HOUSE OF REPRESENTATIVES—*Wednesday, September 21, 1994*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 21, 1994.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

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

We are grateful, O God, for these people who serve this institution with grace and integrity, whose dignity and honor are standards for any conduct. We remember those who have committed themselves to public service and who freely give of their commitment to the important responsibilities of this assembly. May their dedication to their tasks and their accountability to high principles be marks of their service and a profound gift to us all. In Your name, we pray. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will ask the gentleman from Ohio [Mr. TRAFICANT] to come forward and lead the Members in the Pledge of Allegiance.

Mr. TRAFICANT 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.

GOOD NEWS—MORE HEALTH BENEFITS ALLOWED BY OFFICE OF PERSONNEL MANAGEMENT

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

Mrs. SCHROEDER. Mr. Speaker, this is an exciting occasion, and I thank all the Members of this body who joined me in my bill asking that the Federal employees health benefits include bone marrow transplants for people with breast cancer or ovarian cancer. I can tell the Members that we did not have to pass the bill. The very good news is that we made such a good case that you can tell by this morning's newspaper that the Office of Personnel Management has now announced that benefits will be increased to cover those items.

This is going to save many, many lives, and it is going to save an awful lot of dollars. I thank them for having an open mind and not forcing us to pass legislation. That is how things should be done here.

But I thank all the Members who helped us make the case, too. I think for everybody in America this is good news because the Federal employees health benefits package is the model for many others, and we hope that we will soon see CHAMPUS and many States joining and