. DYMALLY, Mr. FALEOMAVAEGA, Mr. FAUNTROY, Mr. FAZIO, Mr. GEPHARDT, Mr. GUARINI, Mr. HORTON, Mr. HUGHES, Ms. KAPTUR, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LIPINSKI, Mr. MCNULTY, Mr. MANTON, Mr. MOAKLEY, Mr. MRAZEK, Mr. PAXON, Mr. PICKETT, Mr. RAHALL, Mr. RANGEL, Mr. ROE, Mr. ROYBAL, Mr. SMITH of Florida, Mr. TAUKE, Mr. TRAFICANT, Mr. VENTO, Mr. VOLKMER, Mr. WALSH, Mr. WILSON, Mr. WOLF, Mr. YOUNG of Alaska, Mr. SARPALIUS, Mr. SCHEUER, Mr. LANTOS, Mr. BILBRAY, and Mr. ATKINS):

H.J. Res. 522. Joint resolution designating the week of June 1 through June 7, 1990, as "National Polio Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. CLINGER (for himself, Mr. EMERSON, and Mr. RAHALL):

H. Con. Res. 288. Concurrent resolution expressing the sense of the Congress that telephone directories should include information relating to natural disaster survival techniques; to the Committee on Energy and Commerce.

By Mr. DURBIN (for himself, Mr. MILLER of Washington, Mr. SARPALIUS, Mr. COX, Mr. RUSSO, Mr. ANNUNZIO, Mr. BROOMFIELD, Mr. BENNETT, Mr. KLECZKA, Ms. OAKAR, Mr. LIPINSKI, and Mr. HERTEL):

H. Con. Res. 289. Concurrent resolution in support of Lithuanian independence; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

328. By the Speaker: Memorial of the Legislature of the State of Alabama, relative to a proposed amendment to the Constitution which would prohibit deficit spending by the U.S. Government, except in times of national emergency; to the Committee on the Judiciary.

329 Also, memorial of the Legislature of the State of Alabama, relative to a proposed amendment to the Constitution requiring that Federal spending not exceed estimated Federal revenues; 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. 290: Mr. FROST, Mr. WALGREN, Ms. PELOSI, Mr. DELLUMS, Mr. MCNULTY, and Mr. HOCHBRUECKNER.

H.R. 586: Mr. WYDEN.

H.R. 717: Mr. ROSE and Mr. MATSUI.

H.R. 720: Mr. BUSTAMANTE.

H.R. 780: Mr. THOMAS A. LUKEN, Mr. ENGEL, Mr. KOLTER, Mr. TALLON, and Mr. RANGEL.

H.R. 830: Mr. HENRY, Mr. AKAKA, Mr. HOCHBRUECKNER, Mr. BATES, Mr. KENNEDY, Mr. FLAKE, Mr. CLAY, Mr. TOWNS, Mr. MAVROULES, and Mr. CONTE.

H.R. 844: Mr. HEFLEY and Mr. DORNAN of California.

H.R. 931: Mr. DYSON.

H.R. 1227: Mr. SOLOMON, Mr. JOHNSON of South Dakota, Mr. SMITH of Texas, Mr. SCHIFF, Mr. SHAYS, Mr. COBLE, and Mr. BATEMAN.

H.R. 1287: Mr. WALKER and Mr. MURPHY.

H.R. 1356: Mr. SOLARZ.

H.R. 1383: Mr. NEAL of Massachusetts.

H.R. 1500: Mr. ANDREWS, Mr. EDWARDS of California, Mr. DERRICK, Mr. BILBRAY, Mr. SPRATT, Mrs. PATTERSON, Mr. YATRON, Mr. TORRICELLI, Mr. THOMAS A. LUKEN, Mrs. MORELLA, and Mr. TALLON.

H.R. 2025: Mr. YATES, Mr. MOAKLEY, Mr. SUNDQUIST, Mr. BROWN of California, and Mr. KLECZKA.

H.R. 2156: Mr. TAUKE.

H.R. 2168: Mr. SANGMEISTER, Mr. DYSON, and Mr. HOAGLAND.

H.R. 2188: Mr. MAZZOLI, Mr. PRICE, Ms. LONG, Ms. PELOSI, Mr. FAUNTROY, Mr. MINETA, Mrs. MORELLA, Mr. WEISS, Mr. FRANK, and Mr. EMERSON.

H.R. 2273: Mr. FALEOMAVAEGA, Mr. GEREN, Mr. FLIPPO, Mr. QUILLEN, Mr. RHODES, and Mr. MADIGAN.

H.R. 2372: Mr. CAMPBELL of Colorado.

H.R. 2647: Mr. MANTON.

H.R. 2699: Mr. SMITH of New Jersey.

H.R. 2807: Mr. BARNARD, Mr. BATEMAN, Mr. BEREUTER, Mr. BOEHLERT, Mr. BORSKI, Mr. BOSCO, Mr. BROWN of California, Mr. BROWN of Colorado, Mr. CLARKE, Mr. CLEMENT, Mr. CONTE, Mr. CONYERS, Mr. COX, Mr. DERRICK, Mr. DINGELL, Mr. DONNELLY, Mr. DOWNEY, Mr. DYSON, Mr. ECKART, Mr. EMERSON, Mr.

ENGEL, Mr. ENGLISH, Mr. ESPY, Mr. FALEOMAVAEGA, Mr. FEIGHAN, Mr. FLAKE, Mr. FRANK, Mr. FRENZEL, Mr. GALLEGLY, Mr. GAYDOS, Mr. GIBBONS, Mr. GILLMOR, Mr. GONZALEZ, Mr. GORDON, Mr. GRANT, Mr. GUARINI, Mr. HALL of Texas, Mr. HANCOCK, Mr. HAWKINS, Mr. HERGER, Mr. HOCHBRUECKNER, Mr. HOYER, Mr. HUBBARD, Mr. HUCKABY, Mr. HUGHES, Mr. KASICH, Mrs. KENNELLY, Mr. KILDEE, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, Mr. LEWIS of Florida, Mr. LIVINGSTON, Mr. DONALD E. LUKENS, Mr. MCDERMOTT, Mr. MCGRATH, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mr. MARTINEZ, Mr. MAVROULES, Mr. MAZZOLI, Mr. MFUME, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. MINETA, Mr. MOODY, Mr. MOORHEAD, Mrs. MORELLA, Mr. MURPHY, Mr. MYERS of Indiana, Mr. NATCHER, Mr. NEAL of Massachusetts, Mr. NEAL of North Carolina, Mr. NELSON of Florida, Mr. OWENS of New York, Mr. OXLEY, Mr. PALLONE, Mr. PARRIS, Mr. PEASE, Mr. PERKINS, Mr. POSHARD, Mr. RAVENEL, Mr. ROE, Mr. ROSE, Mr. SAWYER, Mr. SCHIFF, Mr. SHARP, Mr. SHUMWAY, Mr. SHUSTER, Mr. SISISKY, Mr. SLATTERY, Mr. SMITH of Iowa, Mr. SPRATT, Mr. STALLINGS, Mr. STOKES, Mr. TALLON, Mr. TAYLOR, Mr. THOMAS of Georgia, Mr. TRAXLER, Mr. VANDER JAGT, Mr. VOLKMER, Mr. WALGREN, Mr. WEISS, and Mr. WHITTEN.

H.R. 3048: Mr. WATKINS.

H.R. 3080: Mr. FRENZEL, Mr. BATEMAN, Mr. PICKETT, Mr. BROWN of Colorado, Mr. GRADISON, and Mr. ARCHER.

H.R. 3121: Mr. CHAPMAN.

H.R. 3123: Mr. BARNARD, Mr. HYDE, Mr. DEWINE, Mr. PANETTA, and Mr. SISISKY.

H.R. 3267: Mr. RAVENEL.

H.R. 3283: Mr. MCGRATH and Mr. HERTEL.

H.R. 3386: Mr. HAMMERSCHMIDT and Mr. SHUSTER.

H.R. 3429: Mrs. COLLINS.

H.R. 3475: Mr. ATKINS.

H.R. 3485: Mr. CRAIG.

H.R. 3594: Mr. LANCASTER and Mr. OWENS of Utah.

H.R. 3625: Mr. PURSELL, Mr. FEIGHAN, Mrs. BOXER, Mr. CONTE, Mr. HUTTO, Ms. OAKAR, Mr. NIELSON of Utah, Mr. LEVINE of California, Mr. ANDREWS, Mr. BROOMFIELD, Mr. ACKERMAN, Mr. LEACH of Iowa, Mr. PACKARD, Mr. SMITH of Florida, Mr. FOGLIETTA, Mr. SKAGGS, Mr. NAGLE, Mr. CAMPBELL of Colorado, Mr. DONALD E. LUKENS, Mr. ROSE, Mr. WISE, Mr. NEAL of Massachusetts, Mr. SAWYER, Mr. SABO, Mr. RICHARDSON, Mr. DE LA GARZA, Mr. ROWLAND of Connecticut, Mr. MCHUGH, Mr. DOUGLAS, Mr. HYDE, Ms. LONG, Mr. ASPIN, and Mr. PRICE.

H.R. 3732: Mr. QUILLEN, Mr. COSTELLO, Mr. CLEMENT, Mr. BARTLETT, and Mr. JOHNSON of South Dakota.

H.R. 3827: Mr. PENNY, Mr. JOHNSON of South Dakota, Mrs. PATTERSON, Mr. OWENS of Utah, Mr. WILSON, Mr. PALLONE, Mr. ATKINS, and Mr. BOSCO.

H.R. 3828: Mr. PENNY, Mr. JOHNSON of South Dakota, Mrs. PATTERSON, Mr. OWENS of Utah, Mr. PALLONE, Mr. WILSON, Mr. ATKINS, and Mr. BOSCO.

H.R. 3833: Mr. PEASE.

H.R. 3859: Mr. FASCELL.

H.R. 3870: Mr. FISH.

H.R. 3880: Mr. BOUCHER.

H.R. 3903: Mr. SHAYS.

H.R. 3906: Mr. HOLLOWAY, Mr. HORTON, Mr. KASICH, Mr. SLAUGHER of Virginia, Mr. DEWINE, and Mr. ALEXANDER.

H.R. 3936: Mr. TORRES, Mr. FALEOMAVAEGA, Mr. JONTZ, Mr. HERTEL, Mr. RANGEL, Mr. NAGLE, Mr. MCDERMOTT, Mr. TOWNS, Mr. WILLIAMS, Mr. BORSKI, Mr. PERKINS, Mr. MCGRATH, Mr. ENGEL, Mr. DWYER of New Jersey, Mr. DELLUMS, Mr. TORRICELLI, Mr. CARR, Mr. WILSON, Mr. DYMALLY, Mrs. UNSOELD, Mr. BATES, Mr. APPLEGATE, Mr. WHEAT, Mr. VISCLOSKY, Mr. DURBIN, Mr. OBERSTAR, Ms. KAPTUR, Mr. KENNEDY, Mr. GEJDENSON, Mr. WYDEN, Mr. DEFAZIO, Mr. STARK, and Mr. MOODY.

H.R. 3942: Mr. HAYES of Illinois and Mr. SCHEUER.

H.R. 3943: Mr. HAYES of Illinois and Mr. SCHEUER.

H.R. 3965: Ms. KAPTUR, Mr. TOWNS, Mr. LIPINSKI, Mr. RANGEL, Mr. MRAZEK, Mr. SMITH of Vermont, Mrs. COLLINS, and Mr. ROE.

H.R. 3979: Mr. SAWYER, Mr. MCNULTY, Mr. HOCHBRUECKNER, and Mr. MAVROULES.

H.R. 3998: Mr. FLAKE, Mr. LAFALCE, Mr. BOEHLERT, and Mr. ACKERMAN.

H.R. 4043: Mr. PICKETT and Mr. WISE.

H.R. 4073: Mr. BOEHLERT, Mrs. JOHNSON of Connecticut, Mr. HAYES of Illinois, Mr. JONTZ, Mr. OWENS of New York, Mr. FOGLIETTA, Mrs. LOWEY of New York, Mr. SHAYS, Mr. WALGREN, Mr. PRICE, Mr. DWYER of New Jersey, Mr. SOLARZ, Ms. KAPTUR, Mr. MRAZEK, Mrs. MORELLA, and Mr. WHEAT.

H.R. 4075: Mr. BEREUTER.

H.R. 4081: Mr. SMITH of Texas, Mr. RAVENEL, Mr. SENSENBRENNER, Mr. HILER, Mr. MADIGAN, Mr. SOLOMON, Mr. NIELSON of Utah, and Mr. HAMMERSCHMIDT.

H.R. 4124: Mr. EMERSON, Mr. SCHAEFER, Mr. CONDIT, and Mrs. SMITH of Nebraska.

H.R. 4191: Mr. FRENZEL.

H.R. 4208: Mr. BRYANT, Mr. HYDE, Mr. FOGLIETTA, Mr. DEFAZIO, Mr. DYMALLY, Mr. SMITH of Florida, and Mr. LEWIS of Georgia.

H.R. 4220: Mr. LIGHTFOOT.

H.R. 4233: Mr. GRADISON and Mr. MACHTLEY.

H.R. 4237: Mr. SHAW and Mr. GIBBONS.

H.R. 4241: Mr. SOLOMON, Mr. WALSH, Mr. DONALD E. LUKENS, Mr. PAYNE of New Jersey, Mr. ROE, and Mr. DWYER of New Jersey.

H.J. Res. 69: Mr. HOLLOWAY.

H.J. Res. 364: Mr. MARTIN of New York, Mr. HAYES of Illinois, Mr. NEAL of Massachusetts, Mr. DIXON, Mr. ROBERTS, Mr. PERKINS, Mr. PICKETT, Mr. WASHINGTON, Mr. KLECZKA, Mr. DICKINSON, Mr. FEIGHAN, Mr. GILMAN, Mr. GRADISON, Mr. HALL of Ohio, Mr. LOWERY of California, Mr. DONALD E. LUKENS, Mr. MINETA, Mr. MURTHA, Mr. REGULA, Mr. STOKES, Mr. WALKER, and Mr. WYLIE.

H.J. Res. 413: Mr. FAZIO, Mr. MURPHY, Mr. SABO, Mr. APPLEGATE, Mr. BARTON of Texas, Mr. BATES, Mr. BRUCE, Mr. CLARKE, Mr. CROCKETT, Mr. DEWINE, Mr. DYMALLY, Mr. HAWKINS, Mr. HAYES of Louisiana, Mr. HUNTER, Mr. JONTZ, Mr. KASICH, Ms. LONG, Mrs. MORELLA, Mr. MORRISON of Washington, Mr. NEAL of North Carolina, Mr. QUILLEN, Mr. DENNY SMITH, Mr. BARTLETT, Mr. EDWARDS of California, Mr. KASTENMEIER, Mr. GRADISON, Mr. GRANT, Mr. BILIRAKIS, Mr. JAMES, Mr. SHAW, Mr. HATCHER, Mr. LOWERY of California, Mr. OXLEY, Mr. MACHTLEY, Mr. HOUGHTON, Mr. SMITH of Vermont, Ms. ROS-LEHTINEN, and Mr. GILMAN.

H.J. Res. 418: Mr. PARKER, Mr. MILLER of California, Mr. ROSE, Mr. BOEHLERT, Mr. OBERSTAR, Ms. SCHNEIDER, Mr. MOODY, Mr. EVANS, Mr. MCDERMOTT, Mr. PALLONE, Mr. CONTE, Mr. STOKES, Mr. BEILENSON, Mrs. MORELLA, Mr. SHARP, Mr. VALENTINE, Mr. WALSH, Mr. MARKEY, Mr. SABO, Ms. SLAUGHTER of New York, Mr. TALLON, and Mr. JONTZ.

H.J. Res. 462: Mr. PASHAYAN, Mr. MOORHEAD, Mr. TRAXLER, Mr. DINGELL, Mr. WISE, Mr. CONTE, Mr. GONZALEZ, Mr. WEISS, and Mr. NEAL of North Carolina.

H.J. Res. 464: Mr. BLILEY, Mr. BUNNING, Mr. ERDREICH, Mr. FUSTER, Mr. HUGHES, Mr. MCEWEN, Mr. MORRISON of Washington, Mr. OWENS of Utah, Mr. ROBINSON, Mr. SCHUETTE, and Mrs. UNSOELD.

H.J. Res. 483: Mr. ANDERSON, Mrs. BENTLEY, Mr. BLAZ, Mr. BLILEY, Mr. CALLAHAN, Mr. CARPER, Mr. CHANDLER, Mr. COURTER, Mr. CRAIG, Mr. DELAY, Mr. FAWELL, Mr. GRANDY, Mr. HARRIS, Mr. HILER, Mr. HORTON, Mr. HUGHES, Mr. HYDE, Mr. JACOBS, Ms. KAPTUR, Mr. KASICH, Mr. LAGOMARSINO, Mr. LENT, Mr. DONALD E. LUKENS, Mr. MCCRERY, Mr. MCDADE, Mr. MCEWEN, Mr. MCGRATH, Mr. MACHTLEY, Mr. MARLENEE, Mr. MARTIN of New York, Mr. MICHEL, Mr. MILLER of Washington, Mr. MORRISON of Washington, Mr. OXLEY, Mr. PURSELL, Mr. RAVENEL, Mr. RINALDO, Mr. ROWLAND of Connecticut, Mr. ROBERT F. SMITH, Mr. SUNDQUIST, Mr. UPTON, Mr. WALSH, Mr. WILSON, Mr. WOLF, Mr. YOUNG of Alaska, Mr. PARRIS Mr. RHODES, Mr. HANSEN, Mr. GEKAS, Mr. GRANT, Mr. COLEMAN of Missouri, Mr. LIGHTFOOT, Mr. EMERSON, Mr. ROE, Mrs. BOXER, Mr. GINGRICH, Mr. BUNNING, and Mrs. VUCANOVICH.

H.J. Res. 488: Mr. TOWNS, Mr. FUSTER, Mr. MCNULTY, Mr. RANGEL, Mr. MARTINEZ, Mr. CARDIN, and Ms. KAPTUR.

H.J. Res. 500: Mr. SHUSTER, Mr. HYDE, Mr. RITTER, Mr. WALSH, Mr. CRAIG, Mr. SMITH of New Jersey, Mr. LENT, Mr. BROWN of California, Mr. RHODES, Mr. TRAXLER, Mr. JONTZ, Mrs. COLLINS, Mr. OWENS of New York, Mr. WHITTEN, Mr. NOWAK, Mr. PALLONE, Mr. COOPER, Mr. YATRON, Mr. SAXTON, Mr. SISISKY, Mr. RUSSO, Mr. WALGREN, Mr. OBEY, Mr. PURSELL, Mr. LEHMAN of California, Mr. GREEN, Mr. HARRIS, Mr. SMITH of Texas, Mr. BUSTAMANTE, Mr. BOEHLERT, Mr. HASTERT, Mr. BERMAN, Mr. TORRICELLI, Mr. MCCLOSKEY, Mr. CROCKETT, Mr. TOWNS, Mr. DEFAZIO, Mr. GRAY, Mrs. LLOYD, and Mr. ROYBAL.

H.J. Res. 518: Mr. GORDON, Mr. PAYNE of Virginia, Mr. NEAL of North Carolina, Mr. HEFNER, Mr. COBLE, Mr. FRANK, Mr. SPRATT, Mr. RITTER, Mr. DERRICK, and Mr. BALLENGER.

H. Con. Res. 91: Mr. GRANDY.

H. Con. Res. 177: Mr. TORRICELLI.

H. Con. Res. 268: Mr. HYDE and Mr. NIELSON of Utah.

H. Res. 240: Mr. SMITH of New Jersey, Mr. TRAFICANT, and Mr. LIPINSKI.

H. Res. 354: Mrs. MORELLA.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4139: Mr. WALKER.

EXTENSIONS OF REMARKS

THE HEALTH INSURANCE FOR CHILDREN AND MOTHERS ACT OF 1990

HON. FORTNEY PETE STARK
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. STARK. Mr. Speaker, access to health care should be considered a basic right of every American. Unfortunately, we have not yet reached the goal of providing comprehensive health insurance to each citizen, and, in fact, we are not currently making any progress toward this goal.

When the comprehensive insurance proposals of the Truman administration were defeated, proponents of national health insurance focused on health insurance for the elderly. Once health benefits for the elderly were assured, they believed that our Nation would turn its attention to the health care needs of children and mothers.

We have waited 25 years for that promise to be fulfilled; unfortunately, nothing has been done.

The passage of Medicare in 1965 provided payroll-tax financed health insurance for the elderly. The time has come to do the same for the other most vulnerable groups within our society, children and mothers.

I am today introducing the Health Insurance for Children and Mothers Act of 1990 to provide publicly financed health insurance to every child and pregnant woman in this country. My proposal would be financed by an increase in the payroll tax rate equal to the Medicare tax currently paid by employers and by employees.

I continue to be amazed about our national priorities given the number of children without health insurance protection. About 16 million children through the age of 22 are currently without health insurance, and the problem is getting worse. The percentage of uninsured children has increased from 15 percent in 1979 to almost 20 percent in 1987. Over one-third of the uninsured in the country are children.

Medicaid is not the answer to this problem. Currently, only half of all poor children are covered by Medicaid. Of equal concern is that shortsighted reimbursement policies adopted by many State Medicaid programs, particularly with respect to physician payment, have barred access to health care for those who are covered by Medicaid.

Lest anyone think that having health insurance coverage does not matter, let me point out that access to health insurance is directly related to health status.

According to a report by the American Academy of Pediatrics, only 11 percent of children without health insurance reported excellent health, while 78 percent of children with private coverage reported excellent health. Children who did not visit a doctor in the last year were twice as likely to be uninsured as compared to children who made more than four visits.

We all know that relatively inexpensive immunizations of children pay huge dividends later in avoidance of communicable diseases. Yet, the proportion of children aged one to four immunized against each of the major childhood diseases declined between 1980 and 1985. The proportion immunized against measles dropped from 64 to 61 percent. The proportion of childen immunized against polio dropped from 78 percent in 1970 to only 55 percent in 1985.

The net result of this neglect of the most basic health care service we ought to provide every child is that fully one-quarter of all preschoolers, and one-third of all poor children, are not immunized against the common childhood diseases.

Perhaps one of the most unfortunate statistics of all related to health care is that of the 56 million women in the United States of reproductive age, 14.5 million, or 26 percent of this population, are not covered for maternity services.

Although many of these women are poor and Medicaid eventually pays for their delivery, I do not find it particularly surprising that we have problems with healthy babies when one in four women is not covered for pregnancy-related services.

One of the reasons for this is lack of prenatal care. A recent report found that about 20 percent of uninsured women received prenatal care late in their pregnancy compared with about 6 percent of women with private health insurance. Late prenatal care is one factor directly linked to negative pregnancy outcomes.

Infant mortality rates in the United States are very high, compared to other industrialized nations. The current rate of 10.6 infant deaths per 1,000 live births placed the United States 22 among nations worldwide.

The infant mortality rate for blacks is at least 60-percent higher than for whites. Nine States and the District of Columbia have black infant mortality rates in excess of 19.0, a higher rate than many Third World countries.

Although the infant mortality rate has been steadily dropping, the rate of decrease has slowed in the 1980's. I am saddened to say that there is preliminary evidence to suggest that the rate is actually increasing in 1990.

The saddest thing of all about lack of health coverage for children and their mothers is that a relatively small investment in healthy children pays large dividends.

For example, the Institute of Medicine has estimated that as many as one-third of all low birthweight babies can be avoided by adequate prenatal care. The IOM points out that for every $1 invested in prevention, $3.38 will be returned in immediate reduced care costs for the infant.

Mr. Speaker, the bill I am introducing today represents an affordable, sensible, and cost-effective approach.

This bill builds upon the strengths of the current Medicare system and assures that every child, no matter what his or her parent's financial situation, will have access to the high quality health care which we currently ration to those whose parent has coverage which includes maternity care and dependents.

Keep in mind that children do not choose their family. It is not fair that a child must face the risks attendant to late or no prenatal care simply because the parent's employer does not choose to cover dependents. No baby should be at the mercy of the charity care system. To me, social insurance is the only reasonable approach.

The bill I am introducing today, Mr. Speaker, is not a panacea for every health care problem faced by children and mothers, but it is a start. I am sure that not all of its provisions can withstand the scrutiny to which they will undoubtedly be subjected, but it begins the process. Moreover, I am hopeful that it will enhance a debate that focuses on the broad issue of what is the best, most efficient way to assure every child's right to basic health protection.

We will also need to consider carefully the content of a benefit package. My bill uses Medicare as a model for the benefit package and adds coverage for the necessary pregnancy-related and well-child preventive benefits. This certainly does not constitute the final word on a benefit package. Similarly, the levels for the deductibles and copays in my bill are not carved in stone.

I am sure that the creation of a minimum benefit package is an issue on which there are many opinions, including those who would subtract and those who would add benefits. The goal should be to protect families from financial devastation while setting benefit levels which are affordable and sustainable. I look forward to that discussion.

In addition, I am sure that the idea of taxing employers and employees equally would be opposed by some. They would point out that employers currently cover more than 50 percent of the cost of health insurance for children and pregnancy if they are covered at all. I am certainly open to changes in this policy as I am equally open to the idea that some other form of financing would make sense. The goal is to find a fair financing scheme that the taxpayers will understand and support, but any proposal must include a method of financing.

Another source of financing is the reduction in Federal and State expenditures for Medicaid which would occur if my bill were to be enacted. Total Medicaid expenditures would decrease by about $15 billion of which $9 billion is the Federal share and $6 billion is the State

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

share. Reallocation of these funds is another potential source of funding for this program.

Mr. Speaker, the goal of comprehensive health benefits for all is one that has eluded us since the Congress first took up the question of universal health insurance in 1918. I hope that the rising level of interest in responding to this problem will mean that we can finally make meaningful progress toward solving it. I hope that my proposal for coverage of children and mothers will make a contribution toward that end.

A summary of my bill follows:

SUMMARY—THE HEALTH INSURANCE FOR CHILDREN AND MOTHERS ACT OF 1990

The Social Security Act is amended by adding at the end a new Title 21 which establishes a program of health insurance for children under 23 and mothers, to be financed by payroll taxes.

I. PURPOSE

Provide publicly-financed health insurance for all children through age 22 and for all women for their pregnancy-related medical care needs.

II. FINANCING AND CREATION OF TRUST FUND

The program would be financed by a 1.45 percent increase in the payroll tax paid by employers and by employees.

A new Children and Mothers Health Insurance Trust Fund would be established. Funds collected by the increase in the payroll tax would be paid into the trust fund.

The Trustees of the Medicare Trust fund would oversee the new fund.

No funds from the current Medicare trust funds or the new trust fund could be commingled.

III. OPERATION OF THE PROGRAM

The program would be run by the Health Care Financing Administration using the reimbursement system, survey and certification system, quality assurance system (including utilization review), and data system of the current Medicare program, modified as necessary to fit the needs of children and mothers.

Funds from the Children and Mothers Health Insurance Trust Fund would be appropriated to pay the new program's share of the costs of these activities.

IV. POPULATION COVERED

Children: All children legally resident in the country would be covered until they reached their 23rd birthday.

Women: Legally resident women would be covered after certification of pregnancy by a physician. The program would also pay retroactively for the pregnancy test and first examination necessary to the certification by the physician.

V. BENEFITS

Children: The following preventive services would be covered without co-payments or deductibles, based on a periodicity schedule developed by the Secretary in consultation with the American Academy of Pediatrics:

Newborn and well baby care: Normal newborn care; Pediatrician coverage for high-risk deliveries.

Well Child Care: Routine Office Visits. Required School Physical Examinations. Routine Immunizations (including the cost of the vaccine itself). Routine Laboratory Tests. Preventive Dental Care.

The following benefits would be subject to copayments and deductibles and other restrictions in the same manner as currently apply under Part A and Part B of Medicare:

Hospital Services: All medically necessary hospital services (subject to Professional Review Organization (PRO) Review); Skilled Nursing Facility services; Home health care; and Inpatient mental health services.

Physician Services: Physician services. Outpatient services. Diagnostic services. Medical Equipment. Outpatient mental health services, including substance abuse. Physical therapy services. Speech therapy services. Comprehensive outpatient rehabilitation services.

Mothers: The following services would be covered without copayments or deductibles based on a schedule developed by the Secretary in consultation with the American College of Obstetrics and Gynecology: Prenatal Care, including care for all complications related to pregnancy. Inpatient labor and delivery services. Postnatal care. Postnatal family planning.

The Secretary would be required to develop a list of reimbursable services and procedures related to normal pregnancy and highly prevalent complications of pregnancy. Services and procedures not included on the Secretary's list would be subject to prior approval by the Peer Review Organization.

VI. REIMBURSEMENT

Hospital Services: Hospital Services would be reimbursed under Medicare's current prospective payment system (PPS).

The Secretary would be directed to develop a new set of case weights (DRGs) to reflect the new types of cases reimbursable under this program. The weights would include a small reimbursement disincentive for cesarian section deliveries (the weight would be set such that payment equals 95% of average cost in the base year).

Other services reimbursed under the hospital portion of the program would be reimbursed on a retrospective cost basis for the time being, until prospective systems can be developed.

Physician Services: Physician services would be reimbursed using a resource-based relative value scale and, except for obstetrical care and well baby and child care, would be subject to volume performance standards.

Obstetrical Services would be reimbursed using a global fee approach. Incentives would be included for early prenatal care and for care of mothers in certain high risk inner-city and rural areas. Reimbursement disincentives to cesarean sections would be included.

THE NATIONAL COMMANDER OF THE AMERICAN LEGION MR. MILES S. EPLING VISITS MARYLAND

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mrs. BENTLEY. Mr. Speaker, on March 18, 1990, I will have the pleasure of attending a banquet at the Parkville Post No. 183 of the American Legion which will be hosting the National Commander of the American Legion, Mr. Miles S. Epling.

With over 500 Legionnaires in attendance, it will be with great pride and admiration that I will attend this event. It also will be an honor to meet Mr. Epling who was elected to the office of National Commander of the American Legion at the 71st National Convention.

A 39-year-old veteran of the Vietnam war, Mr. Epling was sent to Vietnam in 1968 where he served with the 3d Batallion, 7th Marines Combat Infantry. While walking point for his unit, Mr. Epling lost both legs to a land mine and was discharged in 1969 with an honorable medical discharge after receiving the Purple Heart.

Currently Mr. Epling is involved in a host of activities and organizations including an appointment by former West Virginia Governor Moore to the West Virginia Vets Council and the West Virginia Memorial Commission.

Perhaps most impressive is that Mr. Epling personifies the members of the American Legion.

Without a doubt it can be said that Mr. Epling and The American Legion exemplify the true American spirit. The charity and community work of the American Legion is not the act of an organization or a lodge. Rather, the work done by the American Legion is the result of a selfless devotion and dedication by individuals who together form a group.

Indeed, the members of the American Legion are individuals who naturally give of themselves and have been doing so whether it be on the battle field or in the community. Giving is an ingrained part of their lives, perhaps one could say that they knew nothing else but to give.

All too often in this country we are to quick to forget the hardships and sacrifices which so many have endured on our behalf. This is especially true at a time when the world is radically changing. It becomes all too easy to forget the lessons which history has taught us. I am sure, however, that individuals such as Mr. Epling will never let us forget the sacrifices made by so many to ensure freedom and democracy. Remember it is the diligent mind which is always aware of what has passed, what is present and what could be.

As National Commander, Mr. Epling is charged with the responsibility of representing the concerns and needs of veterans across the Nation. At the same time Mr. Epling and all American Legion members must keep this Nation reminded of what they have given to ensure our freedom.

Mr. Speaker, it is with great respect and honor that I commend the National Commander, Mr. Miles S. Epling and all other American Legion members for their commitment to this Nation. Their spirit and love of country is inspirational.

God bless the American Legion and God bless America.

EARTHQUAKE EDUCATION ESSENTIAL FOR EASTERN UNITED STATES

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. CLINGER. Mr. Speaker, I rise today to bring an issue and a resolution to the attention of my colleagues. Right now, in 1990, certain sections of our country are literally sitting

on a bomb, one that could explode at any moment; and while I may be speaking metaphorically, the destruction caused by a major earthquake in areas where the population and structures are unprepared could be as devastating as a nuclear explosion.

The Eastern United States, is not exactly the region that comes to mind when one thinks of earthquakes. However, geologists predict that there is a 100-percent chance of a damaging earthquake hitting the eastern United States in the next 25 years—and that figure is correct: a 100-percent chance.

Two most recent and noted earthquakes, San Francisco and Soviet Armenia, had approximately the same destructive force, yet the Soviet quake killed at least 25,000 people. The main reason for the difference in the death toll is the better building construction in California due to the earthquake-resistant provisions in the building code and public knowledge about how to react in an earthquake.

Building codes are a local matter, but locals should be given assistance in using the most up to date and effective technologies. The Federal Government can provide that assistance.

The effect of a large quake in many Eastern regions would likely result in a high death toll and the devastation of large sections of cities. But even a moderate quake could have devastating effects. Our infrastructure is crumbling from within; our bridges are collapsing, our sewer systems are aging and our public works in general are wearing out. In New York City, the huge tunnels that supply the metropolis with water could give out at any time.

The East is unprepared and our decaying infrastructure is a hazard. There is an urgent need to improve on the points in which we are lacking—that of public awareness, coordination, and the question of a old, weak infrastructure will have to be answered.

To lessen the affect of an Eastern earthquake that will surely come, we need to act now. We need to provide local government with the technical assistance to help them develop cost effective means of improving building codes, to educate the population and study ways that old buildings can be rebuilt within our economic means. While cost is a concern it should not deter us from finding ways to improve safety with existing resources—the lives of thousands of Americans depend upon it.

Educating people about earthquakes and how to react to them is essential and certain aspects of an educational strategy can be relatively simple and the sense of Congress resolution that I have introduced today can be one step in such a process.

Mr. Speaker, this modest measure would encourage, not mandate, phone companies to include earthquake disaster instructions in the phone books they publish. These guidelines would instruct the population of an affected area on what to do after a quake and would put accessable information into almost every home and business.

For example, in California, similar guidelines have been published in phone books for many years. During last October's quake, the first place that people turned for help was to the information in their own homes—in the phone book. As soon as local radio and television stations were back on the air, they instructed people to read these disaster instructions. The entire system worked extraordinarily well.

Soon, the Earth will shrug and innocent people will die in the East, many of them surprised that this could happen in their town or city. They don't realize that we are in as much danger—if not more—as those living in San Francisco or Los Angeles. It is time to start taking steps to prepare for this disaster and supporting this resolution is a first one.

AMERICAN LEGION CELEBRATES ITS 71ST ANNIVERSARY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues in the House of Representatives that today, March 15, marks the 71st anniversary of the founding of the American Legion.

For 71 years, the American Legion has maintained its proud tradition of outstanding service, patriotism and care for our Nation's veterans, perpetuating its founding pledge in its perseverance "For God and Country." The idea for the American Legion had its origins when a group of 20 officers, who served in the 1st American Expeditionary Forces in France during World War I, was asked by its headquarters to suggest ways to improve the morale of the troops. At that time, Lt. Col. Theodore Roosevelt, Jr. suggested an organization of veterans to accomplish this purpose, and in February 1919, this group formed a temporary committee to recruit membership.

About 1,000 officers and enlisted men gathered in Paris on March 15, 1919, at the first organizational meeting, known as the Paris Caucus, where they acknowledged that their responsibilities to each other and to their country's citizens would not end with the signing of a treaty of peace. A temporary constitution was adopted and the men agreed to the name, American Legion.

During the last 71 years, the American Legion has maintained the highest standards it set for itself in its constitution, which states:

For God and country we associate ourselves together for the following purposes to uphold and defend the Constitution of the United States of America; to maintain law and order; to foster and perpetuate a one hundred percent Americanism; to preserve the memories and incidents of our associations in the great wars; to inculcate a sense of individual obligation to the community, State and Nation; to combat the autocracy of both the classes and the masses; to make right the master of might; to promote peace and good will on earth; to safeguard and transmit to posterity the principles of justice, freedom and democracy; to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

With a membership of about 2.8 million in 16,000 local groups, and a women's auxiliary of about 1 million members, the American Legion continues to work tirelessly on matters which concern the welfare of their fellow veterans and their dependents. As we commemorate the American Legion's founding, we celebrate its continuing dedication to the adjustment of the veteran to civilian life, restoring his health and usefulness to society, maintaining his dignity, and assuring the welfare of the veteran's widow and children.

Mr. Speaker, on the 71st anniversary of the American Legion, I am proud to commend the Legionnaires in the 11th Congressional District of Illinois which I am honored to represent, and the American Legion posts throughout the Nation, as they continue to serve our veterans and our Nation, committed to the ideals of our American heritage. I extend to them my best wishes as they go forward in greater service to secure the blessings of liberty for us all.

WHO LOST NEW ZEALAND?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. BROOMFIELD. Mr. Speaker, after 4 years of not talking, senior United States officials are once again meeting with their counterparts from New Zealand. This is despite the fact that there is absolutely no indication that New Zealand is willing to change its 5-year-old ban on visits by United States naval vessels. In fact, it seems ever more clear that New Zealand will not rejoin the system of alliances with the United States that has preserved world peace and security since the Second World War. How and why did we lose New Zealand?

In 1985 the new Labour government of New Zealand, headed by Prime Minister David Lange, made good its pledge to keep nuclear armed or powered vessels out of New Zealand ports. The Lange government first applied its policy by withdrawing permission for the U.S.S. *Buchanan* to visit even while the vessel was enroute. This deliberate misunderstanding did incalculable harm to the historically warm relationship between our two countries and sent shock waves through the Pacific.

The provocation over the *Buchanan* could not have occurred at a worse time. The South Pacific—for so long considered a balmy backwater—appeared to be on the verge of becoming a new arena of superpower confrontation. The Soviet Union was in the process of signing fisheries agreements with small island countries and seeking further representation in the region. There were even indications of Libyan-sponsored terrorist activities in the Southwest Pacific.

The Reagan administration responded to the action of New Zealand by cutting off intelligence sharing, suspending preferences for New Zealand under United States arms export and foreign military assistance laws and cooperation between the United States and New Zealand militaries, and ruling out contacts between New Zealand officials and senior United States officials with defense or foreign policy responsibilities. After consultations with Australia, the United States also indicated that our responsibilities toward New Zealand under the Australia-New Zealand-United States [ANZUS] defense alliance had been withdrawn. With respect to the no-contact policy,

the administration argued that such meetings were not justified since there was no indication that the key security and defense issue could be profitably discussed.

The Lange government subsequently enacted its antinuclear policies into law. At the same time, antinuclear sentiments continued to grow elsewhere in the South Pacific, causing further difficulties for U.S. defense planners. Many observers both within and outside the region were uneasy that the rupture in the ANZUS alliance could create dangerous opportunities for outside forces to meddle in the affairs of the small island states.

The situation in the South Pacific appears to have improved since the worrisome days of the mid-1980's. The level of confrontation between the superpowers on the global level has decreased, and the Soviets have changed their priorities to emphasize commercial opportunities over politico-military expansionism. Several of the island states continue to experience instability, however—especially Papua New Guinea which faces a secessionist movement on Bougainville, Vanuatu with its volatile politics, coup-prone Fiji, and New Caledonia with its simmering resentment between indigenous Kanaks and settlers.

On March 1, the Secretary of State met in Washington with Mike Moore, New Zealand Minister of Economic Relations and Trade. Why did the State Department change the no-contact policy at this time and what are the results? Well, according to the Department spokesman the meeting represented "an adjustment in our limited access policy in order to allow us to discuss and cooperate on non-security matters of mutual concern." The statement indicated that the two had discussed GATT, narcotics, Pacific Basin economic cooperation and developments in Eastern Europe and South Africa; some observers have speculated that Minister Moore offered information from Iranian President Rafsanjani concerning United States hostages in Lebanon.

Perhaps the real reason for the Department's switch, however, was the buffeting the administration was beginning to receive in Congress. The chairman of the Subcommittee on Asian and Pacific Affairs had recently written a column contrasting the Bush administration's willingness to toast the "Butchers of Beijing" but not even meet after so many years with senior officials from New Zealand. Other Congressmen subsequently joined in raising this issue at public hearings of the subcommittee.

What has really changed to justify the loss of United States leverage against New Zealand on the ship issue? After all, the no-contact policy was perhaps the only United States action that was actually felt by New Zealand politicians. The effect of the other sanctions was felt directly by the New Zealand military and defense establishment, which has long been friendly toward the United States. Unfortunately, the Labour government has not always been particularly attentive to defense and security issues.

One major factor may have been the change in leadership that occurred when Geoffrey Palmer took over the Prime Ministership from Lange. This ended the irritation caused by Lange's regular provocation remarks, including his infamous lecture at Yale—at the George Herbert Walker, Jr., lecture, no less—on the anniversary of the signing of ANZUS, in which Lange threatened to withdraw entirely from the treaty. Prime Minister Palmer has adopted a much more constructive tone toward the United States, even lending support to the United States intervention in Panama. But Palmer, like Lange, remains intransigent on the ship issue.

Unfortunately, the results of the resumption of high-level contacts have so far not been good. Labour has crowed in triumph while the opposition National Party—which had previously pledged itself to restore ship visits—has changed its position. Coincident with the resignation of senior opposition defense spokesman Don McKinnon, the Nationals announced that henceforth their policy is to oppose the visit of ships on which the presence of nuclear weapons is neither confirmed nor denied [NCND]. NCND is the basic U.S. position on this matter, since for security as well as operational reasons the United States can hardly permit open discussion of whether our naval vessels are nuclear armed.

It is true that had a switch in policy not been made, Labour might have used the continuation of the no-contact policy to portray the United States as a bully which wishes to interfere in New Zealand politics. At the same time, however, the Department might have proceeded more cautiously. There were ample opportunities for Secretary Baker to meet Minister Moore, or other senior United States foreign relations and national security representatives to meet with their New Zealand counterparts, on a more limited basis. For example, the Secretary could have met Moore in connection with a multilateral meeting such as the Post-Ministerial session of the Association of Southeast Asian Nations [ASEAN] in July.

The executive branch may have made yet another misstep. The State Department announcement indicates that there will be no change in the United States ban on military, intelligence and security cooperation with New Zealand, as well as the suspension of ANZUS obligations, as long as New Zealand's policy on ship visits persists. In fact, however, had the administration wished to make a gesture toward New Zealand at this time it should have considered instead resuming limited intelligence sharing—for example, on naval movements, terrorism and other developments in the South Pacific—and perhaps some token military cooperation. This at least would have had the benefit of helping to address the deterioration of New Zealand's military capabilities and the resentement that is building in the ranks.

But the die has already been cast. Now is not the time for another change in policy, so close to the expected date of elections in New Zealand in October. The decision has been made and alternatives are ruled out. Perhaps it was easier for the State Department to change what was within its power—diplomatic contacts—than military and intelligence matters subject to the influence of the Defense Department and National Security Council, where the strong negative reaction to New Zealand's antinuclear policies persists. But many with a strong desire for a true reinstitution of New Zealand-United States friendship may feel that the opportunity to resolve the ship issue has been forever lost. In an era of declining tensions in the world, we have failed to find a way to maintain an old and valued alliance.

After so long a break, the desire to improve relations between the United States and New Zealand was certainly understandable. But the decision to have Secretary Baker meet with Minister Moore was unfortunate. The consequence is that for the foreseeable future the United States will not be able to resume a defense relationship with New Zealand consistent with the NCND principle, which is absolutely essential for the secure operation of United States forces. The recent decision to resume high-level contacts has, perhaps paradoxically, made it impossible to deal directly with the primary issue in United States-New Zealand relations. Only time, and a more constructive attitude on the New Zealand side, can put our historically friendly relationship back on track.

H.R. 4111

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. CRAIG. Mr. Speaker, on February 27 I introduced H.R. 4111, the Strategic and Critical Minerals Act of 1990. If enacted, this bill would authorize the creation of a Mining and Mineral Resources Research Institute to develop new and innovative ways of addressing the problems and shortfalls that this country faces in the area of critical and strategic minerals.

Our country depends almost exclusively on foreign sources for critical minerals. United States Bureau of Mines studies reveal that 95 percent of world production of the platinum group metals comes from the Soviet Union and South Africa. Fifty-nine percent of the United States vanadium needs come from South Africa.

These minerals and the other critical minerals that would be addressed by a strategic and critical minerals center are crucial to this Nation's defense and economic well-being. For instance, critical and strategic minerals are essential for producing high temperature tolerant metals for use in jet and rocket engines and turbines. Without the platinum group metals there would be no catalytic converters in our automobiles, and our Nation's air quality would suffer. Rare Earth minerals must also be available if we are to develop the science of superconductivity.

As we all know, the future availability of these critical minerals from foreign sources is not certain. It would be unwise to have no alternative materials or strategies available to assure that this Nation has these important materials available in the future.

For this reason, I have introduced H.R. 4111. The bill establishes a strategic and critical mineral technology center that will have as its objective to decrease the dependence of the United States on strategic and critical minerals. This objective will be accomplished by providing for studies and technology develop-

39-059 O-91-46 (Pt. 3)

ment in mineral extraction and processes; product substitution and conservation of critical and strategic minerals through recycling, advanced processing and fabrication; and the dissemination of the centers' findings to the private sector. Another major responsibility of the center will be to identify new deposits of strategic and critical mineral resources.

As we move into the next century, this Nation must have the natural resources to compete and move forward with new and emerging technology. It is my intention that the establishment of a Mining and Mineral Resources Institute for strategic and critical minerals will help us meet the challenge.

TRIBUTE TO THE BIG SUR POST OFFICE

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to the Postal Service in Big Sur, CA, which has provided over 100 years of postal service to this area of Monterey County.

The first post office in Big Sur was established on October 30, 1889, in the home of pioneer homesteader, William B. Post. Known simply as "Post's," the Postal Service remained here until 1905, when it was moved to its own building in what is now Pfeiffer-Big Sur State Park.

The name of the post office was changed to "Arabaldo" in 1910, and the first letter was canceled using the current postal name "Big Sur" on May 5, 1915. Mail continued to be delivered weekly by horsedrawn stage or, during severe weather, on horseback. In the spring of 1920, Big Sur residents began receiving mail twice a week, as the motorized stage became the mode of delivery.

In 1972, the Big Sur Post Office, then located in the old River Village, was destroyed by a series of landslides. The Postal Service continued to provide delivery from a trailer near the ranger station of Big Sur National Forest for nearly 14 years, until the current post office was completed. Delayed by major landslides in 1982, the Big Sur Post Office at "the Deli" on Highway 1 was opened for business on June 16, 1986. On Sunday October 30, 1989, a celebration was held honoring the historic institution and the employees on the occasion of the centennial of Postal Service in Big Sur.

Mr. Speaker, I ask my colleagues to join me now in congratulating the Big Sur Post Office for over 100 years of service to the people of the Big Sur area. It is with great pride and respect that I pay tribute to the staff of this institution, past and present.

A TRIBUTE TO COL. RICH HIGGINS, OF LOUISVILLE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. MAZZOLI. Mr. Speaker, I was honored to have taken part in the dedication and unveiling of a monument in honor of Col. Rich Higgins, a brave patriot, a valiant marine, and a fellow Louisvillian, who, it is presumed, gave his life as a U.N. peacekeeper in the Mideast.

It was fitting that the granite monument—partly finished and partly unfinished to signify Rich's own life and work—is located at Southern High School, Rich's alma mater, and the focal point of his early years.

In attendance were Rich's wife, Marine Maj. Robin Higgins, a valiant marine in her own right, Rich's daughter, Chrissy, his sister, Mary Fisher, and friends, by the hundreds.

Also adding dignity to the ceremonies were, among others, Marine Commandant, Gen. Alfred Gray; Fort Knox Commander, Maj. Gen. Thomas Foley; Kentucky adjutant general, Maj. Gen. Michael Davidson; Marine Col. Ronald Ray, the master of ceremonies; Jefferson County commissioner, Irv Maze; and Jefferson County school superintendent, Donald Ingwerson.

Mr. Speaker, the ceremony was not somber or solemn as if it were a memorial to a lost comrade.

Rather, it was:

A tribute to a Louisville native who chose the military as his career in public service;

A recognition of a life well-lived in the cause of peace and freedom here at home and abroad;

A testimonial to the lofty proposition that we should not live self-centered lives but selfless lives dedicated to the betterment of our fellows; and,

A reminder that, as in Col. Rich Higgins' case, each of us individually, can make a difference and can make things better.

Mr. Speaker, whatever is Rich Higgins' fate and condition, he stands—in the form of a granite marker at Southern High School—as an inspiration to his loving family, to his proud hometown, and to a grateful nation.

SMOKELESS TOBACCO ISN'T "COOL"

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SYNAR. Mr. Speaker, I am pleased to report that the American Academy of Otolaryngology-Head and Neck Surgery, an organization made up of over 9,000 expert surgeons, is waging a serious battle against a growing national problem—smokeless tobacco use among our children. Using various media avenues, the academy's "Through with Chew" program is delivering the message to school age children and parents that "chew and snuff are real bad stuff." Their message is that smokeless tobacco is not a safe alternative to smoking.

In February, 20,200 public and private secondary schools and 1,200 boys clubs all received the videotape "Smokeless Tobacco: Is It Worth the Risk?" Narrated by Mel Allen, the video features pitcher Nolan Ryan, and interviews with high school baseball players. The video also describes the health hazards of smokeless tobacco and shows oral cancer victims after surgery. A segment of the video is dedicated to Sean Marsee, a user of both chew and snuff from my home State of Oklahoma, who died of oral cancer at age 19. In fact, it was Sean's death which led me to propose legislation requiring warning labels on smokeless tobacco and to ban television and radio advertising of the product. That legislation became law in the 99th Congress.

The academy, together with the National Cancer Institute, is assisting teachers by providing educational materials for use in their classrooms. This special program was endorsed and distributed by TARGET, a service organization of the National Federation of State High School Associations.

In addition, the academy has set up a grassroots network of otolaryngologist-head and neck surgeons who will push the campaign in their local communities. They have distributed radio public service announcements to 3,000 stations nationwide. The message stresses that smokeless tobacco isn't "cool", it is a health hazard.

The American Academy of Otolaryngology-Head and Neck Surgery is to be commended for providing this tremendous public service to America's youth.

HARRY A. GAMPEL HONORED AS SOUTH BROWARD BUSINESSMAN OF THE YEAR

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SMITH of Florida. Mr. Speaker, on March 21, 1990, the business executive forum of the Jewish Federation of South Broward will honor Harry A. Gampel as businessman of the year. Mr. Gampel, a noted developer and chairman of the Gampel Organization, has been involved in South Broward and south Florida for many years. Among his most beautiful buildings are the recently completed luxury Hallmark Building and Presidential Circle, both in Hollywood.

His many philanthropic and humanitarian endeavors were recently recognized when he received an honorary doctorate from Yeshiva University along with such notables as TWA Chairman Carl Ichan and Harvard law professor Alan Dershowitz. Moreover, Mr. Gampel's alma mater, the University of Connecticut, named the newly completed Gampel Pavillion in recognition of his continuous support.

South Florida has been blessed by both the beauty of Harry Gampel's developments and the numerous results of Harry Gampel's civic dedication. I hope all of you join me in saluting Harry Gampel for being honored on this very special occasion.

BILL OF RIGHTS FOR AMERICAN CONSUMERS

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. TANNER. Mr. Speaker, 28 years ago today President Kennedy issued the first ever "Bill of Rights for American Consumers". Through this action, the President issued executive orders, proposed legislation and suggested regulatory steps to make sure that the driving forces of technological change did not overrun the American consumer.

President Kennedy prefaced his March 15, 1962, special message to the Congress on protecting the consumer interest by stating the obvious: "Consumers, by definition, include us all. They are the largest group in the economy, affecting and affected by almost every public and private economic decision."

For precisely that reason, the burden falls not just on the Federal Government but on all segments of our democracy to protect and serve the consumer. Because, as President Kennedy said, "If consumers are offered inferior products, if prices are exorbitant * * * if the consumer is unable to choose on an informed basis, then his dollar is wasted * * * and the national interest suffers."

This message rings as true today as when President Kennedy made that statement.

That is why an Insurance Consumer Bill of Rights and Responsibilities was introduced 28 years after President Kennedy's consumer guarantees from the Federal Government, and 201 years after an even broader spectrum of guarantees was declared in the Bill of Rights of the U.S. Constitution.

The Insurance Consumer's Bill of Rights is a product of a unique coalition of independent insurance agents and consumer advocates, both dedicated to President Kennedy's idea of a shared societal obligation to serve the American consumer. The Coalition includes the National Association of Professional Insurance Agents [PIA] and the Consumer Insurance Interest Group [CIIG] which includes leaders from Public Citizen, the National Insurance Consumer Organization, and the Consumer Federation of America.

I want to congratulate PIA National and the CIIG for their joint efforts to promote consumer protection as their foremost goal.

Ester Peterson, a life-long consumer advocate and adviser to Presidents Kennedy, Johnson, and Carter, was instrumental in implementing the 1962 Consumer Bill of Rights. As chairperson of CIIG and PIA National's consumer adviser, both groups looked to her for guidance in not only drafting the Insurance Consumer Bill of Rights and Responsibilities, but also for foregoing broad agreement on these declarations inside and outside the insurance industry.

The Insurance Consumer's Bill of Rights and Responsibilities adopts many of President Kennedy's pledges to all consumers, including the right to be properly informed, the right to choose, and the right to be heard. But it also establishes the goal to give insurance consumers the rights to protection, to redress, and to high quality service.

PIA National and CIIG developed these rights because the typical consumer often lacks proper information and understanding when buying and using insurance. A companion bill of responsibilities is attached to the bill of rights so consumers know what insurance companies and agents expect of them to ensure fair, accurate, and speedy claims service.

The Insurance Consumer's Bill of Rights include:

The right to protection. Consumers have the right to purchase insurance that meets their needs, regardless of where they live or work. Such insurance policies must be priced according to consumers' specific risks without regard to race, color, or creed.

The right to be informed. Consumers have the right to have their policies printed in clear, easily readable type and written in understandable language. This right includes having policy provisions accurately explained to consumers before purchase. Consumers should be told in advance, if possible, when the price or terms of their policy may change, and why.

The right to choose. Consumers have the right to be offered available options for protection, the right to enough time to adequately consider their purchase, and the right to make an informed choice of the coverage that best meets their needs for quality protection, fair value, and personal service. Further, they have the right to a competitive marketplace where several insurance companies compete for their business.

The right to redress. Consumers have the right to prompt settlement of just claims, the ability to have access to third parties for mediation, and access to responsive State insurance departments for further redress.

The right to be heard. Consumers have the right to have a voice in major decisions that affect them, whether made by insurance companies, insurance agents, or insurance regulators. They also have the right to prompt and constructive replies to suggestions and inquiries, and the right to be informed about and participate in consumer organizations that are involved in insurance issues.

The right to service. Consumers have the right to be treated with dignity, honesty, and fairness. They have the right to receive prompt and fair attention to claims, policy changes, and inquiries, as well as the right to be served by an insurance professional who strives to provide them with the best insurance value.

The Insurance Consumer's Bill of Responsibilities include:

The responsibility to be informed. Consumers have the responsibility to understand the concept of insurance, to read each insurance policy and attempt to understand its terms, and when lacking understanding, the responsibility to seek answers from an insurance professional.

The right to help control losses. Consumers have the responsibility to minimize risk through safe driving, vehicle and home maintenance, and caring for their health.

The responsibility to keep updated and accurate records. Consumers have the responsibility to maintain in writing the name, address, and telephone number of their insurance agent and insurance company as well as all policy numbers and vehicle make, model, and identification numbers. They also have the responsibility to maintain an updated inventory of household possessions.

The responsibility to report accurate information. Consumers have the responsibility to file insurance applications and report claims in an accurate and timely manner.

The responsibility to comply with policy provisions. Consumers have the responsibility to comply with the specific conditions outlined in their policy, including paying premiums on time, cooperating with insurance companies when defending their claims, and reporting changes that may affect their coverage.

The responsibility to report fraudulent practice. Consumers have the responsibility to report to law enforcement and insurance authorities any questionable practices by insurers, agents, consumers, auto body shops, doctors, lawyers or other parties seeking to defraud or circumvent the insurance system or consumers.

It is the hope of PIA National and the CIIG that the Insurance Consumer Bill of Rights and Responsibilities will foster a better relationship between the insurance industry and consumers. They have invited consumers, agents and insurance companies to endorse both the letter and the spirit of rights and responsibilities while committing themselves to working toward its goals and principles.

Communications between consumers and the insurance industry already is working. Consumers and insurance agents through CIIG have addressed such pressing concerns as auto safety, insurer insolvencies, and enhancing the effectiveness of state insurance departments.

The communications process is working and it can work better still. The Insurance Consumer Bill of Rights and Responsibilities can strengthen the insurance industry and build better relations with consumers.

Insurance consumers should demand—and they deserve—nothing less.

TRIBUTE TO LEE GAUMER ON RECEIVING THE COORS AMERICAN INGENUITY AWARD

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. RITTER. Mr. Speaker, today I would like to pay tribute to a man who is really a credit to the Lehigh Valley of Pennsylvania. The man I am speaking about is Mr. Lee Gaumer of Allentown.

Today, Mr. Gaumer received the Coors American Ingenuity Award during a meeting of the National Association of Manufacturers here in Washington. Gaumer is being honored for his contribution to the U.S. Space Program, in creating the technology for the high-volume production of liquid hydrogen rocket propellent.

Thanks to Mr. Gaumer's ingenuity, Air Products and Chemicals of Allentown, where Gaumer has worked for nearly 40 years, supplied hydrogen fuel for the Appollo Program

that landed the first men on the Moon in 1969 and now supplies it for the space shuttle.

Gaumer's work was stimulated in the late 1950's by the emerging missile and space program and its demand for tonnage quantities and high energy content. Gaumer's breakthrough technology was a quantum leap beyond the laboratory-scale production of liquid hydrogen propellant, preferred for its light weight and high energy content. But it could only be made in laboratories a few pounds at a time, until Gaumer devised the process and hardware to make the tonnage quantities required for engine development and actual launches.

This year, 1990, is the fifth year for the Coors American Ingenuity Award and Lee joins some distinguished individuals in receiving this prestigious recognition: John Atanasoff, acknowledged father of the computer age; Jack Kilby, inventor of the integrated circuit; Stanford Ovshinsky for his work in the science of amorphous solids and George Dantzig, creator of linear programming, a powerful method of solving large resource allocation and distribution problems.

Lee is currently working with the National Aeronautics and Space Administration and the U.S. Air Force to develop the technology for slush hydrogen propellant fuel for the National Aerospace Plane project.

A chemical engineer by training, Gaumer's early career led him to work on the Manhattan Project reactor and to witness the birth of teflon at Du Pont before taking him to the White Sands Proving Ground in New Mexico, where his long association with the Space Program began.

In addition to his work on liquid hydrogen, Gaumer also invented a revolutionary heat exchanger that for the first time made it possible to convert natural gas to a liquid form for shipping in a cost-effective manner.

Credit must also be given to the Air Products team for it was Lee's leadership and the support and teamwork at Air Products that brought these projects to light and allowed these products to become a major player in the space program and in America's preeminence as an emergency producer.

Lee was a leader on my Lehigh Valley Citizen's Energy Advisory Council in the tough days of the Iran oil embargo, the debate over oil price decontrol, and tough debates over what should be America's energy policy.

I consider Lee Gaumer the epitome of the citizen engineer inventor, a role model for our youth, and last but not least, a personal friend.

I congratulate Lee on his contribution to the American Space Program and on his well-deserved national recognition upon receiving the American Ingenuity Award.

STATEMENT OF CONGRESSMAN MAVROULES

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. MAVROULES. Mr. Speaker, I would like to share with my colleagues a statement I made before the House Interior and Insular Affairs Subcommittee on General Oversight and Investigations on March 14, 1990, regarding the Nuclear Regulatory Commission's licensing process for the Seabrook Nuclear Power Plant.

I would like for them to have the benefit of this information before we consider the Nuclear Regulatory Commission's reauthorization legislation, H.R. 1549.

STATEMENT OF CONGRESSMAN NICHOLAS MAVROULES

Mr. Chairman, I am sure you know how much I appreciate your holding this hearing today and the interest you have shown in the issues surrounding the licensing of the Seabrook Nuclear Power Plant in Seabrook, New Hampshire.

There have been numerous concerns expressed by my colleagues and me on the regulatory oversight of the NRC as regards construction and design of the plant and I still harbor these concerns. I am confident that others appearing before you this afternoon with technical expertise on plant construction will ably cover these issues.

Thus, I would like primarily to focus my concern on the inadequacy of the emergency evacuation plan which the utilities have provided for the Massachusetts communities and on the regulatory process of the NRC. I will attempt to explain some of my concerns to you and I would also like to submit for the record an overview of the Massachusetts evacuation plan that clearly outlines in more detail some outstanding concerns on the evacuation plan.

As early as 1975, when the NRC was considering the construction permit for Seabrook, the Attorney General of Massachusetts expressed his opposition to the siting of Seabrook station. He argued then that the infrastructure of the area roads was not sufficient to handle the needs of a mass evacuation. Unfortunately, those concerns were ignored. In essence, the Commission said construction would proceed, and that the evacuation issue would be dealt with once the plant came up for its license.

As you know, after the accident at Three Mile Island in 1979, the nation as a whole realized how ill-prepared we were to respond to a nuclear accident. Even after this catastrophe, the earlier objections to Seabrook's evacation plan remained unanswered, and the NRC allowed construction to continue.

The emergency planning rules adopted by the Commission in 1980, mandated by Congress, require that an acceptable emergency evacuation plan be prepared for communities within a 10 mile radius of a commercial reactor. Six communities in my district—Salisbury, Newbury, West Newbury, Amesbury, Newburyport and Merrimac—are within this distance from Seabrook.

Unfortunately, The Nuclear Regulatory Commission has strayed from its mandate to protect the public. Established as an independent agency under the Energy Reorganization Act of 1974, it has consistently served to protect the interests of the nuclear industry rather than those of the general public. Its primary responsibility—to protect the health and safety of the American people—has been largely ignored. In a headlong rush to promote the use of commercial nuclear energy, on many occasions the agency has refused to fully consider concerns raised by state and local governments and the affected public.

In the case of Seabrook, the commission has time and again revised its own rules to accommodate the needs of the utility companies building the plant. These regulatory changes have allowed the commission to license not only Seabrook but the Perry reactor in Ohio and Shoreham in New York in spite of the objections of those state's governors.

In September 1987 an emergency plan for Massachusetts communities was submitted to the Atomic Safety and Licensing Board by the utility for approval.

I am submitting for the record, Mr. Chairman, a chronology of activities by the NRC, The Federal Emergency Management Agency and the intervenors on the Emergency planning activities for both the New Hampshire and Massachusetts communities.

Mr. Chairman, the plans endorsed by the NRC simply cannot be deemed a responsible effort to minimize radiation exposure during a nuclear accident.

Indeed, the NRC's own appeal board asked that the Atomic Safety and Licensing Board revisit four significant issues in the New Hampshire evacuation plans. These issues were: the handling of advanced life support patients at nearby institutions; teacher participation in the evacuation of schoolchildren; the lack of a sheltering plan for the beach population; and deficiencies in the survey to determine special population needs.

Yet, incredibly enough, when the appeal board remanded the New Hampshire evacuation plan to be reworked, It was overruled by a lower NRC panel, and was then preempted by the commissioners themselves.

This astonishing and unprecedented breach of the commission's own process reflects some kind of stampede to get this plant licensed, no matter what the cost in credibility or in public safety. In fact, the commissoners pre-empted not only the state of Massachusetts and the local communities, but their own internal processes as well.

The Atomic Safety and Licensing Board [ASLB] assigned to Seabrook found in its Partial Initial Decision that it will take from 7½ to 8½ hours to evacuate the EPZ, including heavily populated beach areas around Seabrook. And the regulatory guidance document NUREG-0654 states that a release of radiation can occur in as little as one-half hour from the time of initiation of an accident.

Additionally, the utility plan estimates a resident population of the 6 communities in my district at 53,583. While this plan relies on bus companies to transport small children, transit dependent individuals, hospital and nursing home patients, there is no agreement on the number of drivers who could be counted upon.

Also, the only major thoroughfares are I-95 and I-495. All of the secondary roads within the six Massachusetts communities are standard two-lane highways. And there is no realistic option for expanding the roadways.

The two centers for monitoring and decontaminating evacuees in the Massachusetts portion of the emergency planning zone are located in Beverly and North Andover, Massachusetts. These centers are prepared to provide for only 20 percent of the population.

The Reception Center for the communities of Merrimac, Amesbury and West Newbury, with a total population of 23,101, is North Andover, which is located approximately 5 miles outside of the Emergency Planning Zone. The only major highway in that direction is I-495. Consequently, much

of the travel will have to be on secondary roads, highways 108, 110, 113 and 125.

The Reception Center for the Salisbury, Newbury and Newburyport areas is Beverly, which is located approximately 10 miles beyond the EPZ.

At each location, the facility consists of one trailer with 16 to 18 monitoring stations and only two showers. When this issue was raised with the ASLB, the Board stated that there was no time requirement within which decontamination must be accomplished. It does not take a genius to figure out that the longer you are contaminated, the greater the exposure to radiation. This is far from being an acceptable response for the protection of public health.

The Nuclear Regulatory Commission has done a terrible job of addressing the growing concerns of the public in protecting their health and safety.

Furthermore, I was appalled when the Federal Emergency Mangement Agency announced on March 14, 1988 that they were reversing their June 4, 1987 finding that the state of emergency preparedness in the beach areas was inadequate due to the large population and lack of sheltering capability. There was no basis for reversing this decision because no new facts had arisen.

Mr. Chairman, there has been much discussion about New England's need for additional energy resources. I do not argue that point.

But Seabrook is not the answer. This month marks eleven years since the accident at Three Mile Island. We learned then that it was necessary to put in place workable evacuation plans. That, it seems, is the very least we can do if we are to use this technology.

We have regulations on the books requiring workable evacuation plans.

But at Seabrook Station and elsewhere we have seen the NRC abuse both the spirit and the letter of these regulations, as well as its own internal processes.

Virtually no one familiar with the area around Seabrook believes it can be evacuated in a timely manner. Nothing put forward by the NRC or Seabrook's builders in the 11 years since Three Mile Island, or in the 15 years since this issue was raised by the Attorney General of the State of Massachusetts, has convinced the public that this evacuation will work in the face of a nuclear accident.

Last June I wrote as much to my colleagues in the House and Senate who have jurisdiction over the NRC. I testified before the House Interior Subcommittee on Energy and the Environment the year before, asking that a consensus be developed and legislation presented to reform the NRC. I stand as ready as I ever have been to assist in any way I can to bring this to pass.

If we needed more convincing, the licensing of Seabrook Station stands as a monument to an agency that makes up its own rules as it goes along, placing the interests of industry ahead of the health and safety of the public.

Mr. Chairman, I hope we can find a way to solve this terrible problem before another catastrophe occurs. Do we really want to open new hearings on another Three Mile Island down the road.

Thank you for your time and attention. I deeply hope these hearings lead to some definitive action toward a more responsible regulation of this industry.

THE FAMILY CHOICE AND CHILD CARE IMPROVEMENT ACT

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. STENHOLM. Mr. Speaker, I am pleased to come to the House floor today with my colleague, CLAY SHAW, to introduce the Family Choice and Child Care Improvement Act. This bill stakes out a moderate conservative position on the issue of the Federal Government's involvement in child care, something which is of vital concern to millions of Americans. The bill will provide the basis for a substitute amendment when child care is considered by the House of Representatives in the near future.

When I first began my journey into the world of child care policy, territory which I confess was uncharted and unfamiliar to me even a year ago, I decided that there were five principles or beliefs which had to be at the foundation of any child care approach I could support. Those five simple beliefs were these:

First, parents, localities, and States are better decisionmakers than the Federal Government as to how their children should be cared for.

Second, child care legislation should not be biased against, or for that matter, in favor of, stay-at-home parents.

Third, child care legislation should not be biased for or against a type of provider—church or synagogue, for-profit care, friend or relative, and so forth—which parents have otherwise chosen or would like to choose for their children.

Fourth, the Federal Government should not establish complicated new bureaucracies for administering child care funds, but rather should build on proven programs.

Fifth, a Federal Government already $3 trillion in debt does not have limitless resources for child care assistance; therefore, those families with the greatest needs must be given priority and the maximum effectiveness must be gotten out of each dollar spent.

I am convinced that the vast majority of mainstream Americans—liberal or conservative, Democrat or Republican—want us to be guided by principles such as these when we are developing child care policy here in the House of Representatives. I believe that while the economy may have changed and family work patterns may have changed, fundamental family values are timeless.

I know there are some today who still argue that we don't need any kind of Federal child care policies or programs. I am not one of those people.

However, I also am not willing to accept child care policies which imply that the day care most worthy of being reinforced is that care performed by government-trained and government-regulated personnel in government-licensed centers. Or as a Wall Street Journal editorial stated it, I am not willing to accept "a program right out of the 1960's that would do for children what HUD has done for housing."

The leading child care policy approaches, in my opinion, have had serious flaws. For example, while no one would argue for discrimination on the surface, we have many proponents of alternative child care approaches who are quite happy to argue for discrimination against religious day care providers, discrimination against informal and unlicensed babysitting by relatives and neighbors, discrimination against parents who stay at home, discrimination against lower income individuals.

It is precisely because we oppose those forms of discrimination that Stenholm-Shaw includes:

An affirmation of the constitutional use of vouchers and elimination of any prohibition against funds going to sectarian institutions. That is, we oppose discrimination against religious providers;

Removal of the 183 regulations and mandates found in the other major proposals. That is, we oppose discrimination against unlicensed care and private-sector providers;

Emphasis on the EITC and an infant tax credit. That is, we oppose discrimination against parents who stay at home or have informal child care arrangements with family and friends; and

Removal of the language which says that half of the Head Start increase may be used for nonpoor children; and including a $90,000 salary cap on eligibility for the DCTC and the flexible spending account child care option. That is, we oppose discrimination against and prioritize in favor of lower income families.

I would like to briefly describe the Family Choice and Child Care Improvement Act which Mr. SHAW and I are introducing today.

To begin with, we chose to stick with established, effective programs: Head Start, Title XX: Social Services Block Grants, and the EITC, rather than creating new bureaucracies. We also refused to accept the many regulations and mandates included in the proposals passed by both the Ways and Means Committee and the Education and Labor Committee. In doing so, we have been criticized for not caring about the quality of care provided our Nation's children. Quite the contrary, we care a great deal about that quality.

We simply reject the premise that licensed and regulated strangers guarantee better care than trusted friends and relatives.

We have chosen the Title XX: Social Services Block Grant Program to channel Federal money to the States. This proven block grant entitlement has in the past given a great deal of flexibility to States to determine how the child care needs of their residents could best be served. Numerous States have already made the determination that one of the best ways to meet those needs is through vouchers, child care's version of food stamps if you will, supporting full decisionmaking by parents.

Too many times in policymaking, whether it be tax policy—one of the greatest offenders—or in other policy, we create a situation where the tail is wagging the dog. National child care policy should not determine parents' choices; rather, parents' choices in how they can best meet their children's needs should determine national policy. Child care subsidies to certain kinds of providers and not to others, or to certain kinds of parents but not to others, place the Government's moral authority behind one arbitrarily preferred way of raising children.

Unfortunately, too many people on all sides of this issue have gotten bogged down in arguing for a particular method or lifestyle which they claim is the preferable way to raise children. The fact is that social engineering from the Federal level, whether you want to engineer it in a liberal direction or in a conservative direction, is a bad idea. The point must be to retain individual freedom, the opportunity to exercise that sacred Judeo-Christian concept of free will, to the greatest extent socially possible.

Liberal economist Robert Samuelson made the point eloquently in a Newsweek column when the Federal child care debate was still young. Samuelson wrote:

The point is not that parental care is superior to child care or vice versa. It is that we don't know, or that it may be different for different families . . . Why children turn out as they do is one of life's mysteries. It involves personality, talent, parents, culture, income, life experiences, schools, luck (good and bad) and so much more. Government can't prescribe competent child-rearing.

EITC

The Stenholm-Shaw proposal includes as its largest ticket item a considerable expansion of the earned income tax credit [EITC]. One of the most common criticisms of considering the EITC as part of the solution to the child care problem was repeated by New York Times columnist William Safire who argued that parents "will blow the money on booze, pot or cable TV" rather than on care for their children. With due respect to those who make such an argument, I must say that having now spent more than 11 years in Congress, years in which the national debt has more than tripled to over $3 trillion, I find the implication that the Federal Government manages money better than most parents in an unconvincing proposition. Of course there will be examples of individuals who will mismanage their increased income and spend it for nonessential items rather than for the care of their children. But if one does not begin with a basic trust in the individual and a respect for that individual's dignity, there is little hope for any public policy in the American tradition, not to mention little hope for humankind in general.

We are submitting for the RECORD summaries of the Stenholm-Shaw child care proposal we are introducing today. We urge all of our colleagues to take a careful look at this bill and to consider our arguments when the issue comes to the House floor. Our children's future may depend on what we do in this body. Our Nation's future surely does depend on our children.

TIME FOR BETTER AUTO MILEAGE EFFICIENCY STANDARDS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. STARK. Mr. Speaker, although the last 10 years have seen an encouraging increase in the fuel efficiency of automobiles, the United States remains heavily dependent on foreign oil imports. The level of petroleum imports has risen from 4,286,000 barrels per day in 1985 to almost 8 million barrels per day in 1989—an increase of 66.5 percent!

If our current rate of demand continues unchecked, by the mid-1990's, we could be importing over 75 percent of our oil. If we don't make some changes immediately, we will be faced with a much greater fuel crisis and far fewer options than we had in the seventies.

This is the decade of the environment—the President has proclaimed himself the "Environmental President", Congress is working on Clean Air Legislation, and there is increased concern over acid rain, global warming, and tropical deforestation. In urban areas, automobile emissions pose significant health risks. Every shipload of oil from overseas increases the chance of another tanker spill.

That is why, today, I am introducing a bill that would both raise the gas guzzler excise tax and gradually raise the auto mileage standard. These two measures will serve as a powerful incentive for fuel efficiency.

We have the technology available in this country to produce more fuel efficient cars. In this day and age, the Big Three auto makers should be able to produce a fleet that gets better than the 27.5 miles per gallon standards of the 1975 Act.

Lead times in auto design require long-range planning and investment. Now is the time for the Government and the concerned public to develop policies that will meet our future energy needs and be responsive to both the public interest and the environment. Improved fuel efficiency is one of the easiest and most painless ways to achieve this.

Mr. Speaker, this bill is good for our economy, good for our health, and good for the environment.

H.R. —

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

SECTION 1. INCREASES IN FUEL ECONOMY STANDARDS AND IN RATES APPLICABLE TO GAS GUZZLER TAX.

(a) IN GENERAL.—Subsection (a) of section 4064 of the Internal Revenue Code of 1986 (relating to gas guzzler tax) is amended—

(1) by striking paragraphs (1) through (6),

(2) by redesignating paragraph (7) as paragraph (1),

(3) by striking the material preceding the table in paragraph (a) (as so redesignated) and inserting:

"(1) In the case of an automobile of any model year after 1990 and before 1996:", and

(4) by adding after paragraph (a) (as so redesignated) the following new paragraphs:

"(2) In the case of a 1996 model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 23.5	$0
At least 22.5 but less than 23.5	500
At least 21.5 but less than 22.5	650
At least 20.5 but less than 21.5	850
At least 19.5 but less than 20.5	1,100
At least 18.5 but less than 19.5	1,400
At least 17.5 but less than 18.5	1,750
At least 16.5 but less than 17.5	2,150
At least 15.5 but less than 16.5	2,600
At least 14.5 but less than 15.5	3,100
At least 13.5 but less than 14.5	3,600
Less than 13.5	4,100.

"(3) In the case of a 1998 model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 24.5	$0
At least 23.5 but less than 24.5	500
At least 22.5 but less than 23.5	650
At least 21.5 but less than 22.5	850
At least 20.5 but less than 21.5	1,100
At least 19.5 but less than 20.5	1,400
At least 18.5 but less than 19.5	1,750
At least 17.5 but less than 18.5	2,150
At least 16.5 but less than 17.5	2,600
At least 15.5 but less than 16.5	3,100
At least 14.5 but less than 15.5	3,600
At least 14.0 but less than 14.5	4,100
At least 14.0	4,600

"(4) In the case of a 2000 model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 25.5	$0
At least 24.5 but less than 25.5	500
At least 23.5 but less than 24.5	650
At least 22.5 but less than 23.5	850
At least 21.5 but less than 22.5	1,100
At least 20.5 but less than 21.5	1,400
At least 19.5 but less than 20.5	1,750
At least 18.5 but less than 19.5	2,150
At least 17.5 but less than 18.5	2,600
At least 16.5 but less than 17.5	3,100
At least 15.5 but less than 16.5	3,600
At least 14.5 but less than 15.5	4,100
Less than 14.5	4,600

"(5) In the case of a 2002 model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 26.5	$0
At least 25.5 but less than 26.5	500
At least 24.5 but less than 25.5	650
At least 23.5 but less than 24.5	850
At least 22.5 but less than 23.5	1,100
At least 21.5 but less than 22.5	1,400
At least 20.5 but less than 21.5	1,750
At least 19.5 but less than 20.5	2,150
At least 18.5 but less than 19.5	2,600
At least 17.5 but less than 18.5	3,100
At least 16.5 but less than 17.5	3,600
At least 15.5 but less than 16.5	4,100
At least 14.5 but less than 15.5	4,600
Less than 14.5	5,100.

"(6) In the case of a 2004 or later model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 27.5	$0
At least 26.5 but less than 27.5	500
At least 25.5 but less than 26.5	650
At least 24.5 but less than 25.5	850
At least 23.5 but less than 24.5	1,100
At least 22.5 but less than 23.5	1,400
At least 21.5 but less than 22.5	1,750

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 20.5 but less than 21.5	2,150
At least 19.5 but less than 20.5	2,600
At least 18.5 but less than 19.5	3,100
At least 17.5 but less than 18.5	3,600
At least 16.5 but less than 17.5	4,100
At least 15.5 but less than 16.5	4,600
At least 15.0 but less than 15.5	5,100
Less than 15.0	5,700."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to 1991 and later model year automobiles (as defined in section 4064(b) of the Internal Revenue Code of 1986).

ST. JOSEPH HOSPITAL CELEBRATES 125TH ANNIVERSARY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mrs. BENTLEY. Mr. Speaker, it is with great respect and admiration that I commend St. Joseph Hospital on 125 years of service to the community. For over a century St. Joseph Hospital has provided exceptional health care and healing to the suffering.

Since its humble beginnings in 1864, St. Joseph Hospital has provided medical attention to thousands of individuals and has established itself as a provider of care and comfort to the ill. Throughout the years, St. Joseph Hospital has enjoyed a rich history and heritage as it has grown and developed with the surrounding community. Originally housed in three donated row homes, St. Joseph Hospital persevered through both hardships as well as triumphs.

As St. Joseph continued to expand, the hospital sought to further its loving care and pioneered many firsts in the Baltimore area. In 1937 St. Joseph successfully demonstrated the use of sulfanilamide as an antibiotic, then in 1941 they were one of the only area hospitals to have an iron lung machine. St. Joseph's accomplishments continued, as they set a precedent for the medical community in Maryland by creating a structured coronary/pulmonary resuscitation team. By the late 1960's St. Joseph initiated an emergency medicine group, the only one of its kind in Maryland and later became the only community-based hospital of three facilities in the area with a license to perform open-heart surgery.

More recently, St. Joseph became one of the first hospitals on the east coast to introduce the concept of labor, delivery, and recovery suites. Indeed, the achievements and strides of St. Joseph Hospital are truly remarkable and it is literally impossible to recount them all. The hard work and dedication of all those who served the efforts of St. Joseph are quite evident when one considers the humble beginnings from which St. Joseph rose.

Today St. Joseph Hospital has kept with its tradition of hard work and selfless devotion. With a medical staff of over 980 members, it is hard to believe that such an accomplishment began with one 27-year-old widow by the name of Marie Anna Bachmann. After hearing God's call Ms. Bachmann, along with Ms. Barbara Boll and Ms. Anna Dorn took their vows in Bishop John Neuman's private chapel and then dedicated their lives to caring for the needs of the less fortunate.

The efforts and accomplishments of St. Joseph Hospital would surely not have been possible without the faithful work of all those who have given of themselves to better others. This milestone of 125 years of service will stand as an example to others of God's work through the efforts of man. Without a doubt, Mr. Speaker, St. Joseph will continue to enjoy many more milestones in the years to come.

Mr. Speaker, it is with great respect and appreciation that I commend St. Joseph Hospital on 125 years of medical and Christian work in the Baltimore area. Their work has brought healing to thousands and their accomplishments demonstrate their commitment to serving others.

ADJUSTMENT OF CLERK-HIRE ALLOWANCE AND OFFICIAL EXPENSES ALLOWANCE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. ANNUNZIO. Mr. Speaker, at the direction of the Committee on House Administration, and under the authority granted in Public Law 94-184 and Public Law 99-440, the committee has issued Committee Order No. 39. The committee is sending each Member a "Dear Colleague" letter describing the administration of this change.

I include at this point in the RECORD the text of Committee Order No. 39:

COMMITTEE ORDER NO. 39

Resolved, That effective March 15, 1990, until otherwise provided by the Committee on House Administration, the Clerk-Hire Allowance and the Official Expenses Allowance are adjusted as follows: Each session a Member may allocate not to exceed $50,000 from the basic Clerk-Hire Allowance which may be used to supplement the Official Expenses Allowance, and may allocate not to exceed $50,000 from the Official Expenses Allowance to supplement the basic Clerk-Hire Allowance, provided however that monthly Clerk Hire disbursements may not exceed 10 percent of the basic Clerk-Hire Allowance.

All disbursements and allocations shall be made in accordance with rules and regulations established by the Committee on House Administration.

GORBACHEV'S NEW POWERS: SOURCE OF HOPE AND CONCERN

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. BROOMFIELD. Mr. Speaker, the new powers that Mikhail Gorbachev received from an enhanced Presidency must be viewed with mixed feelings. On the one hand, these are powers that President Gorbachev has been saying he needs to advance the reforms he wants to undertake in the Soviet system. In this sense, it can help provide him with the authoritly to undertake needed economic adjustments such as moving the economy toward a greater market orientation, as well as currency and price reforms. In the foreign policy area, it can help provide him the authority to undertake new initiatives in fully normalizing relations with other countries including Japan by finally settling such problems as the disagreement with Japan over the Kurile Islands, and by lowering Soviet force levels in Asia.

On the other hand, these same powers can be used by President Gorbachev or some succeeding Soviet President to suppress positive developments such as changes in the Baltic States and in other areas within the entire nation in the event attempted reforms cause instability. Thus the nearly absolute authority provided by the newly enhanced Presidency is also a source of concern.

The Founding Fathers of the United States saw fit to create a system where the powers of the central government are balanced against the various parts of the Government for the protection of the people. I hope the Soviet Government might move toward institutionalizing mechanisms to assure the protection of the rights of the people. There is an old maxim that should be considered—"Power corrupts, and absolute power corrupts absolutely."

UNDERGROUND STORAGE TANKS

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. CRAIG. Mr. Speaker, I rise today to join a number of my colleagues in recognizing a welcome event for the mom-and-pop gas stations of rural America.

The Environmental Protection Agency announced that it will extend the deadline to comply with underground storage tank regulations for a full year. This means that owners of between 1 and 12 tanks will have until October 26, 1991, and owners of between 13 and 99 will have until April 26, 1991, to meet their financial responsibility requirements.

We must take precautions to protect the environment, but the time given to comply with the new regulations was simply not enough. The deadlines were threatening to put many smaller operations out of business and could have raised fuel prices for rural consumers. That is why I joined Congressman MARLENEE and others last year in introducing H.R. 3321, a bill providing for the extension of the deadline for a year.

The extended deadline announced by EPA will give State legislatures and Congress some much needed time to determine how best to bring our rural service stations into compliance. In my own State of Idaho, lawmakers have already recognized the threat to tourism posed by the requirements and are taking steps to create an insurance fund to provide

tank owners with the minimum $1 million liability coverage required by the EPA.

Mr. Speaker, I thank and congratulate the Members of Congress who I have worked with in persuading EPA to extend the deadline for underground storage tanks and look forward to continued service from the mom-and-pop gas stations of America.

TO ASSIST GROWERS OF KIWIFRUIT, NECTARINES, AND PLUMS

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. PANETTA. Mr. Speaker, today I am pleased to introduce legislation to assist California growers of kiwifruit, nectarines, and plums maintain their reputation of marketing a product of excellent quality. I am also pleased that a number of my colleagues have joined me in cosponsoring this measure. The legislation would set standards requiring imported kiwifruit, nectarines, and plums to meet the same minimum quality as fruit produced in California and maketed commercially in the United States.

In order to present the consumer with a product of the highest quality, California producers of nearly 50 different commodities operate under a Federal marketing order. A marketing order is an instrument whereby growers can enter into an agreement with the Secretary of Agriculture to improve and stabilize their product markets. Under the marketing orders covered in this legislation, the growers have elected to market only that fruit which meets the approximate minimum quality provisions of the United States No. 1 grade. To help ensure that their efforts are not undercut by the importation of poor quality fruits, California growers have asked that the same minimum quality standards apply to the imported fruit as is applied to their own domestically produced fruit.

The proposed legislation would add kiwifruit, nectarines, and plums to the list of some 20 fruits, vegetables, and specialty crops listed in section 8e of the Agricultural Marketing Agreement Act of 1937. If included, the imported fruits would be required to meet the same minimum quality standards as those fruits produced in California and sold through commercial channels in the United States.

The rational of the California kiwifruit, nectarine, and plum growers to add their products to the list of crops currently being marketed under the auspices of section 8e of the act becomes clear when one considers such factors as emerging trends in world production and trade and the self-help effort by our producers to market a high quality product to the consuming public.

Imports of kiwifruit, nectarines, and plums have increased substantially over the last 5-year period. The upward trend is expected to continue. Also, it should be noted that increased levels of imported fruit means an overlap in the marketing seasons of imported fruit and that which is produced in California. This helps explain the heightened interest by California growers in amending the act so that their past achievements in marketing a quality product can be successfully continued.

An analysis of the impact of a section 8e requirement on the volume of imported crops shows that the crops are not adversely affected, and in most instances, the volume of imports of selected crops actually increased.

In order to develop and maintain an economically viable industry, producers strongly believe that a strategy of marketing a high quality product in the United States is key to their continued success. They believe that foreign as well as domestic producers of fruit should adhere to an equal principle. The real winners in this process will be the American consumer who will be guaranteed a top quality product. I hope that my colleagues will join me in supporting this important measure.

A copy of the bill follows:

H.R. 4291

A bill to amend the Agricultural Adjustment Act to prohibit the importation of kiwifruit, nectarines, and plums that do not comply with any grade, size, quality, and maturity provisions of a marketing order applicable under such Act to the respective kind of fruit produced in the United States or with comparable restrictions promulgated under such Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e-1(a)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by inserting "kiwifruit, nectarines, plums," after "table grapes,".

THE PRESIDENT'S BUDGET PROPOSALS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. MAZZOLI. Mr. Speaker, on March 1, I testified before the House Budget Committee concerning the President's fiscal year 1991 budget proposals and my fiscal year 1991 budget priorities.

Accordingly, I commend my following comments to the attention of my colleagues:

STATEMENT OF CONGRESSMAN ROMANO O. MAZZOLI

Mr. Chairman and distinguished members of the committee:

I would like to thank you for this opportunity to testify before you on the President's fiscal year 1991 budget proposals and changes in these budget priorities which I support.

In view of the remarkable and irreversible process of retrenchment and dismantlement and reform which has swept Europe and the world in the last twelve months, I urge this distinguished committee to look very hard at the need to continue with hugely expensive defense projects, such as star wars, Stealth and the MX-Midgetman.

If there are to be future conflicts—and they cannot at all be ruled out—my reading suggests that they have a high probability of being localized and fought with conventional rather than exotic weapons systems.

In this connection, I am concerned about both the base-closure process employed by the administration and also by the bases selected by this process for possible closure.

Too many on this "hit list" appear to be facilities geared toward conventional military and defense response, while too few are in the category of the high-profile, glitzy systems.

Some have also remarked on the fact that as many as 90% of these facilities targeted for closure are in Democratic districts. For the record, one such facility targeted happens to be Naval Ordnance Station, Louisville, which is in my congressional district—the Third District of Kentucky.

Naval Ordnance Station has a solid record in its fifty years of operations, and I believe it fits comfortably in the new look, cost-effective Defense Establishment, we in Congress with the cooperation of the President, must shape in the years ahead.

Very briefly, Naval Ordnance-Louisville provides some 2,400 jobs and carries a payroll of about $77 million for the Louisville, Jefferson County, Southern Indiana area. NOSL overhauls the guns and the fire control systems the Navy needs to perform its mission at sea.

For many of its functions, Naval Ordnance-Louisville is the only naval facility in the country to do this. My Kentucky colleagues and I—aided by one respected Member from southern Indiana, Lee Hamilton—intend to do all we can to keep Naval Ordnance Station-Louisville open and operating both for national defense and for budgetary reasons.

Mr. Chairman, let me shift to a few other budget topics.

The President suggests a $633 million reduction in funding for mass transportation. And, he goes even further by proposing the elimination of all subsidies for urban mass transit systems such as the Transit Authority of River City [TARC] which operates all public transit in Louisville and the surrounding area.

All urban areas of the Nation rely on affordable, reliable mass transit for serving their populations—a large proportion of which are low-income, older and less healthy—for both business-related and personal transportation. I hope your distinguished committee will reject the President's suggestion and restore the subsidies for urban mass transit.

Another area in which the committee should study critically the recommendations of the administration is in the area of affordable housing and the connected condition of the homelessness.

Homelessness has reached a crisis stage in my community and across the Nation. It derives from several conditions, one of which, from my personal research and investigation, is the lack of affordable housing.

I have always supported humanitarian relief efforts for the hungry and homeless in our midst—including the Emergency Food and Shelter Program started in the early 1980's. We may have thought that these conditions were fleeting and localized. But, years later, we are discovering—to our sorrow—that the conditions have become persistent and generalized so that they affect not just New York City or Chicago, but also Cincinnati and Louisville as well.

One way Congress has been able to help provide shelter and services to the homeless has been through the Stewart B. McKinney Homeless Assistance Act. Congress has been sympathetic to the authorizations and funding for McKinney programs over the years.

I hope the committee can recommend generous findings for McKinney and that we can extend the act for at least another two years.

Another priority I hope the committee will address is the lack of Federal support and assistance to States and localities—in the form of demonstration grants and technical assistance—to assist these government units in complying with environmental regulations and standards imposed by the Federal Government.

There is no doubt that America needs strong environmental standards if our air, land and water are to be healthful to our people and to future generations. But I hope we can develop an effort in which Federal, State and local governments cooperate to reach these laudable environmental goals. One way the Federal Government can cooperate, of course, is to help with cleanliness costs.

In closing, Mr. Chairman, I would like to address a concept I would hope your panel and the Congress will reexamine in the months and years ahead: Direct flexible Federal funding to local governments.

In my estimation, no Federal program has ever been as effective or efficient as the old Revenue Sharing Program. Under revenue sharing, localities received Federal money—with a minimum of strings attached—spent the money on local projects or programs and accounted with the Government after the project or program was underway or completed.

When I meet with local officials back home—such as Louisville Mayor Jerry Abramson, and Jefferson County Judge/executive David Armstrong and the mayors of large cities in Jefferson County, Mayor Draut of St. Matthews, Mayor Ruckriegel of Jeffersontown, and Mayor O'Daniel of Shively—I hear how much they wish local decision making and flexibility could be reintroduced into Federal programs.

They are particularly hopeful anti-drug law enforcement funds can be directly passed through to local governments to help with their war against drugs.

Again, Mr. Chairman and committee members, I appreciated the opportunity to appear before you.

UNITED SYNAGOGUE YOUTH HONORS SHERRY AND RICHARD SKOLNIK

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SMITH of Florida. Mr. Speaker, I take great delight in informing this body that two of my very good friends, Sherry and Richard Skolnik, will be honored by the United Synagogue Youth [USY] on March 18, 1990, in Syosset, NY.

United Synagogue Youth, the youth organization of the United Synagogue of America, has long been a dynamic and positive influence on young people who want to serve as leaders in their synagogues and within the conservative movement. The alumni and friends of USY are strongly committed to the quality and quantity of USY programs. I, too, was once a member of USY.

In honoring the Skolniks, USY alumni and friends is recognizing two active supporters of the organization since its inception. Both were active USYers themselves, Sherry as president of the New Hyde Park Jewish Center USY, and Richard as president of Temple Beth Shalom of Long Beach Chapter. Both went on to become officers in the Nassau-Suffolk Council, of which I was once director, where they met. Richard then served as an adviser, a youth director at several conservative synagogues, and ultimately, south Nassau fieldworker for 16 years before his "retirement" to become lay leader.

Both Sherry and Richard have been active members of the METNY Youth Commission for many years, Sherry serving on the Scholarship Committee and Richard serving as Youth Commission chairman before becoming vice president of Youth for the New York Metropolitan Region. In addition, Richard serves on the National Youth Commission and is co-chairman of the Council of Regional Youth Commission chairpeople.

As a further indication of their commitment to conservative Judaism, Sherry and Richard, for the past 16 years, have been actively involved in the life of their congregation, Bellmore Jewish Center, with special emphasis on education and youth. Both serve on the board of trustees as well as the Youth Committee and board of education. For 5 years Sherry served as chairman of the Education Committee, while Richard was vice president of education. The nursery school at the synagogue was founded and guided by Sherry for more than 10 years.

Active in the local community, Sherry was elected to the Bellmore School District Board of Education. Additionally, Sherry and Richard are members of the board of Camp Ramah in the Berkshires, where Richard is senior vice president.

Both of their children, Jeffrey and Frann, are seasoned veterans of USY. Most recently, Jeffery was elected president of his chapter.

I myself have had the opportunity to work with Richard Skolnik while I was involved with USY, both as a youth and an adult. He is a wonderful and capable man who has a great rapport with young people. Richard and Sherry have always been dedicated to helping and supporting Jewish youths. They have been a strong force in promoting and assisting Jewish causes and are very deserving of this honor.

I congratulate Richard and Sherry and commend the United Synagogue Youth alumni for their insight in honoring such a wonderful couple.

GEPHARDT—THE CHALLENGE AHEAD

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. FAZIO. Mr. Speaker, I rise today to bring to the attention of the House of Representatives an article which appeared recenty in the San Francisco Examiner and the Washington Times regarding our friend and colleague, DICK GEPHARDT, the majority leader of the House. In this article, columnist Chris Matthews very astutely points out the leadership Mr. GEPHARDT has offered by suggesting that the United States take hold of the opportunities offered by the dramatic changes in the Eastern bloc. I highly recommend that my colleagues take the time to read this article.

[From the San Francisco Examiner]

DEMOCRATIC BLITZKRIEG IN EUROPE

WASHINGTON.—Mark your political calendars. This was the week Democrats shed their Vietnam-bred isolationism. The party that once cried "Come Home, America!" now champions an aggressive American engagement in the new, post-Cold War era. A generation of politicians long associated with global restraint now trumpets an economic and cultural blitzkrieg in Europe.

"I want to see a Europe in which America's young students have replaced our young soldiers," House Democratic leader Richard Gephardt, 49, told a party think tank this week, "a Europe in which American technology has replaced American tanks; a Europe in which new American lasers replace aging American Lance missiles."

The Missouri congressman offered gung-ho specifics:

"Food for Freedom"—massive food relief to the people of Eastern Europe, especially the Soviet Union, to keep the shelves filled and President Mikhail Gorbachev in power.

"Anyone who has seen the lines outside the McDonald's in Moscow," Gephardt said, "knows the Soviets would appreciate American food and American goods. And American farmers and workers would appreciate the markets."

"Freedom International"—an exchange of cultural, religious and political leaders between the United States and Eastern Europe.

"So much of the strength and the soul of our nation has its roots in Eastern Europe," Gephardt said. "We need a modern-day Berlin airlift bringing planeloads of people across the Atlantic in both directions" through scholarship programs, conferences and Peace Corps volunteers. In other words, he wants to take George Bush's "thousand points of light" rhetoric and make it a reality, forging a strong new relationship between us and the old countries of Europe.

"Free Enterprise Corps"—an American program that helps the countries "from which our parents came" learn the ways of free markets and modern economics.

That's right. The party that gave us the Marshall Plan, NATO, Point Four, the Alliance for Progress and the Peace Corps is back in business internationally.

As before, the reasons are not purely idealistic. Gephardt believes we Americans should take such steps in our own interest.

First, they would make life easier for Mikhail Gorbachev, the best thing that ever happened in this half-century. Food aid would give the Soviet leader what he needs most—time. It would give him and other reforms the breathing space to work their political and economic reforms. It would smooth the transition toward Russian democracy and ease the economic pains of its military pull-back.

"How can the Soviets pull Red Army troops out of Eastern Europe," Gephardt asks, "if they have no jobs and no homes for them to return to in Russia?"

There's a second reason why the United States should engage itself heavily in post-Cold War Europe—Germany. While the Democratic House leader supports reunification of East and West Germanys, he does

not want to recreate the "conditions" that led to World War II. One of those conditions was American isolationism. Gephardt wants America in Europe in a big way, not just militarily, but economically, culturally, politically.

Then, there's the third reason for a strong U.S. role—jobs. The Bush administration may be prepared to pull back from Europe and let Germany's Helmut Kohl run the show, but not Gephardt.

"For years I have advanced the idea of an economic alliance as stable and as strong as the NATO military alliance." The Democratic leader wants America to insist on its rightful place in post-Cold War Europe. "To win that role in Europe, we must do more than stand on the sidelines of history. We have to change but intensity our involvement in Europe."

With these words, the Democrats assume a bold new posture in world affairs. The party that fought a rear-guard action against Vietnam in the late '60s, criticized the role of U.S. multinational corporations in the '70s, and spent much of the '80's resisting U.S. military involvement in this hemisphere now wants to see America protecting its global interests.

As Les AuCoin, a 47-year-old Democratic congressman from Oregon, put it late this week, "The Democratic Party is pulling out of its isolationism."

A BIRDS-EYE VIEW OF DESTRUCTIVE FARM POLICY

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SCHULZE. Mr. Speaker, I would like to share with my colleagues an article from the Wall Street Journal of March 1, by Don Leal. Mr. Leal discusses the damage done to our wildlife population due to the Federal farm programs.

The 1985 Food Security Act has placed 34 million acres into the Conservation Reserve Program. The 1990 farm bill gives us in Congress a great opportunity to build on the successes of the 1985 act by expanding the eligibility of CRP to include wetlands.

A BIRDS-EYE VIEW OF DESTRUCTIVE FARM POLICY

Small game animals once thrived on the farms of the Midwestern U.S. In the early 1960s a boy could hunt the ring-necked pheasant as well as ducks, cottontail rabbit and bobwhite quail. These animals made their homes in the shelterbelts between grain fields, the weeds and shrubs growing along the fencerows, and the thick growths of cattails found along streams and marshes.

Such a landscape is becoming harder to find today, a victim of fencerow-to-fencerow farming. Farmers are growing the same crop year after year, draining the remaining wetlands, converting upland cover to row crops, and drenching their farms with pesticides and herbicides to maximize the subsidies they get from the U.S. taxpayer. The result is a bland, repetitious countryside and rapidly declining wildlife populations.

Federal agricultural programs are a major cause of this sterile countryside, which covers thousands of square miles. And once again the environmental impact of farm policies will be a major issue as Congress crafts the 1990 farm bill. Unfortunately, environmental groups are taking a heavy-handed approach: pushing for more controls on farmers, forcing them to set aside land for wildlife and restricting their use of chemicals. This approach will be at best inadequate and at worst counterproductive.

Federal agricultural programs compel farmers to maximize production and virtually wipe out wildlife habitat. In some cases, such as wetlands drainage, the government has directly subsidized the conversion of millions of acres of good bird habitat to cropland. But the greatest impact may be coming from programs designed to subsidize farmer incomes and reduce the risks of production, such as commodity-price and income supports and federal disaster payments.

These programs guarantee returns to farmers above those that market prices dictate. They encourage farmers to plant more acres and produce more crops, creating surpluses. To reduce the government's burden of paying for crop surpluses, program administrators require farmers to cut back on the amount of acreage planted, but farmers often circumvent such efforts, primarily by using chemicals to increase output per acre.

Early land-retiring efforts to curb overproduction were sometimes coupled with conservation goals. During the 1950s and 1960s, the Soil Bank Program's Conservation Reserve retired some 28 million acres for a period of three to 10 years. Farmers were required to seed the acreage with a cover of legumes and grass and leave it, undisturbed. Alfred Berner of the Minnesota Department of Natural Resources says that this program led to a rebound in the population of ring-necked pheasants, an important indicator species. It did not, however, reverse the long-term decline of pheasant populations that had begun after the 1940s.

Whatever its modest environmental benefits, the Conservation Reserve program was phased out in the mid-1960s. Production is supposedly curbed through the annual set-aside program, a program that does virtually nothing for conservation. A lot of idled cropland is without vegetation, so it provides no protection for animals and no nesting habitat. If the land does have cover, it is frequently disturbed by early summer mowing, often during pheasants' critical nesting period. Annual set-aside acreage in the Midwest amounts to more than two-thirds of the wetland cover acres previously destroyed through federally subsidized drainage programs.

Equally bad for wildlife is the farm program's so-called "base acreage" concept. A farmer's subsidy payments are based on the average number of acres planted in a program crop over the previous five years. The more land a farmer has in this crop, the larger his government payments are. This provides a tremendous incentive for the farmer to convert as much of his land to cropland as possible, even if it is poor for farming. Doing so enlarges the cropland base and qualifies the farmer for bigger government payments in the future.

The 1985 Farm Act was the first chance in many years for a return to environmentally sensitive agriculture. Pressured by environmentalists with a somewhat exaggerated concern about soil erosion, Congress included a new Conservation Reserve program modeled after the program of the 1950s and 1960s. In return for retiring highly erodible acres for 10 years, the farmer would be paid an annual per-acre rental fee (now averaging $18) and receive cost-sharing assistance to establish grass and other cover on these lands.

But after five years, the Conservation Reserve program is an expensive disappointment. The cost to taxpayers approaches $1.49 billion per year—to pay farmers not to grow crops on erodible land—with a one-time outlay of an added $1.15 billion to assist them in planting cover. While soil loss has been reduced, the costs of doing so have been unnecessarily high. In the absence of farm supports, much of the highly erodible cropland would have been uneconomical to farm in the first place.

Furthermore, according to Agriculture Department figures, only three million to four million out of the 30 million Conservation Reserve program acres provide enough diversity of vegetation to help wildlife survive the elements. Much of the rest is in a monoculture of tame grass. This can improve nesting, but not if the Agriculture Department continues to let farmers remove vegetation for livestock in drought-hit regions, as it did in 1988 and 1989. Some area of the country is struck by dry weather nearly every year.

The Conservation Reserve program is an example of a well-intentioned but misguided effort to accomplish soil and wildlife conservation. It is based on the contradictory principle of rewarding the biggest offenders of conservation (those who sodbusted erodible soils) with the highest government payments. Those farmers who practices good conservation and did not plant on highly erodible soils are out of luck as far as government payments are concerned.

It's time for environmentalists to get behind a different strategy; phasing out commodity-price and income supports and the annual set-asides that accompany them. Without such supports and restrictions, farmers of program commodities would have to seriously consider the risks of overproduction. They would have to consider other options for use of their land, including greater crop diversity, or even wildlife ranching. Environmentalists should join with those concerned about the taxpayer's burden to create a policy that actually achieves its goals.

LEGISLATION AIMS TO PROTECT ORGAN MOUNTAINS' HERITAGE

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SKEEN. Mr. Speaker, several weeks ago I introduced legislation to create a National Conservation Area in the Organ Mountains located in southern New Mexico. This is a spectacular area that is deserving of such a congressional designation.

Earlier this week, the Las Cruces Sun-News, the daily newspaper published in the largest city in my district, carried a guest column that I wrote regarding the importance of passing my legislation in order to enhance, conserve, and protect these mountains. I thought I would include this column to further explain the scope of my legislation and the need to create a National Conservation Area in the Organ Mountains this year.

LEGISLATION AIMS TO PROTECT ORGAN MOUNTAINS' HERITAGE

(By Congressman Joe Skeen)

The Organ Mountains are the crown jewels of southern New Mexico's natural resources. They are a legacy that should be maintained so our future generations can enjoy this magnificent area.

Legislation I recently introduced in Congress will accomplish just that. While providing New Mexicans the opportunity to enjoy the diverse wonders of the Organ Mountains, my legislation will enhance, conserve and protect the mountains and their most precious natural resources.

Is 1990 the right time to create the Organ Mountains National Conservation Area? Of course it is.

One sure way to protect the Organs is to keep everybody out of the mountains. In light of how much people enjoy visiting the mountains I don't think that's an option the folks of southern New Mexico support.

An estimated 150,000 visitors went to the Organs in the past year and this figure will only increase in the coming years. Some enjoy weekends camping or picnicking at Aguirre Springs. Others are attracted to the Organs to experience the solitude of the Wilderness Study Area located within the proposed National Conservation Area (NCA) boundary. Some folks get a thrill out of seeing the crumbling ruins at Dripping Springs. Still others enjoy spending a few hours hiking the trails that are found in the mountains.

My legislation will allow visitors to continue all this, and more, while providing additional protection to the mountains, wildlife habitats and the threatened and endangered species found in the Organs.

As intended by Congress, an NCA requires multiple use management principles be adopted to protect the varied resource values found within the area. This philosophy is broad enough to encompass all aspects of what our public lands can provide, such as wilderness or recreation and range improvements. I expect that a wilderness area will one day be designated in the Organs. My legislation in no way prevents this from happening.

The diversity of resources we find in the Organs calls for a continuation of a multiple use management plan with an emphasis on protecting the mountains and its resources.

This philosophy has been recognized and supported in the past few months as the BLM Las Cruces District Advisory Board (chaired by Bob Tafanelli), the Las Cruces City Council and the Dona Ana County Commission unanimously voiced support for the creation of an NCA in the Organ Mountain. My legislation to create the Organ Mountains NCA carries on the goal of protecting the mountains.

The Organ Mountains National Conservation Area Establishment Act, which I introduced on February 21, 1990, will create an NCA on more than 58,000 acres of land in the Organ Mountains. This is a special designation that can only be granted by an Act of Congress. The NCA provides special management guidelines for special parts of the country. Without a doubt, the need to protect this area warrants congressional action.

My legislation gives the public the opportunity to review the management plan within five years after the creation of the National Conservation Area. Without this provision, it would be up to the Secretary of the Interior to determine when, and if, any review would be held. The proposed bill leaves intact provisions included in federal laws that provide the Secretary the authority to review and revise management plans on public lands.

With the continued increase in visitors to the mountains, it is important that a management plan be implemented now that will allow the Organs to absorb those visitors without threatening the environment. My legislation embraces a management plan that calls for, among other things, providing additional picnic sites; trails for hiking, equestrian, biking and the handicapped; and interpretive information on the flora and fauna found in the mountains. This is responsible planning.

If the management plan in my legislation is implemented, BLM will improve thousands of acres of land that will help reduce soil erosion and water runoff and improve wildlife habitat. This helps to protect the mountains.

This same plan would have water improvements built and maintained for wildlife populations. Current hiking trails would be diverted from erosion-sensitive areas, and proposed trails will lead the public away from areas containing threatened and endangered species or riparian areas. This is managed protection of the environment.

Let's begin improving and managing the recreational opportunities for these areas in such a way that protects sensitive parts of the mountains.

Let's reduce soil erosion and water runoff and improve wildlife habitat by implementing BLM's proposed range improvement plan as supported in my legislation.

Let's have the U.S. Army work with the BLM to establish a reasonable boundary between Ft. Bliss and the Organ Mountains, as required in my legislation.

Let's begin taking steps to stabilize and restore the old buildings at Van Patten's Mountain Camp and Boyd's Sanitarium to protect forever that part of New Mexico's history.

The Organ Mountains belong to everyone. Everyone should have the opportunity to enjoy and assist in protecting what these magnificent mountains have to offer. My legislation will ensure the future of the Organs so that generations to come have the opportunity to appreciate the experience and personal enjoyment that the jewel of southern New Mexico offers.

THE HUE-MAN EXPERIENCE—A STRONG FORCE IN DENVER CULTURE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mrs. SCHROEDER. Mr. Speaker, a significant force in the Denver cultural scene is the Hue-Man Experience, a black-owned, black-oriented bookstore. The Denver Business Journal recently published a feature story on the Hue-Man and its founder, Denver businesswoman Clara Villarosa.

I would like to share the Denver Business Journal article with my colleagues.

COMMITMENT TO MINORITY SUCCESS LEADS READERS TO UNIQUE BOOKSTORE

(By Jerd Smith)

Clara Villarosa is a businesswoman who wears her black heritage like a richly colored robe, as powerful and varied as the books, journals and artworks that fill her bookstore—The Hue-Man Experience.

Fiction and non-fiction, upstairs and down, spread through two converted row houses at 911 23rd St., the books speak to blacks and their Afro-American culture: "Black Men—Obsolete, Single, Dangerous?," "The African Family in Transition," "SAGE—A Scholarly Journal on Black Women," "And We Are Not Saved—The Elusive Quest for Racial Justice," "The Black Manager—Making It in the Corporate World" and "Racial Conflict and Economic Development."

The 6-year-old bookstore is the center of a tapestry Villarosa is weaving, drawing in black readers, exporting business to other minorities and linking black enterprise with other local power centers.

Intense and articulate, Villarosa is cultivating a culture.

"Most people thought African-Americans didn't buy books, that black people don't read," Villaros said. "Well, they do read, they do buy books and there are plenty of books out there."

The critical issue, she said, is that there are no distribution points. With more than 3,000 titles, Villarosa believes The Hue-Man is the largest black-oriented bookstore in the country. Her intention is to broaden its reach through its fledging mail order business and to heighten its national profile.

Villarosa, Louis Freeman and Yvonne Freeman pooled their brains and $3,500 in 1984 to launch The Hue-Man Experience. The two Freemans, who are unrelated, have since moved on to other projects, leaving Villarosa as the major stockholder of a closely held corporation with 18 directors.

"She is doing a very difficult job—blacks are not book buyers, at least not in large numbers, so she is carefully nurturing that market," said Jacques Rieux, former president of the Mountains and Plains Booksellers Association and owner of the Stone Lion Bookstore in Fort Collins.

"She has a vision of a job that needs to be done and she can be very insistent, which gives teeth to her idealism," she added.

A former psychiatric social worker and administrator at The Children's Hospital in Denver, Villarosa left her job in 1980 to pursue her doctorate's degree.

The breathing space gave her time to formulate plans for a business. An initial foray into consulting didn't work, but it did teach her that her new business would be one with a tangible product. After a two-year stint as a human resources manager at United Bank of Denver, Villarosa and friends were ready to launch The Hue-Man.

The store was bred "very much from my own experience. I'm a reader but I couldn't find bookstores that related to my culture," Villarosa said. "I learned that African-Americans need a place to find books and authors need a place for their books."

Further refining her approach, she decided the store "had to relate to the community and it had to enrich the community. It had to be warm and inviting," she added.

Perhaps most importantly, the store's merchandise, including its prints, carvings and jewelry, "had to reflect and reinforce my own culture."

The first two years The Hue-Man's doors were open, Villarosa took no salary, living off savings and a small therapy practice. By consensus, Villarosa and board members agreed to plow any earnings back into the store. That commitment allowed the store to double in size and to hire a workforce

that includes Villarosa, one full-time and two part-time employees.

"She's doing a wonderful job—the ambiance hits you when you walk in the door," said Joyce Meskis, owner of the nationally renowned Tattered Cover Bookstore in Cherry Creek.

"She's bringing something very important to the community, with care and sensitivity," Meskis added.

Making the store a profitable enterprise has been a struggle, and it's only in recent months that, as Villarosa said, "We've turned the corner. The doors are open and there's no threat of closing."

Villarosa declined to say precisely how much the store is earning, but Bernie Rath, executive director of the American Booksellers Association estimated its book sales at about $125,000 a year.

The store's newfound profitability is an outgrowth of Villarosa's plan to tie The Hue-Man more closely than ever to the black community.

"Community linkage is very important and it's the African way. You have to carry the message—you can't expect people to come to you," she said.

And so The Hue-Man is reaching out.

For example, Villarosa said, "We don't have money to give but we can be a box office for the Eulipions Cultural Center."

And, when black author Alice Walker contacted Villarosa with an offer to promote the store, Villarosa arranged to have Walker come to Denver as part of the Denver Public Library's Authors Series.

The Hue-Man's community ventures are, of course, helping its bottom line. "It's good for busness," Villarosa said.

As a minority businesswoman, Villarosa, who is reticent about her age, said she has learned to be tough. "The business community relates to you differently," she said. "They're surprised to see you, and there's an assumption that you don't know what you're doing."

Her toughness is as much a discipline as it is a demeanor. "You have to be committed to quality service," she said. "Customers put the money in the cash register that you take to the bank that pays your bills, so you have to pay attention to what they want and what they need."

But Villarosa takes her disciplined approach to black culture beyond The Hue-Man. Recently appointed to the Governor's Small Business Council, Villarosa is also an active member of the American Booksellers Association. ABA's Rath said Villarosa was a major force behind the organization's decision to begin offering scholarships to blacks interested in attending its booksellers' school.

But there's much more to be done, Villarosa said. "We're probably only reaching about 2.5 percent of the black community here—and that's not much."

As the store grows, she has two goals in mind: hiring more blacks "to expose them to business as an option," and positioning The Hue-Man as a buyer of other minority businesses' services.

"As a minority business we have to give back to the community, to use black dentists, lawyers and accountants," she said.

Colleagues believe Villarosa has been successful in weaving together the ideas and practices that are The Hue-Man Experience.

"It's hard to make a living in the book industry period," Tattered Cover's Meskis said.

For specialty bookstores it's even harder.

"You can't make many mistakes. You have to be in touch with your clientele, and you have to keep a vigilant eye to the bottom line," she said.

But booksellers often gauge their success in terms of a "social profit," Meskis added. "You judge your bookstore based on its impact on the community it serves."

BEWARE THE ADS OF MEDIGAP

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. STARK. Mr. Speaker, on this, the Ides of March, I'd like to mangle a phrase and warn people to beware the ads of Medigap.

Why?

The following examples were provided to the Ways and Means Health Subcommittee in its March 13 hearing on Medigap policy standards.

I invite anyone who shares my outrage about these kinds of practices to consponsor my medigap standards bill, H.R. 4242.

EXAMPLES OF VICTIMS OF OVERSELLING

Senior citizens all over the country are victimized by agents and companies who sell them multiple health insurance policies.

From Bonnie Burns, Medicare Specialist, California:

An 84-year-old woman (with no children) was sold 18 health insurance and life insurance policies by one agent, 2 policies by a second agent, though she already owned 2 group policies as a retired teacher. During an 18 month period, she paid just under $50,000 for 15 of these policies. (Ms. Burns filed a case on her behalf in August 1989.)

From Gerhardt Lehmkuhl, Attorney, Missouri:

A 70-year-old client was sold at least 27 health insurance policies.

Widow in her 90's was sold 12 Medicare supplement policies by 5 different agents from different agencies. (He recovered $5,800 in premium for her).

From Don Gartner, Assistant District Attorney, Santa Cruz, California:

Widow, now 83, was sold 12 insurance policies in 1 year by an agent, and paid $6,000 in premiums in 1985 alone. 5 of these policies were either Medicare supplement insurance or related to Medicare supplement insurance policies.

79-year-old woman was sold 24 policies, including 7 Medicare supplement policies, in less than 6 years.

87-year-old woman was sold 19 policies in three and one half years, including 6 Medicare supplements.

An elderly couple (whose only income was $838 a month from Social Security) was sold 9 policies by one agent in 1985 alone.

From Emory Walton, Criminal District Attorney for Eastland County, Texas:

An elderly couple (in their 80's) was sold 13 health insurance policies (and 12 life insurance policies).

From George Davis, retired "Gapline" volunteer in Fort Worth, Texas:

An elderly couple living on social security income only was sold 6 supplemental policies, including 1 cancer policy and 1 hospital indemnity policy. One of the Medicare supplement policies was from the 1950's and paid only $10 a day for hospitalization. The couple was so broke from paying for their policies that they had to get assistance from the city to pay for their house.

Quoting from "Senior Consumer Alert: A Special Bulletin for Complaint Handlers", Prepared by the National Consumer Law Center, Produced by the American Association of Retired Persons in cooperation with the National Association of Attorneys General:

In one seven-month period, Mrs. P., an 85-year-old widow, was sold eight health insurance policies by the same insurance agent. Some of these policies, with yearly premiums totaling $7,529, contained overlapping coverage. Others were of little or no real benefit. Mrs. P. was unwilling to file a complaint against the agent because he knew her address and she feared that he would return to confront her.

Mrs. R., an 89-year-old widow, was persuaded by her agent to spend much of her $12,000 savings account on 11 similar policies. He would visit her about three times a year to change or add to her coverage. When she complained that she could not afford the costly premiums, he told her she would be facing certain financial ruin unless she borrowed the money from friends or family. Mrs. R. never reported the agent because she was not aware of any wrongdoing on his part.

Mr. H. wrote a check for $344 and gave it to his insurance agent a young man with a "very, very nice personality." He thought he was paying premiums on his medigap policy, but later discovered he had bought a new policy, which he did not want. He sent the policy back but could not get a refund or any response. He finally wrote the Florida Insurance Commissioner. "I am 90 years old and [it] seems as though everyone wants to take advantage of me. Please help me if you can."

Quoting from Harold Halfin, Volunteer, Dunn County Office of Aging, Wisconsin, testimony before Senator Herbert Kohl, December 7, 1989:

92-year old widow, whose income is just above the medical assistance level, thought she was buying insurance coverage for a nursing home. She currently has a comprehensive Medigap policy with an HMO. An insurance agent called on her and found she was concerned about nursing home coverage and proceeded to tell her he had the policy she needed. She paid him $861 for another policy that was nothing more than a Medigap policy with coverage considerably less than her HMO. The agent would have collected 60 percent of $516.60 for his day's work.

A 76-year-old widow who shows serious signs of dementia has no family support and loves to have visitors. She also is unable to say no to insurance agents. Her banker asked the county benefit specialist to investigate when this woman was over drawing her accounts due to a number of large checks written to insurance companies. During a two year period, this woman had bought 15 different insurance policies. Two other additional Medicare supplements had recently lapsed. The policies included seven Medicare Supplements, one daily indemnity, five life insurance and two cancer policies * * * Several agents switched her regularly every year to either a new company or a new policy for her Medicare supplement. Other agents sold her one of each kind of policy. With the assistance of the benefit specialist and the Office of the Insurance Commissioner some money was recovered however most of the policies lapsed or were canceled.

INTRODUCTION OF LEGISLATION TO CONSOLIDATE LAND MANAGEMENT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. YOUNG of Alaska. Mr. Speaker, today I introduce legislation which will consolidate land management on Admiralty Island in Southeast Alaska through a land exchange. This legislation will insure that existing jobs and economic growth in the region are extended while permitting an Alaska Native corporation to fulfill the promises made by Congress in the Alaska Native Claims Settlement Act that its land selections would be of beneficial use.

This proposed land exchange is a precedent-setting effort to provide the U.S. Government with equal or greater value for land exchanged to a private interest. It is a unique opportunity to maintain and create jobs, increase tax base, and generate a long-term revenue stream for the Government by exchanging lands that, under current law, will produce no revenue or economic benefits whatsoever.

My legislation would authorize and direct a land exchange between the U.S. Government and the Sealaska Corporation which would, among other things, give the Forest Service valuable lands in five different areas of the Tongass National Forest and permit the Sealaska Corporation to acquire land which could be explored for economic mineral development.

The legislation also provides a mechanism to enhance the conservation values of the Admiralty Island National Monument. It establishes an Admiralty Island inholding acquisition fund dedicated to the purchase of private inholdings within the Monument. When all such inholdings have been acquired, or when none are available for purchase, the fund's assets can be used to acquire inholdings elsewhere in the Tongass National Forest. It would be funded out of a portion of the proceeds received by Sealaska from development of minerals found in the area which it acquires through the land exchange. This is the first time a private interest has offered the Government such a value equalization payment in a land exchange. In an era of increasingly tighter Federal budgets, when inholding acquisition money is even tougher to come by, it provides a new means of improving conservation system unit lands management.

When Congress passed the Alaska National Interest Lands Conservation Act in 1980, commonly known as the Alaska Lands Act, it provided for the exploration and development of a mineral deposit at Greens Creek in the northwest corner of Admiralty Island. Because the deposit is located within the Admiralty Island National Monument, Congress established a special statutory exploration and development regime. The deposit, which was then in its preliminary exploratory stages, has now come into full development. The mine began operation in 1988 and is producing silver, zinc, lead, and a little gold. It contributes to the increase of American mineral production and Alaska's recent climb in the production of mineral deposits. The mine is a major contributor to the local economy, providing approximately 250 full-time jobs with a payroll of over $10,000,000 and substantial local tax contribution. It is also an example of how a mine can be successfully developed while protecting an environmentally sensitive area.

Unfortunately, when Congress established the exploration regime, it did so without taking into account the exact nature of the mineral deposit. The mineral deposit at Greens Creek is different than many other mineral deposits. It faults and folds over on itself and wanders throughout the area. Consequently, it was very difficult for the holders of the claim, the Greens Creek Joint Venture, to fully explore the entire area in the 5-year period which Congress designated for exploration. The Joint Venture could not explore several areas with mineral potential that I believe Congress intended to be explored.

Since the early 1980's, when the Joint Venture determined that it could not explore the entire area within the time allotted, it has been working to get an extension period or to effectuate some other means of exploring the remaining area. It is important to understand that this is an underground mine. No disturbance of the surface will be necessary. In 1985, Congress passed a 1-year extension for exploration, but that term was simply not long enough to permit full underground exploration. In 1986, the House passed H.R. 4883, which would have effected a land exchange involving private lands at Cube Cove on Admiralty Island. That deal, worked out between former Congressman John Seiberling and me, involved Shee-Atika, Sealaska and others and would have given the Joint Venture—working with Sealaska—the ability to explore and develop the rest of the Greens Creek area and was known as the comprehensive Cube Cove exchange. Unfortunately, time ran out in that Congress, and the legislation was not enacted.

Since that time, the Joint Venture has been working with the Sealaska Corporation, the local Native Regional Corporation, to effect a land exchange which permits Sealaska to relinquish certain lands it now owns for the area of interest at Greens Creek. Sealaska has also been working long and hard with all interested parties to effect this exchange. The legislation I introduce today would authorize and direct that exchange.

I want to focus your attention on another aspect of this legislation. I have always favored implementing the comprehensive Cube Cove exchange, so long as the various parties involved agree to it. While we do not have such an agreement today, some efforts are continuing to reach a reasonable compromise between the Government and the various parties. The legislation I introduce today is independent of any efforts to exchange Cube Cove lands to the Federal Government and should be viewed as a separate effort involving lands that are neither contiguous nor close to Cube Cove. It does not harm the prospects of the comprehensive exchange since it involves none of the land at Cube Cove. In fact, it may enhance the possibility of achieving a comprehensive exchange, by demonstrating that Congress can and will act quickly when a reasonable exchange proposal is put before it. In addition, I pledge my support for incorporating a comprehensive exchange package into today's legislation, should an agreement be reached by all parties during the legislative process which is fair to all. This is very important, since under Federal law, lands may not be taken from Natives without their support.

Under my legislation, Sealaska would give to the U.S. Government various subsurface and surface Tongass inholdings that it holds in Southeast Alaska and a value equalization payment to fund an Admiralty Island inholding acquisition fund. That unprecedented value equalization payment will provide a steady income stream to the Federal Government from Sealaska's proceeds should minerals be found on the land which it would receive pursuant to the exchange contained in my legislation and those minerals prove valuable. This value equalization payment would be 10 percent of the proceeds which Sealaska would receive as owner of the mineral estate at Greens Creek.

This payment stream represents a unique solution to the following problems:

First, equal valuation—Subsurface estates are impossible to appraise and value accurately if neither has been well explored. None of these land exchange areas have ever been drilled. There is a concern that because the Greens Creek Joint Venture has made discoveries on adjacent lands, that the subsurface land which Sealaska would exchange may not be of equal prospective value to the Greens Creek lands it would receive. Hence, the concept of adding value through a value equalization payment was created. If minerals are discovered on the lands, the Federal Government would share the proceeds of those minerals. It would receive 10 percent of Sealaska's proceeds. Sealaska and the U.S. Government would both benefit from discovery of minerals and neither would be penalized if no minerals were discovered.

In addition to the value equalization payment, the legislation includes a parcel of surface estate owned by Sealaska in the Nutkwa Lagoon area that is prized by conservationists for its environmental and aesthetic values. It contains a quantifiable and tangible economic value—over $2,500,000 of merchantable timber. Therefore, even if there are no minerals in the Greens Creek area acquired by Sealaska, the Government will come out ahead because of the Nutkwa Lagoon acquisition.

Second, inholding acquisition. There is great interest from conservation groups in removing private inholdings from within the Admiralty Island National Monument and the Tongass National Forest. The value equalization payment would be specifically dedicated to acquisition of such inholdings. This would ensure the goal of acquiring inholdings in the monument and forest.

This is an equitable proposal for all parties. The exchange permits the lands adjacent to the existing Greens Creek mine to be explored for mineralization and to be developed if economic mineralization is found. Sealaska, a Native corporation, would be permitted to redeem the Federal Government's promise that lands which it selects would be of true

utility to it, particularly for economic development.

Of great significance is the positive impact this legislation will have on southeast Alaska communities. Necessary jobs will be created to be filled by Alaskans in several surrounding cities, towns and villages. Service industries will be created or expanded in at least three communities. A Sealaska shareholder hire program should provide training and jobs to rural Alaskans who live in areas with little year-round employment. I have consulted with mayors and town councilmen and citizens all over southeast Alaska, and I can tell you without hesitation what such industry is desperately needed and much desired.

Finally, the goals of the conservation groups of future acquisition of private inholdings on Admiralty Island would be advanced, while acquiring Nutkwa Lagoon and about 10,000 other acres of Tongass inholdings. Furthermore, the exchanged subsurface lands adjacent to the Greens Creek mine would be developed in an environmentally sound manner.

Most of Alaska has not been fully explored for its mineral potential. If we cannot find creative and fiscally sound mechanism like the ones contained in this legislation to assure equal value, then we will never have resource-oriented land exchanges, and the development of Alaska will be stymied forever. That is not in the Nation's interest, nor in the interest of the State of Alaska and its people, nor is it consistent with land exchange policies established by Congress.

I believe this is an excellent way to achieve a number of sound objectives. The Greens Creek mine is one of the few mines in Southeast Alaska which is on line. Others are coming on line. However, the Greens Creek mine only has a 10-year life, and that life is ticking away day by day as the mine continues to operate. This exchange should be effected now so that the years necessary for exploration can be completed and the mine's life extended if there are minerals outside the existing discoveries. It is absolutely critical that this exploration effort be permitted and this exchange is a logical way for such exploration to occur. It is my hope that this legislation can be rapidly and favorably considered by the Interior Committee and reported to the full House for adequate consideration.

THE INTRODUCTION OF A BILL TO STRENGTHEN THE PELLY AMENDMENT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. OWENS of Utah. Mr. Speaker, I am often moved by the goodness of human nature and the outpouring of concern and good will which can accompany an isolated event which touches our hearts. I recall the trapped whales in Alaska last winter and the attention lavished on their plight beneath the ice in the Arctic Ocean. But I am also sometimes puzzled at the ironies which reveal themselves, for at the same time, a Japanese whaling fleet was preparing to sail to the southern ocean and kill hundreds of whales for commercial use, under the guise of scientific research, while the United States stood by, impotent and silent, manacled by the inadequate and yet-to-be-imposed discretionary sanctions of the Pelly amendment.

What can we do? I am proposing today a bill which will find a compromise between the impotence of discretionary language and the harshness of mandatory sanctions. This language will make a percentage reduction of fisheries or wildlife products mandatory after certification by the Secretary of the Treasury that a nation has violated international agreements to protect wildlife or the resources of the sea. This sanction will begin at 20 percent of the monetary value of these fisheries or wildlife imports from the offending country and double each year of non-compliance until the embargo is complete or the certification under the Pelly amendment has ended. In the event of a domestic industry suffering undue hardship from a sanction imposed on a particular fisheries or wildlife import, the Secretary of the Treasury has the election to impose a mandatory sanction of equal monetary value on any product imported from the offending nation.

I believe this approach is within the parameters of the General Agreement on Tariffs and Trade [GATT], because the mandatory sanction is limited to fisheries and wildlife products and the sanction will be imposed in a uniform manner on any offending nation.

In a world filled with the tusks, whalebone, horns, skins, and teeth of endangered animals, the irony of the Pelly amendment is that it is extraordinarily toothless. Nations which violate international conservation agreements, including the resolutions of the International Whaling Commission, must know that the United States has a bite to back up its annoying bark. We all want to protect endangered species, but we must have better tools for the job. This bill provides those tools, giving teeth to what we had only given lip service before.

1990 ST. PATRICK'S DAY MESSAGE OF PEACE AND JUSTICE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. FISH. Mr. Speaker. On behalf of the four cochairman of the Ad Hoc Congressional Committee for Irish Affairs, myself, TOM MANTON, BENJAMIN GILMAN, and BRUCE MORRISON, and the 119 other members of the committee, I am pleased to submit for the record our annual St. Patrick's Day message which was signed by the 40 Members listed below:

As the light of democracy and freedom shines on Eastern Europe on St. Patrick's Day 1990, we regret the fact that the six counties of Northeast Ireland remain under the dark clouds of British Government direct rule, thus denying them the fruit of freedom for still another year.

We, the undersigned Members of the bipartisan Ad Hoc Congressional Committee for Irish Affairs renew our call for peace, justice, freedom and an end to all the discrimination in Northern Ireland. We believe the ingredients to accomplish this goal do exist, but unless the leadership of the two governments of Great Britain and Ireland are willing to involve a wider section of political views, the stalemate will only continue.

As we enter the 1990s, we find the fundamental problem in Northern Ireland continues to be the same as it was in the 1980s. Deep-rooted economic discrimination affects all the people of Northern Ireland, but most especially victimizes the Catholic minority population. Unemployment in the North is the highest in all of Western Europe. We note that changes in the Fair Employment Act were made last year, but it will take a few years until fully enforced. We continue to strongly advocate for adoption of the MacBride Principles of Fair Employment by American firms doing business in Northern Ireland as a model for a future generation's employment opportunities. American businesses provide more than 10 percent of all employment in Northern Ireland and must take a stronger position in the fight against discrimination.

We continue to urge the closest possible monitoring of the funds being contributed by the United States to the International Fund. As supporters of the legislation which initially authorized this first-time U.S. economic aid to Ireland and Northern Ireland, we continue to be disturbed by reports that the actual distribution of some of these funds has not been beneficial to communities and peoples in need. The authorizing legislation called for the aid to be used to benefit both communities of the North and called for the President to certify each year that the U.S. aid was being distributed in a non-discriminatory manner. Close and regular Congressional oversight must be continued so our aid is an element of a solution and not a perpetuation of the problem.

We renew our call for the granting of political asylum to Joe Doherty whose continued incarceration constitutes an outrage which has gone on for seven years too long. We urge Congressional passage of H. Con. and S. Con. Res. 62 calling for Joe Doherty's release and political asylum. We also renew our call for the reopening of the case involving the Birmingham Six whose convictions have been challenged by legal experts. We note that the 1989 State Department Human Rights Report did indicate that a new review of the Birmingham Six case does appear "likely."

We restate with strong emphasis our absolute opposition to all forms of violence in Northern Ireland, civilian or official. We continue to object to persistent efforts by the British Government to cover up allegations that their security forces in Northern Ireland practiced a shoot-to-kill policy on different occasions over the past decade. We deplore the continued indiscriminate use of plastic bullets in Northern Ireland. We were disturbed by and urge a full investigation into reports of collusion between the British Security Forces and certain Protestant paramilitary organizations. Violence serves to impede progress toward a political solution which is so important to the future of Northern Ireland.

In a time when we have seen the fall of the Berlin Wall, the release of Nelson Mandela, the conducting of free and fair elections in Nicaragua, and the end of the Communist dominance in the Soviet Union, we remain dismayed over the imprisonment of Joe Doherty and the Brimingham Six, the ongoing patterns of discrimination and the

continuation of British direct military rule in Northern Ireland. It stands as a conspicuous contradiction to the trend in the world today toward peace, freedom and justice.

Thomas J. Manton, Bruce A. Morrison, Thomas J. Downey, Eliot Engel, Barney Frank, William J. Hughes, Craig T. James, Charles B. Rangel, Chuck Douglas, Jaime B. Fuster, Henry B. Gonzalez, Robert J. Mrazek, Edward F. Feighan, William J. Coyne, Jim McDermott, Michael R. McNulty, Vic Fazio, Albert G. Bustamante, Frank Pallone, Jr., Nicholas Mavroules, Hamilton Fish, Jr., Benjamin A. Gilman, Robert A. Borski, Charles E. Schumer, Lawrence J. Smith, Bernard J. Dwyer, Frank Horton, George J. Hochbrueckner, Daniel K. Akaka, Frank Annunzio, Roy Dyson, Norman F. Lent, John G. Rowland, Richard E. Neal, Matthew J. Rinaldo, Curt Weldon, Joseph E. Brennan, James L. Oberstar, Marty Russo, Thomas A. Luken.

SUSANNE AND LUDWIG DISTELBURGER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. GILMAN. Mr. Speaker, I wish to call to the attention of our colleagues the stellar achievements of an incredible couple, Susanne and Ludwig Distelburger of Middletown NY. The Distelburgers are the kind of inspirational citizens that our younger people would be well advised to emulate.

Susanne Distelburger fled Nazi Germany in 1939, moving to England where she received a degree in nursing during World War II. At the conclusion of that conflict, Susanne emigrated to New York City, where she worked at the Jewish Memorial Hospital and was admitted to the New York State Board of Nurses. It was during her stay in New York City that she met and married Ludwig Distelburger, who also had fled Nazi Germany. Upon arriving in New York City, Ludwig worked as a dishwasher for 80 hours a week for $20 per week. It was from this meager salary that Ludwig saved enough to marry Susanne and move her to Middletown, NY, where they invested in the dairy cattle business—a business Ludwig learned as a small boy while working for his father in Germany.

Concurrent with their move to Middletown, Ludwig and Susanne threw themselves into activity with the local religious community. Their first membership dues at the Middletown Hebrew Association was $40 per year. Despite the hardships that the newlyweds had to endure, they proudly supported their temple. Ludwig soon became a member of the synagogue's cemetery committee as well as the Chevra Kadish and the ritual committee. He served on the board of trustees of Temple Sinai in Middletown under the administrations of eight succeeding congregation presidents.

In the meantime, Susanne became active with the Hebrew Aid Society and all other phases of the Jewish community. As a member of Sisterhood she served as chairwoman for fundraising, Torah, donor and became Sisterhood president in 1972 while working side by side with her husband and raising two fine sons. Susanne also was a member of the temple's board of trustees, was an active member of Hadassah, B'nai B'rith for women and Chevra Kadisha. Sisterhood honored her as "Woman of the Year" for 1978–79. She has been active in the United Jewish Appeal, in Israeli causes, and was one of the prime movers in the erecting of the Holocaust Memorial in Middletown.

Ludwig was active on many Israeli bond drives, in the United Jewish Appeal, and in Anti-Defamation League fundraisers. He was one of the charter members of the B'nai B'rith.

Both Ludwig and Susanne are dedicated members of the Century Club at Horton Memorial Hospital, and many other community activities. The Distelburgers were honored by the Hebrew Day School in 1984.

The Distelburgers are justly proud of their sons, Bert and Joseph, who are both community leaders in their own right.

Mr. Speaker, on April 1, 1990, Temple Sinai in Middletown, NY, will be honoring Ludwig and Susanne Distelburger as "Man and Woman of the Year." This recognition is long overdue, for the Distelburgers have personified unselfish devotion to others and to their congregation for many years.

Accordingly, I invite my colleagues to join with me in saluting this fine couple.

A TRIBUTE TO ALAMEDA COUNTY LIBRARIAN GINNIE COOPER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Ms. Ginnie Cooper. Ms. Cooper has been the Alameda County Librarian in California's Ninth Congressional District since 1981.

Ms. Cooper's accomplishments as librarian have been tremendous. During her tenure, she has succeeded in many areas, including, just to mention a few:

Increasing support for the library through improved library service and focused public relations activities;

Achieving a 45-percent increase in the circulation of books and other library materials through a special campaign to increase library use;

In November 1988, she opened a new 30,000 square foot library in the city of Pleasanton, CA;

In June 1989, she opened a new 100,000 square foot Fremont Main Library and Alameda County Library Administration Building funded jointly by the city of Fremont and Alameda County;

She also successfully dealt with two major challenges to the library's materials selection policy with the help of the county library advisory administration.

In addition to her accomplishments as county librarian, Ms. Cooper has been actively involved in professional activities on the State and local level. She has served on various committees of the American Library Association and was elected to the governing council in 1987. She also continues to be a member of the ALA Committee on Legislation. She was elected to the California Library Association Council and served as president of the California County Librarians. Ms. Cooper has also been active in the statewide planning in the areas of literacy, library networking, and the library response to the increased ethnic diversity of California.

Ms. Cooper was named Librarian of the Year by CALTAC, the trustee section of the California Library Association.

Mr. Speaker, I would like to commend Ms. Ginnie Cooper for her service to California's Ninth Congressional District—she has made our library system something to be very proud of.

I wish Ms. Cooper luck in the future but want her to know that her leadership as Alameda County Librarian will be sorely missed.

A MATTER OF FAIRNESS

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. DWYER of New Jersey. Mr. Speaker, I wish to bring attention to a package of four bills that I introduced in January 1989. These bills, H.R. 520, H.R. 521, H.R. 522, and H.R. 523, would guarantee the timely delivery of Federal pension and benefit checks to military retirees, recipients of black lung benefits, railroad retirees, and civil service annuitants, respectively. Under this legislation, these individuals would be assured the early delivery of their benefit checks in the event that the designated delivery day falls on a weekend or a public holiday.

Presently, the post office receives benefit checks on a specified date, usually the first or third of the month. In the event that the date of disbursement falls on a Saturday, a Sunday, or a legal public holiday, the post office will deliver the checks on the next available business day. Many times retirees must wait several days before receiving their checks. Yet, in some instances, these checks have been delivered several days in advance to the post office, which then must hold the checks until the designated date of delivery. For those individuals dependent on these monthly checks as their sole source of income, this delay can cause an unnecessary hardship—a hardship which can be easily avoided.

In 1977, Congress enacted legislation—Public Law 95–216—which included a provision providing for the early delivery of Social Security benefit checks whenever the regular date for payment of either Social Security or supplemental security income checks fall on a Saturday, a Sunday, or a legal public holiday. Unfortunately, Congress neglected to extend this courtesy to the 4.4 million recipients of civil service, railroad, and military pensions and black lung benefits.

Mr. Speaker, this group of retirees often has been singled out for unfair treatment—witness the administration's fiscal year 1991 budget

proposal to eliminate COLA's for military and Federal retirees. As a matter of fairness, it is time to extend to all recipients of Federal pension and benefit checks the same treatment already afforded the recipients of Social Security benefits.

I urge my colleagues who have not already done so to join roughly 89 of their colleagues and support this long overdue legislation.

HOUSE JOINT RESOLUTION 305

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. BEVILL. Mr. Speaker, on June 22, 1989, I introduced House Joint Resolution 305, a measure calling for a constitutional amendment to make desecration of the American flag illegal. Over 70 of my colleagues joined me in cosponsoring this bill. Among those who cosponsored this bill was my good friend and colleague, BILL NELSON of Florida. BILL believed as I did that it was important to have legislation which assured that our national symbol was protected.

Unfortunately, due to a clerical error Congressman NELSON's name was not added as a cosponsor until February 6, 1990. I know that he felt strongly about this issue and I regret that his name was not added immediately after he contacted me on August 1, 1989.

BILL is one of the finest individuals serving in the House of Representatives today. His work in Congress and with the space program set him apart as an outstanding public servant and I am proud to count him as a friend.

EASTERN AIRLINES

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. PARKER. Mr. Speaker, I have followed the Eastern Airlines situation very closely and recently read an editorial on the subject that goes to the very heart of this issue. The March 6, Atlanta Constitution editorial is of sufficient merit that I feel it appropriate to include it in the RECORD. The following is the text of the editorial.

So at last an independent examiner has confirmed what union workers have been saying all along: Frank Lorenzo's Texas Air Corporation has been shortchanging Eastern Airlines. There are some ways public policy can make the best of this bad situation, but a lot of damage will remain.

In his long-awaited report, David I. Shapiro, the examiner appointed by the U.S. Bankruptcy Court in New York, said Texas Air unfairly stripped Eastern of as much as $403 million.

The pillaging began as soon as Texas Air purchased the beleaguered airline in 1986. Texas Air skimmed off some of the airlines best assets for low, low prices—for example, buying Eastern's computerized reservations system for a paltry $100 million note, paying 6% interest and not due until (the year) 2012. Mr. Shapiro said $300 million would have been more like it.

Even as the shady deals were occurring, workers were complaining that the parent company was intentionally weakening unionized Eastern to benefit Texas Air's other subsidiary, union-free Continental Airlines. Mr. Shapiro said those complaints were justified and cited an internal Texas Air document in which a senior officer said Continental could "cherry pick the core parts of the Eastern system".

The legimate outcries of the uinons fell on deaf ears in the Reagan and Bush administrations. The Justice Department, and the Securities and Exchange Commission did nothing to stop the unfair transfers of planes, gates, landing slots and fees.

What to make of these findings at this late date?

Although he found Texas Air guilty, Mr. Shapiro allowed it to plea bargain. Texas Air agreed to pay Eastern $280,000 million to compensate for the asset-stripping and to help satisfy creditors' claims. The unions say that amounts to a slap on the wrist; they want the court to replace Eastern's management with a trustee.

Mr. Shapiro recommended the appointment of an independent watchdog to review future intracompany deals but opposes the appointment of a new management.

He's right and the bankruptcy courts should go along with his recommendations. Mr. Shapiro believes such a change would be too disruptive to the fragile airline, which is trying to restructure itself.

That's another pill for the unions to swallow, but the reality is that Eastern is employing 17,000 people today. The court should not jeopardize those jobs or the pensions of former employees. The most likely way to preserve jobs, as well as competition in the skys, is to help Eastern rebuild under the eye of an independent watchdog.

But while the bankruptcy court must keep its focus on the interests of the creditors and airline employees, the Justice Department and the Securities and Exchange Commission should be studying Mr. Shapiro's 300-page document to help determine whether individual officers of Texas Air only made destructive business decisions or ought to be investigated for criminal fraud.

THE 45TH ANNIVERSARY OF THE DEVEREUX CENTER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. LAGOMARSINO. Mr. Speaker, this year marks the 45th anniversary of a very special facility in Santa Barbara, CA, the Devereux Center.

It was in 1945 that Helena T. Devereux, a special education teacher, traveled from Pennsylvania to Santa Barbara County to start the California center. Devereux-California is one of the Devereux Foundation's 16 residential treatment centers nationwide—known since 1912 as innovative leaders in helping the developmentally and emotionally disturbed.

Devereux-California is the largest residential treatment center on the coast between San Francisco and Los Angeles serving the dually diagnosed with comprehensive services including educational, vocational, medical, psychiatric and psychological programs. More than 200 disabled children and adults benefit from the individualized treatment and homelike environment each year at Devereux.

In fact, Devereux-California is one of the new treatment centers providing a continuum of services, including on-grounds residential units, group homes and apartment settings. The center provides high-quality human services in a caring and humane way to foster human potential and contribute to its resident's health, social, psychological, and educational well-being. Its programs are of such excellence that they become models for this and other nations.

Mr. Speaker, Devereux-California is a not-for-profit organization which invests all of its available resources for the benefit of those who need its services. During 1990, the center will host a variety of events marking its 45 years of service, including an on-campus celebration, family weekend, independence month dance, arts and crafts fair, and a fall dinner-dance.

Mr. Speaker, on behalf of the U.S. House of Representatives, I extend to Devereux-California and the Devereux Foundation our congratulations and sincerest best wishes on its 45 years of service to the community and its residents.

OWEN BIEBER: PRESIDENT OF THE UNITED AUTO WORKERS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. WOLPE. Mr. Speaker, I rise today to pay tribute to one of the most respected citizens of my State, Mr. Owen Bieber, the president of the United Auto Workers, on the occasion of a testimonial dinner being held in his honor by the Michigan Trade Union Council for Histadrut.

Owen's distinguished career as a union official dates back more than 40 years to 1949, when he was elected a shop steward in UAW Local 687, Grand Rapids, MI. With his hard work and dedication, promotions came quickly. By 1956, he was made the president of local 687.

After serving as a staff representative and assistant to the director of UAW region 1D, Owen was elected regional director in 1974, and served in that position until 1980, when he was named international vice president and director of the UAW's General Motors division.

In 1983 he was elected president of the international union and was reelected to that position in 1986.

In addition to his many responsibilities as UAW president, Owen serves his community and country as an officer or member of several organizations, including the NAACP, the President's Advisory Committee on Trade Negotiations, the board of governors of the United Way of America, and the Economic Alliance of Michigan.

Mr. Speaker, Owen Bieber has not achieved his high office through luck or simple good

fortune. Rather, he has earned it through his hard work, his excellent leadership, and a very special commitment to working men and women throughout the world. I salute Owen Bieber for his many years of outstanding service to the people of the United States.

QUESTIONS OF CONSCIENCE IN NEPAL

HON. PAUL B. HENRY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. HENRY. Mr. Speaker, we have warmly welcomed the sweep of freedom across the globe. We find ourselves in the most pleasant position of watching democratic reforms take root in Eastern Europe, Nicaragua, and even to a surprising extent, within the Soviet Union. We pray that the release of Nelson Mandela is the knell for apartheid in South Africa. And our hearts rise at new talk of freedom for our hostages in Lebanon.

Against this backdrop, however, stands the startling case of the kingdom of Nepal. In this land of 17 million people, archaic persecution against political and religious expression is carried out to an alarming extent.

Even more alarming is the fact that the United States Government continues to provide economic aid to Nepal—$15 million this year alone—which is clearly in violation of our own law banning aid to governments responsible for gross human rights violations.

Let me tell you some of the basic points of justice, Nepal-style:

A person may be jailed for 18 months without even the filing of charges. This sounds severe until you consider that until just last year, the time allowed was 3 years. Human rights organizations estimate that 2,000 aribtrary arrests and detentions took place in 1989.

The Constitution of Nepal states that no person shall be entitled to convert another person from one religion to another; that any Hindu who converts gets 1 year in jail; and that any person who seeks to convert a Hindu gets 3 to 6 years.

The human rights organizations Asia Watch and the Puebla Institute monitor the situation in Nepal as closely as possible. They are among the groups compiling evidence of the daily repression within Nepal. Here are a few of many grim accounts of Nepali persecution:

In 1986, in the city of Sirsia, a Catholic priest, two nuns, and three laymen were arrested for teaching a course on the meaning of Easter. The six, including the nuns, were suspended from rafters and beaten into signing confessions they were never allowed to read.

Last November, a Protestant pastor and orphanage director was given a 6-year prison sentence after the Government had appealed two previous acquittals. His crime, the Nepal Supreme Court ruled, was "propagating Christianity in ways injurious to the Hindu religion."

Also in November, police arrested a 76-year-old pastor and his 33-member congregation. They were ordered to wear the red Hindu tika on their foreheads and to worship Hindu gods and godesses. The elderly minister was beaten and imprisoned with six members of his congregation who refused to comply with the police.

And just this past February, obviously inspired by democratic movements throughout the world, the Nepali Congress Party and other opposition factions called for reforms in Nepal. As a result, 450 party members were detained despite their peaceful demonstrations, and at least 10 Nepali newspapers were banned.

Nepal is 90 percent Hindu, and the majority of Nepalis believe their King to be the reincarnation of the Hindu god Vishnu. Vishnu, ironically, is the Hindu god of good order and harmony.

Mr. Speaker, I ask today that President Bush and Secretary of State Baker explain to Congress whatever justification they may feel exists for the United States' continued support of the Government of Nepal.

And I ask that none of us become complacent. For despite the changing political landscape, all is not yet well in the world.

TRIBUTE TO THE GOLDEN CRADLE ADOPTION AGENCY

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. BORSKI. Mr. Speaker, I rise today in recognition of the 10th anniversary of the Golden Cradle Adoption Agency.

Golden Cradle is a nonprofit and nonsectarian adoption agency located in Cherry Hill, NJ. It was founded by Arty Elgart, the owner of Elgart & Sons, a successful automative distribution company in my district.

The agency grew from Arty's seemingly endless search to adopt his own child. Often frustrated and sometimes disheartened by his own experience, Arty vowed to humanize the process for others committed to adopting and raising children.

From that personal struggle came the Golden Cradle Adoption Agency. What began 10 years ago as a volunteer effort housed in Arty's business is now a fully licensed agency run by a staff of more than a dozen social service professionals.

Mr. Speaker, despite its phenomenal growth and nearly 1,000 adoptions to date, Golden Cradle has always looked upon adoption as a lifelong process. Golden Cradle and its founder Arty Elgart deserve great recognition for 10 years of commitment to the profound and personal nature of each individual adoption.

TAX CODE INEQUITY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. LEVIN of Michigan. Mr. Speaker, today I am introducing legislation to correct an inequity in the Tax Code which singles out certain nonprofit organizations, such as State education associations and local chambers of commerce, and prevents them from setting up tax-deferred 401(k) retirement plans for their employees. I am pleased to say that I am joined in this effort by three of my colleagues from the Ways and Means Committee, Mr. CHANDLER, Mr. ARCHER, and Mr. FRENZEL.

Under current law, for-profit private employers can offer their workers the chance to elect up to $7,000 in deferred compensation in a 401(k) plan. Nonprofits organized under 501(c)(3) of the Tax Code can offer their employees nearly identical 403(b) plans. This latter group includes traditional charitable organizations and educational institutions. State and local governments may offer comparable section 457 plans. Out of all the thousands of employers across this country, only certain nonprofit organizations such as trade associations, labor organizations, and civic leagues are prevented from establishing these useful retirement plans.

The Ways and Means Committee and the House of Representatives recognized this inequity when they approved a provision I sponsored in the 1987 reconciliation bill that would have allowed these nonprofits to again set up 401(k) plans. I am happy to note that the U.S. Treasury Department, in its testimony before the Ways and Means Committee last month, stated it had no opposition to this proposal. At the hearing on February 21, Assistant Secretary Gideon said, "* * * imposing a limitation * * * only on tax-exempts is unfair."

Whenever Members of Congress push for a change in the Tax Code, I think it is incumbent on them to recognize that these changes are generally not costless. The revenue consequences of the proposal we are introducing today are relatively small. Last year the Joint Committee on Taxation estimated that Treasury receipts would be lowered by $15 million in the first year, rising over time to $56 million in the fifth year. In this time of continuing deficits, offsetting revenue sources will have to be found. As a member of the Ways and Means Committee, I will be working with my colleagues to find these revenues.

Mr. Speaker, good tax policy begins with nondiscrimination. The current law discriminates unfairly against some employers and their employees. The bill we introduce today will correct this inequity. I hope it will be speedily enacted.

I include the text of the legislation to be printed in the RECORD immediately following these remarks:

H.R. 4287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (B) of section 401(k)(4) of the Internal Revenue Code of 1986 is amended to read as follows:

"(B) STATE AND LOCAL GOVERNMENTS NOT ELIGIBLE.—A cash or deferred arrangement shall not be treated as a qualified cash or deferred arrangement if it is part of a plan maintained by a State or local government or political subdivision thereof, or any agency or instrumentality thereof. This subparagraph shall not apply to a rural cooperative plan."

(b) The amendment made by subsection (a) shall apply to years beginning after December 31, 1989.

A TRIBUTE TO FRANK WASHINGTON

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. GRAY. Mr. Speaker, I rise today to pay tribute to an outstanding person, Frank Washington. After 30 years of exemplary and dedicated service, Frank Washington is retiring from his position as head of Community Relations at the Pepsi Cola Co.

In recognition of the significant contributions he has made to our community over the years, several hundred of his friends will gather to pay tribute to him on Saturday, April 7 in Philadelphia.

Frank made his mark in our city as one of the first black managers in a major Philadelphia area corporation. We honor him for his service.

Frank was also one of the best professional basketball players in the world and was a member of the Harlem Globetrotters, where he served as center, captain and coach. He made six world tours with the team and was featured in two Globetrotter movies. He also starred on other professional and touring basketball teams over an illustrious athletic career.

Frank was a student at Germantown High School and attended the William Penn School of Business; the Dale Carnegie Training Institute and the Pepsi College of Marketing.

He has been the recipient of numerous community and professional service awards from organizations such as the National Association of Market Developers, the Christian Street YMCA; the Norristown Men's Club; the Council of Spanish Speaking Organizations; and Operation Push/Philadelphia.

Please join me in paying tribute to Frank Washington, who has been a role model and outstanding citizen in our community.

DR. PAUL ASHTON TO BE HONORED MARCH 25

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. LAGOMARSINO. Mr. Speaker, I rise to congratulate Dr. Paul Ashton of Santa Barbara—physician, author, and humanitarian—who will be honored on March 25 with the dedication of the education center at Goleta Valley Community Hospital in his honor.

Dr. Ashton has been active in numerous capacities in the community and in his profession over the past 45 years. A University of California Medical School graduate, Dr. Ashton has practiced general medicine and surgery in the Santa Barbara area since 1945, following his heroic service in the U.S. Army.

He was the founder of the Tri-Counties Blood Bank, and one of the founders of the Goleta Valley Community Hospital, both organizations which have been of great service to the Santa Barbara area. A member of the Goleta Valley Hospital board of trustees, he served three terms as chairman and one term as treasurer, and was an administrator pro tem. He has been chief of surgery at the hospital and is the father of the cardiovascular program there as well.

In 1984, Dr. Ashton authored "Bataan Diary," which recounted his years in the war and as a prisoner of war in the Philippines in 1941. It is a gripping account of courage and determination.

Mr. Speaker, Dr. Ashton is a great asset to the Santa Barbara Community, and to commemorate his achievements and contributions the board of trustees of the Goleta Valley Community Hospital will dedicate its education center to him on March 25, 1990.

On behalf of the U.S. House of Representatives, I commend Dr. Paul Ashton and extend to him our sincere best wishes and congratulations upon his service to the community, his Nation and his profession.

NAMIBIAN INDEPENDENCE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. LEVINE of California. Mr. Speaker, the people of Namibia will become independent on March 21, 1990. They have survived a long period of conflict and outside rule since 1915 in order to reach this important milestone. Namibia, formerly known as South West Africa while under South African administration, is a country which is large in size yet small in population. It has a good infrastructure of roads, telecommunications, and power. Mineral resources and fishing will be strong components of its foreign exchange.

What is quite admirable in my view about the independence of Namibia is that the people elected a constituent assembly last fall, under U.N. supervision, which has adopted what may be the most democratic constitution in Africa. It provides for a multiparty system of government, a legislative body, a limited executive, a bill of rights, freedom of speech, and the press. This occurred after the two major political forces in the country, The Southwestern African People's Organization [SWAPO] and the Democratic Turnhalle Alliance [DTA], reconciled their political differences and put the welfare of the citizens of this new nation first.

I am hopeful that the events which have lead to Namibia's independence will be an inspiration to other difficult political problems in Southern Africa. And I wish the people of this proud new nation a strong future under democracy. As long as this course is followed in Namibia, relations with the United States will be mutually beneficial and fruitful.

CONGRATULATIONS TO DAYTONA 500 WINNER

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. DOUGLAS. Mr. Speaker, I would like to extend my congratulations to Derrike Cope, winning driver of the Daytona 500, last month, and Bob Whitcomb, owner of the winning vehicle.

Derrike, an outstanding athlete in his college days at Whitman, and winner of the 1984 Rookie-of-the-Year Award of the Winston West racing circuit, drove the team's Chevy Lumina to victory at the Daytona 500 NASCAR competition in February. For a 9-month-old team this was a dramatic victory.

The owner of that car, Bob Whitcomb, is a resident of Keene, NH, in my district, and is an old friend. Bob received his bachelor's degree from the University of New Hampshire in 1961 and is a long-time fan and participant in national auto racing. Bob and his team are now a force to contend with in the high-performance auto racing arena of NASCAR.

We in New Hampshire are proud of Bob, Derrike, and their team for their outstanding accomplishments. I congratulate them for their victory and wish them the best of luck for the rest of the 1990 season and beyond.

THE "BIRMINGHAM SIX"

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. KENNEDY. Mr. Speaker, earlier this week the Congressional Human Rights Caucus held a hearing on the case of the "Birmingham Six"—six Irish nationals who many believe were falsely accused and convicted of bombings in England in 1975. I urged the caucus to hold this hearing to bring the plight of these men to the attention of the American people, and to let the British Government know that many of us in Congress, and a growing number of scholars and human rights activists believe that justice will not be served unless the British Government reopens this case.

Mr. Speaker, I would like to offer this poem that was written by Richard McIlkenny, one of the "Birmingham Six." Mr. McIlkenny's poem gives us a feeling for the tragedy of being unjustly sentenced to life in prison for a crime he did not commit.

What price justice for the innocents
  Locked up in prison cells,
What price respect and peace of mind
  For those who know and will not tell.

What price the horror of the beatings
  The torture and the cries,
Of honest men who in terror signed
  Perverted statements filled with lies.

What price hunger and deprivation
  Threats with guns and growling dogs,
Of minds so blank and wandering
  As if lost within a fog.

What price the cries of wives and children

Of families torn apart,
Whose moans and wails of anguish come
From deeply wounded hearts.
What price the long lost years filled
With loneliness and pain,
And the longing to be
Held in loving arms again.
What price the lost love and joy of children
All now fully grown,
Left without a father
Now with children of their own.
What price, What price!!
What price for honesty and truthfulness
For dignity and pride restored,
For the innocents to be set free, exonerated and recompensed
To rejoin society once more.

By Richard McIlkenny, one of the Birmingham Six.

BRAZIL'S NEW SECRETARY OF ENVIRONMENT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. YATRON. Mr. Speaker, I want to congratulate the new President of Brazil, Fernando Collor de Mello, as he assumes office today. I want to wish President Collor and the people of Brazil the very best as they address the challenges before them. I look forward to working with the new government and to cooperate in enhancing United States-Brazilian relations to the benefit of both our peoples.

I also want to commend President Collor for his excellent choice for Secretary for Environment, Jose Antonio Lutzenberger. Over the past several decades, Mr. Lutzenberger has been one of the most outspoken Brazilians on the environment. His national and international reputation as an expert on Brazil's fragile environment should enable him to be an effective Secretary of the Environment.

Mr. Lutzenberger has testified before Congress, has received numerous environmental awards, and has helped to establish an important environmental nongovernmental network in Brazil. He is an agronomist by training, fluent in 4 languages, and has remained a courageous and tireless environmental pioneer.

As Chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, which has jurisdiction over global environmental issues, I am delighted and encouraged by this appointment. As a major world actor, Brazil's role in addressing the growing international environmental problems will be vital.

THE QUESTION OF EAST JERUSALEM

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. MOODY. Mr. Speaker, on March 3, President Bush made the statement that "we do not believe that there should be new settlements in the West Bank or in East Jerusalem." That simple statement has set in motion a series of events within Israel and has seriously complicated negotiations to advance the peace process. Clarifications issued after the fact by the administration have done little to resolve the issue.

President Bush has previously indicated that the United States does not support new Israeli settlements in the West Bank and Gaza. But that issue has never been linked with the case of East Jerusalem. The city of Jerusalem has represented the heart of Israel for 3,000 years and East Jerusalem is one part of an indivisible capitol city. For these reasons, the United States has given special status to the question of Jerusalem. By linking the issue of Jerusalem and the occupied territories, President Bush has thrown this policy into question.

Unfortunately, this is a particularly inopportune time to be stirring the pot of United States-Israeli relations. The United States has been pressing hard for progress toward Israeli-Palestinian talks on the question of elections for the occupied territories. Israel itself has been deeply divided over this question and was engaged in a very painful debate.

President Bush's comments raised new concerns about U.S. policy just at the point when the peace process appeared to be moving forward. Today the Shamir-led coalition Government was voted down. Prime Minister Shamir will remain in office until a new coalition can be formed. Any further progress toward peace in the region will wait a new Israeli Government.

I believe that President Bush is committed to peace in the region and I support his many efforts to that end. In this instance, he was his own worst enemy. I hope that he will make every effort to resolve this question and continue to devote his energies to the larger goal of elections and, eventually, a lasting peace.

A TRIBUTE TO PATROLMAN GERALD WEIMER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. PALLONE. Mr. Speaker, being a police officer entails great danger and personal risk, and requires acts of bravery and self-sacrifice. Every man and women who takes the oath to serve on any police force in our country understands the sacrifice that they will have to make as part of their jobs to protect the lives and property of their fellow citizens. Still, when a police officer exhibits the qualities of courage and presence of mind in the best tradition of their calling, that officer deserves to be singled out for praise and commendation.

Patrolman Gerald Weimer of the Middletown Township, NJ, is such a police officer. On January 17th of this year, Patrolman Weimer was on duty in the predawn hours when he observed smoke coming from the Leonardo first-aid building in Middletown. Without regard to his personal safety, he entered the building and removed a rescue truck and ambulance, then re-entered the building to extinguish the fire. His quick thinking and unselfishness prevented what would have been a major disaster, and will allow the first air squad to continue serving the community. Patrolman Weimer has been cited for his action by Chief of Police Robert M. Letts and also the Leonardo first aid squad.

Mr. Speaker, it gives me great pleasure to add my name to those who have cited this brave individual. Patrolman Weimer is a credit not only to my congressional district, but to all of our men and women in blue who risks their own lives for our sakes.

NATIONAL POLIO AWARENESS WEEK

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. SKELTON. Mr. Speaker, today I am introducing a resolution designating the week of June 1 through June 7, 1990 as National Polio Awareness Week. Currently, there are an estimated 650,000 paralytic polio survivors in the United States, many of whom have experienced or will suffer from the late effects of the disease.

Years after their recovery from paralytic polio, many people begin to suffer from late effects of the disease, also known as postpolio syndrome. These symptoms may include renewed weakness in muscles throughout the body, both in muscles that were minimally effected and those that were once paralyzed. Postpolio syndrome is also marked by fatigue from activities once easily performed, respiratory problems, pain and inflammation in the joints, feelings of anxiety, and lower back pain. These problems can be extremely difficult for those who overcame many physical and social challenges while suffering from paralytic polio during youth.

Although much research has been done on postpolio syndrome, researchers are still unsure of the cause or the best treatment. The International Polio Network has been instrumental in educating the public and promoting research on the late effects of this disease. It is my hope that the designation of National Polio Awareness Week will help increase public awareness and encourage medical research, and I urge my colleagues to support it.

NATIONAL AGENT ORANGE SCREENING AWARENESS WEEK

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mrs. MARTIN of Illinois. Mr. Speaker, today I am pleased to introduce, along with Congressman DENNIS HASTERT, a resolution designating July 8 through July 14, 1990, as National Agent Orange Screening Awareness Week. This resolution is one small but important way to let our veterans who served during the Vietnam war know that the American people are concerned about their continued well-being.

Since 1978, the Veterans' Administration, now the Department of Veterans Affairs, has operated a special medical screening program for Vietnam veterans who believe they were exposed to chemical herbicides used during the Vietnam war. One of these chemicals in particular, agent orange, has raised serious concerns about the long-term health effects on veterans.

Unfortunately, only 240,000 of the 3 million troops who served in Vietnam have participated in the agent orange registry examination. Because the screening could disclose previously undetected problems that may require prompt medical treatment, we have an obligation to make our veterans aware of the importance of participating in the registry.

The designation of National Agent Orange Screening Awareness Week will call attention to the availability of this medical program. I urge my colleagues to let the veterans in their districts know that the registry examination can be obtained at no cost at a VA health care facility. Let them know the value of the screening. And above all, encourage all eligible veterans to take part.

ACCESS TO TELECOMMUNICATIONS FOR THE DEAF, HEARING- AND SPEECH-IMPAIRED

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1990

Mr. GUNDERSON. Mr. Speaker, earlier this week I attempted to share my experience of deaf culture and underscore what I believe it has to teach the hearing world. Yesterday, I introduced legislation to increase telecommunications access to the House of Representatives for the deaf, hearing- and speech-impaired. Today I want to take a moment to address legislation pending before Congress that will not only increase the opportunity of those who cannot hear, but enable us, those who sign and those who do not, to further communicate and learn from one another.

Last year, during a trip to my district with Dr. Jordan, a young man with cerebal palsy wheeled his chair toward the podium where I was standing. In his lap was a stack of papers, letters in support of passage of the ADA. The young man handed the letters to me and then began to stand. After great effort he stood and said, "I need the ADA, we all need the ADA." What he was referring to of course, was the Americans With Disabilities Act.

The House has been considering H.R. 2273, the Americans With Disabilities Act, since early last year. Although it has only recently gained attention, the bill, introduced by our former colleague, Hon. Tony Coelho, has long been the focal point of the hope of disabled Americans. For they believe, and, perhaps, rightly so, that the ADA is the key which will unlock the door of opportunity.

I have been and continue to be a vocal and ardent supporter of the Americans With Disabilities Act. The Senate passed a good bill which the House has improved and continues to improve. Nonetheless I am committed to passing a bill this year and I would urge my colleagues to carefully weigh the rights of all involved and employ only the purest of motives during its consideration.

I have a particular interest in title V of the ADA, the telecommunication's provisions. The title the Energy and Commerce Subcommittee passed out mirrored language I introduced in H.R. 3171. Thus title V of the House version of ADA differs trivially from the Senate passed version.

Although the Senate version as passed and the House version as it exists differs little, the benefit to deaf, hearing- and speech-impaired Americans will be great. At present, some 27 million Americans cannot call down the street for a pizza or cross town to place a reservation. In my own district, many cannot even call the sheriff's department or hospital. Passing the ADA would change that, assuring those who cannot communicate via the telephone the equal access extended to them through the Communications Act of 1934. This would be done by implementing a relay system whereby a deaf person would use their TDD to call the relay system who, in turn, would contact you or I via the telephone. The relay system would act as the intermediary facilitating the conversation back and forth.

Unfortunately, we who are hearing cannot fully understand what it is to work, toil, and dream in a silent world. We can, however, provide an opportunity long overdue by passing the ADA.

Second, I would like to address another bill pending before the House, the Television Decoder Circuitry Act of 1990. I was proud to be a sponsor of this legislation as I believe it, too, will help provide those who cannot hear access to America's foremost medium, television.

This bill, like many other this body has considered in recent years, holds great potential benefit for millions of Americans. It will provide deaf and hearing-impaired Americans universal access to television broadcast programming and it will provide our literacy organizations and volunteers with yet another source to which they can turn to help empower the 23 million functionally illiterate Americans.

In essence, the TV Decoder Circuitry Act would require that televisions with screens 13 inches or larger be equipped with a decoder circuit chip which display circuit chip television transmissions. The cost is nominal, estimated to be $5 to $10 per TV and it has received broad industry support.

I strongly support this legislation and would urge my colleagues to consider its enormous potential and join with me to support the Television Decoder Circuitry Act.

The road for deaf and hearing-impaired Americans toward total communications access to the hearing world is long and arduous. Stereotypes must be overcome, myths must be demystified, and lies must be put down at the hands of truth. Deaf people can do anything but hear, and Congress has the opportunity to bridge the one gap between the hearing world and the silent world by providing access. I am committed to that end and I am happy to work within this House because I know it shares my commitment.

NAMIBIA'S INDEPENDENCE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. RICHARDSON. Mr. Speaker, the people of Namibia will become independent on March 21, 1990. They have survived a long period of conflict and outside rule since 1915 in order to reach this important milestone. Namibia, formerly known as South-West Africa while under South African administration, is a country which is large in size yet small in population. It has a good infrastructure of roads, telecommunications, and power. Mineral resources and fishing will be strong components of its foreign exchange.

What is quite admirable in my view about the independence of Namibia is that the people elected a constituent assembly last fall, under U.N. supervision, which has adopted what may be the most democratic constitution in Africa. It provides for a multiparty system of government, a legislative body, a limited executive, a bill of rights, freedom of speech and the press. This occurred after the two major political forces in the country, The Southwest African People's Organization [SWAPO] and the Democratic Turnhalle Alliance [DTA], reconciled their political differences and put the welfare of the citizens of this new nation first.

I am hopeful that the events which have led to Namibia's independence will be an inspiration to other difficult political problems in Southern Africa. And I wish the people of this proud new nation a strong future under democracy. As long as this course is followed in Namibia, relations with the United States will be mutually beneficial and fruitful.

THE CASE OF JOSEPH PATRICK THOMAS DOHERTY

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. BOSCO. Mr. Speaker, I want to take this opportunity to speak out about an important test case for the principle of due process rights in this country.

The case at issue concerns Mr. Joseph Patrick Thomas Doherty, a man who has now been held by United States authorities for over 6 years pending a decision on deporting him to the United Kingdom. While the details and political rights and wrongs of this famous case have been much discussed, I wish to lend my voice to the growing number of Members who are concerned about the observance of Mr. Doherty's due process rights in his protracted legal battle.

Quite simply, Mr. Doherty deserves to have his day in court. To this end, I urge the Attorney General to grant Mr. Doherty a hearing on political asylum as the Board of Immigration Appeals [BIA] has ruled. I am concerned that the Attorney General's efforts to countermand

the BIA rulings represent a compromise of Mr. Doherty's due process rights.

Mr. Speaker, I have long believed that the legislative branch should not meddle in cases still pending before the courts. At issue here, however, is an administrative decision pursuant to a recommendation by an immigration court. Again, I urge the Attorney General to listen to his own experts and give Mr. Doherty his day in court.

$150 BILLION A YEAR—WHERE TO FIND IT AND HOW TO SPEND IT

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. TRAXLER. Mr. Speaker, I am taking this opportunity to call the attention of my colleagues to two editorials which recently ran in the New York Times. The first editorial ran on March 8 and involved the peace dividend and recommendations on where to find it. The second editorial, which ran on March 9, also involved the peace-dividend question, and suggested how we should spend it. I strongly urge that all Members of Congress take the time to review these two insightful articles.

[From the New York Times, Mar. 8, 1990]

$150 BILLION A YEAR—WHERE TO FIND IT

[First of two articles]

It's as though America just won the lottery. With Communism collapsing, the United States, having defended the free world for a half a century, now stands to save a fortune. Defense spending could drop by $20 billion next year and $150 billion a year before the decade ends.

What a precious moment; what a Heaven-sent opportunity for a political leader to capture attention and resources and do great good. President Bush, however, resists turning in his winning ticket. What will he do with this peace dividend? He says there won't be one—and besides, it will all have to be spent reducing the deficit.

The President is surely right not to react hastily to the upheaval in global politics. Yes, the cold war is over and the Soviet Union now looks inward. But it will take time to adjust the assumptions and relationships of two generations.

The peace dividend, however, is tangible, and for the President to recoil from it is baffling. It is not bleeding-heart liberals who urge Mr. Bush to be the Education President; that's his own ambition for himself. It is not elitist ecologists who label him the Environment President; that's his own title for his own aspiration.

Why, having pinned himself between a desire for progress and a pledge not to raise taxes, does he shrink from the windfall? Shouldn't he, on his own terms, embrace it? By dismissing it, the President is twice mistaken. The peace dividend is real, and realistically achievable. And the best way to spend it is to promote productivity and growth.

In his own budget, Mr. Bush would reduce the $300 billion-plus total for defense by 2 percent a year. That would save $140 billion over five years—and Congress is sure to cut more. If the Soviet threat keeps dwindling, it's possible to envision a $150 billion Pentagon budget, in current dollars, by the year 2000.

Cuts that deep can only be achieved gradually. It takes time to close bases and production lines. And sensibly, reductions will start small, phasing in with evidence of reassuring change from the Soviet Union. But the sooner Mr. Bush begins to plan for cuts, the sooner savings will accrue.

THE PEACE DIVIDEND IS REAL

Close students of defense acknowledge that significant cuts can be made. William Kaufmann, who advised Republican and Democratic defense secretaries, has demonstrated in a recent study how to halve outlays in a decade. The time to begin is now, with the five-year defense budget the Pentagon will soon submit to Congress.

There are two principal tasks: Reduce conventional forces, and slow the introduction of new weapons, both conventional and nuclear.

WHERE TO START

The Pentagon is building a number of new weapons useful primarily in the event of war in Europe. The weapons they would replace are already as advanced as any in the world. Here is what canceling or deferring acquisition would save in outlays, 1991 to 1995:

	Billion
Army light helicopter	$2
Advanced tactical missile	1
Forward area air defenses	3
C-17 cargo plane	12
Advanced tactical fighter	8
F-16 fighter plane (new model)	10
A-12 attack plane	12
Osprey tilt-rotor aircraft	8
Advanced air-to-air missile	4
DDG-51 guided missile destroyer	8
Seawolf attack submarine	9
Five-year total	77

REDUCE CONVENTIONAL FORCES

Ships, planes, tanks and troops are the place to start. They are where the money goes—four of every five defense dollars. Much of that is keyed to an improbable Soviet attack in Europe. Conventional force talks contemplate reducing U.S. troops from 305,000 to 225,000. Come 1992, that will save about $7 billion a year. Subsequent Soviet withdrawals could trigger more troop cuts, down to, say, 75,000, saving $12 billion more a year. And cutting six backup divisions in the U.S. would save $14 billion a year.

Meanwhile, with a diminished Soviet threat, it's absurd to insist that third world perils require 14 Navy carrier battle groups. Reducing 14 to 12 by 1994 would save $6 billion a year. Reducing to six by 2000 could save an additional $22 billion a year.

It is difficult to calculate the total savings for such cuts in force size because, beyond operating costs saved, there would also be untold savings in hardware and personnel.

SLOW DOWN NUCLEAR MODERNIZATION

This year's bill for missiles and bombers is $52 billion, and present plans could make that $87 billion by 2000. By slowing modernization, outlays could be held below $30 billion a year. The Strategic Arms Reduction Treaty, expected to be signed this year, will help make cuts of this magnitude safe.

With the reduction in Soviet land-based missiles, there's less need to put 50 MX missiles on rail cars, or to buy more Trident submarines than Start permits. Canceling MX mobile basing would save $4 billion between 1991 and 1995; stopping at 18 Tridents and slowing deployment of new D-5 missiles could save $4 billion more.

The B-2 stealth bomber was designed to locate and destroy mobile missiles. Sixteen are already authorized. Deferring further procurement while continuing flight-testing would save $23 billion between 1991 and 1995. Procurement of the advanced air-launched cruise missile can also be deferred, saving nearly $3 billion in those years.

The Bush Administration asks $5.4 billion for Star Wars defenses this year, and more later, even though this mammoth program still lacks clear purpose and faces formidable technical problems. Robust research could be conducted for $3 billion a year, saving $16 billion between 1991 and 1995. Canceling the Army's anti-satellite weapon would save an additional $2 billion.

Apart from Pentagon spending on defense, the Department of Energy wants two new plants in which to manufacture nuclear weapons. But Start reductions will allow most nuclear material to be recovered from dismantled warheads. Canceling one of those plants would save $3 billion between 1991 and 1995, and cutting back warhead production, billions more.

The intelligence budget is secret but is thought to have doubled in the 80's, without commensurate benefit. Spy satellites are needed to monitor arms control agreements, but keeping a dozen or so in orbit will generate more pictures than analysts can assess. Canceling one imaging radar satellite and one photo satellite a year would save $2 billion.

There will not be easy agreement on all these cuts. But they are not reckless or speculative. A plausible plan of reductions could save $150 billion a year by 1999. Even if some cuts aren't made, any large part of $150 billion amounts to real money.

The next question is, what should America do with it? The President says, reduce the huge Federal deficit. So does the Senate. They're right that the deficit clouds the future and demands reduction. But the question here is what to do with the peace dividend windfall, and the best answer is, use it for positive investments in the future.

[From the New York Times, Mar. 9, 1990]

$150 BILLION A YEAR—HOW TO SPEND IT

[Second of two articles]

Yes, there is a peace dividend, a fabulous fortune to be amassed as defense spending is gradually scaled down. By 1999, the amount could readily reach $150 billion a year. But already the line of people with worthy claims on the windfall stretches around the block.

Spend the money, some say, to strengthen the new democracies of Eastern Europe. Use it, others say, to make up for starved social spending in this country. No, say still others, including President Bush, use it to reduce the immense Federal deficit. Indeed, last week the Senate passed a non-binding resolution to do just that.

How should the country spend the peace dividend? One principle can usefully guide debate because it guarantees political consensus: Invest in the future. Make Americans more productive by focusing on two urgent needs—the health and education of youth, and the crumbling national infrastructure.

Cutting back the mountainous deficit, per the Senate resolution, is responsible. But it is misguided and unnecessary. It's misguided because public investment in the economic future is every bit as important as reducing the deficit. It's unnecessary because deficit

cuts already scheduled under the Gramm-Rudman law should suffice.

The larger task before Congress is to promote economic growth. Using the dividend to reduce the deficit would help do that. Smaller deficits would mean less Government borrowing, leaving more money in private capital markets to fuel corporate innovation and investment.

But it would promote growth at least as much to earmark the dividend for the needs of children and infrastructure. The economy needs a better-educated work force and an efficient transportation system at least as much as more investment by General Motors and Sears. Public investments need to be debated on their individual merits, not rejected in slavish devotion to deficit reduction.

WHAT'S THE RIGHT SIZE DEFICIT?

Experts disagree about the desirable leval of deficit, leaving the public uncertain. Benjamin Friedman, a Harvard economist, cites the savings rate, low and falling, as a cause of low investment, sluggish productivity and increased reliance on foreign capital. Not one of these trends is cataclysmic; the combination is frightening. His remedy is to increase savings by insisting that the $100 billion deficit—counting Social Security—be converted by tax hikes and spending cuts into a $60 billion surplus.

But Robert Eisner, an economist at Northwestern University, vehemently disagrees. He argues that the savings rate, excluding public investment, is not too low. Keeping deficits in the vicinity of $150 billion is just fine, because that would keep Federal debt from growing faster than the economy does.

Even without the peace dividend, the deficit is already scheduled to fall. Unless Congress wholly abandons its Gramm-Rudman targets, the deficit—counting Social Security—will be eliminated by the mid-90's. That target is stricter than Dr. Eisner's, looser than Dr. Friedman's. If it is the wrong target, it would not seem to err by much. For the next few years, the Gramm-Rudman targets will produce deficits that are modest by both historical and international standards.

The case for driving the deficit much lower is unproven. That being so, Congress would be wise to use the unexpected peace dividend for public investment. The proper test is how well the investment works—will it enlarge the economic pie?—not how much it affects the deficit. America's human resources and physical capital are too important to sacrifice at the arbitrary altar of deficit reduction.

PUT AMERICANS IN THE FAST LANE

For a decade, needed public investments have been squeezed out by tax cuts, rising military spending and middle class entitlements. Americans pay the cost in the form of airport congestion, decrepit bridges and freeway tie-ups. They also pay for the lost investment in people.

INVESTMENTS IN HUMAN RESOURCES

The most compelling challenge is to give a fair chance for productive lives to the next generation of Americans, one in four of whom is now born into poverty. Programs that do that pay off immediately, commonly saving three and four times their cost in remedial programs.

Funds from the peace dividend would magnify the gains—and the savings. A billion dollars would give comprehensive prenatal health care to an additional 1.5 million poor pregnant women. An additional billion would add 400,000 children to Head Start, which, though widely successful, still reaches only one eligible child in five. Every dollar spent on Head Start, experts say, saves almost $5 in welfare, remedial education and other costs.

INVESTMENTS IN INFRASTRUCTURE

The nation's transportation network has also been allowed to deteriorate. According to the Federal Transportation Department, urban areas now experience two billion hours a year of highway delays. Flight delays at 21 primary airports amount to 20,000 hours a year. Peace dividend money can bring relief and promote economic growth.

There are other worthy, perhaps even compelling purposes for which the peace dividend might be earmarked—including, notably, the environment. If there's to be public debate about the agenda, however, it better start soon. Otherwise, this rare windfall will dribble back into Washington's workaday stew of needs, claims and special interests. The point resounds for Congress and even more for the present occupant of the Bully Pulpit: This is a precious moment, but only if they seize it.

TRIBUTE TO MARIO MANCIERI

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to honor a member of my community who is being recognized for his years of service to his fellow citizens in the field of education.

Mr. Mario Mancieri, of Bristol, RI, is this year's recipient of the Italian Heritage Award. Mario's family immigrated to America from Italy and settled in Bristol. He graduated in 1965 from Providence College where he majored in education and received his first teaching assignment in Tiverton, RI. In 1968, he was appointed teacher/team leader at Henry E. Anthony School in Portsmouth, RI. In 1970, after gaining his master's degree from Rhode Island College, he was appointed principal of the Howard Hathaway Elementary School. While serving at both the Anthony School and the Hathaway School, Mario was instrumental in the design and preparation of the Portsmouth Middle School. Later in 1970, Mario was appointed as the assistant principal of the newly opened Portsmouth Middle School.

In 1974, Mr. Mancieri was appointed as the director of administrative services where he dealt with several crises such as declining enrollment, school closings, and funding deficits. In 1989, Mr. Mancieri was appointed as the superintendent of Portsmouth's 2,600 student, 300 employee school system.

Mr. Mancieri is also a member of several professional associations. He is on the executive board of the RI Association of School Administrators and is the chairman of the East Bay Superintendents' Association and of the East Bay Educational Collaborative.

Mr. Mancieri has shared his success over the years with his wife Margaret and their three children.

It is with great pleasure that I salute Mario Mancieri for his years of dedicated service to education. His efforts have helped our Nation in a crucial area and I wish him continued success in the future.

TAXPAID PUBLIC FINANCE OF CAMPAIGNS

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. JACOBS. Mr. Speaker, those of us who believe that the British system of campaign finance, namely public finance, would be in the best interest of our own system and would be a break for rather than an additional cost to our own taxpayers, have to be encouraged by the Bush administration's apparent support for such a scheme.

Now that the administration has tried United States taxpaid public finance of campaigns in Nicaragua, I hope that its support for it in our own country is forthcoming.

A TRIBUTE TO CLAYTON CUTTER

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. LEHMAN of California. Mr. Speaker, today I rise before my colleagues to pay tribute to a man who made the ultimate sacrifice on February 19, 1990, when he lost his life in a heroic-yet-tragic effort to save six people who had fallen into an icy lake.

Clayton Cutter, a Forest Service firefighter, tried mightily but in vain, to save six people who had fallen through the weak, thin ice of Convict Lake high in the Sierra Nevada Mountains north of Bishop, CA. Clayton Cutter, on that fateful and last day of his life, responded immediately and without self-concern to four panicking teenagers who were helplessly struggling in the icy waters hundreds of yards from the lakeshore. He heroically raced to the brink of the hole in the ice made by the teenagers and was trying in vain to rescue the teenagers when he himself fell through the thin ice. Clayton is survived by his wife, Terry and three daughters: Deena, 11 years; Crystal, 8 years; and Lisa, 20 months.

Clayton Cutter's tragic death epitomizes the kind of courage, dedication, and bravery that Federal firefighters exhibit on a daily basis. Clayton's supervisor, Tim McMullen, said, "He was the quintessential firefighter in that he was dedicated, skilled, strong, loyal, and brave. He was a compassionate man who not only cared for his coworkers, but also for the public for whom he made the ultimate sacrifice." He added, "Clay was a loving husband and father. We lost more than a firefighter; we lost a dear friend whom we loved and admired. Clay was a hero. I wish there were more Clay Cutters in this world, because we need people like him."

Today I would like everyone to take a moment to recognize the heroism of this man. Clayton Cutter died in the line of duty trying to

save another life. There is nothing more noble than this.

TRIBUTE TO BOY SCOUT TROOP NO. 101

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. TRAFICANT. Mr. Speaker, I would like to pay tribute to Boy Scout Troop No. 101, which is in my 17th Congressional District of Ohio. On April 1, 1990, Troop No. 101 will be celebrating its 50th anniversary.

Boy Scout Troop No. 101 has been serving the Struthers, Youngstown, and Campbell communities for the past 50 years. Troop No. 101 was reorganized in 1940 after it folded due to a lack of leadership during World War II. In 1971 John Holderman became Troop No. 101's Scoutmaster and he still holds that position today. Thirty-five Eagle Scouts have come from Troop No. 101 and three adults have received the Silver Beaver, which is the highest leadership award given in Scouting. The Virgil Award has been awarded to between 10 to 12 boys and men from Troop No. 101. The Virgil Award is the highest honor presented by the Order of the Arrow.

Troop No. 101 has traveled to Niagara Falls, Gettysburg, Washington, DC, Philmont Scout Ranch in New Mexico, National Scout Jamborees, National Order of the Arrow Conference, and other Scouting events. The troop has performed opening and closing ceremonies for Boy Scout events and openings of local businesses.

At the present time there are 34 boys in Troop No. 101, and they range in age from 10 to 17. They learn and participate in activities such as first aid, camping, cooking, the use of knives and axes, citizenship and leadership.

Mr. Speaker, I would like to take this opportunity to recognize Boy Scout Troop No. 101 on the occasion of its 50th anniversary. Troop No. 101 has had a long and distinguished history in our community and has added significantly to the development of many young men in the Youngstown, Struthers, and Campbell area. I am proud to have Troop No. 101 in my district.

D.C. SPENDING POLICIES ARE TAXING TO AREA RESIDENTS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mr. PARRIS. Mr. Speaker, I take the floor today to address the taxing and spending policies of the District of Columbia, which have become nothing short of outrageous. Considerable attention has been drawn to this issue recently by a tax revolt declared by several hundred Northwest city residents. The focus of that campaign is the substantial increase in property tax assessments over the last several years. Assessments this year will rise an average of 17.7 percent; however, increases in the more affluent neighborhoods of the city could reach 40 percent. Similar increases were felt by homeowners during each of the last 3 years. Community leaders have warned that such tax burdens could precipitate a flight of the middle class from the city, further shrinking the District's tax base.

My colleagues should also be aware of the controversial package of tax increases recently proposed in the Barry administration budget. These include an increase from 9.5 to 10.5 percent in the top marginal income tax rate, which applies to all annual income earned over $20,000. This increase will impact about half of all D.C. taxpayers. The Mayor's package also proposes an expansion of the already burdensome sales tax to include items such as carryout refreshments. The current sales tax scheme adds 8 percent to the cost of each restaurant meal, 10 percent to each hotel bill, and 12 percent to the already high cost of parking.

Also included in the Mayor's budget is an unprecedented tax on professional services. Such a measure would have one of two intolerable results, either double-taxing lawyers and accountants who are District residents, or forcing professionals who commute to work from Maryland and Virginia to help shoulder the tax burden of their neighboring jurisdiction. In this sense, the professional services tax is akin to the hotel tax and the discredited commuter tax concept. Each is an attempt to shift the burden of D.C. spending policies from D.C. taxpayers—who are already at the breaking point—to residents of other jurisdictions. Mr. Speaker, Maryland and Virginia residents already pay out significant portions of their income to fund services and infrastructure in their own communities. They also fund D.C. operations—as do all working Americans—through their Federal tax dollars. If the District government were forced to view tax revenues as a finite source draw from its own residents, perhaps it would pursue more responsible spending policies.

A fine example of current spending policies is the recently publicized recreation center proposed to be built in Maryland for D.C. city employees. This $19.2 million project boasts 100 bedrooms, a lavish aerobics studio, and a 2,000 square foot weight room. The proposal was prepared by the D.C. Office of Personnel, the same folks that brought us the Virgin Islands trip 2 years ago. Can there be any justification for the construction of this "Greenbrier on the Potomac" in the face of budgetary constraints that strain fundamental civic services to the breaking point? I think not.

Mr. Speaker, the unprecedented economic boom that the Washington area has experienced over the last decade is beginning to level off. The District government must reawaken to the sobering truth that revenues are not limitless. Every aerobics studio built is a road unpaved, a housing violation uninspected, a policeman's pension unfunded, and a drug treatment center unstaffed. I urge city officials to return to fiscally responsible budgeting before the Congress is required to do it for them. The District of Columbia needs new spending priorities, not new sources of revenue.

MEDICARE ASSISTANCE

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 1990

Mrs. JOHNSON of Connecticut. Mr. Speaker, this week my colleague on the Ways and Means Health Subcommittee, Representative JIM MOODY, and I, introduced legislation to assist rehabilitation facilities and long-term hospitals, meeting the cost of caring for Medicare patients.

These hospitals are especially strapped by inadequate Medicare payments. Medicare constitutes approximately 50 percent of the caseload of long-term and rehabilitation facilities; the sickest and most complicated cases among the elderly fall to these institutions to treat.

Most Medicare patients come to a long-term or rehabilitation hospital after a stay in an acute-care hospital. Due to Medicare cost-saving measures, long-term and rehabilitation facilities now receive patients "quicker and sicker" and bear the responsibility for increased nursing and therapy services and often increased lengths of stay.

Because these specialized institutions are paid according to TEFRA rules and not PPS, those who began serving Medicare patients in the early 1980's when health care costs were comparatively low are now locked in to Medicare payment rates that are far below the true cost of serving Medicare patients.

Mr. Speaker, our bill would allow a long-term or rehabilitation facility to elect to change its TEFRA cost base year to 1988, which would provide them with Medicare reimbursements that better reflect today's health care costs.

We need to ensure that the highest quality of care is available to stroke victims, those who have suffered traumatic injury, and patients in need of long-term intensive assistance, such as those with severe respiratory failure. Help for rehabilitation and long-term hospitals, through support for this legislation, may make the difference between dependence and independence for countless Medicare recipients.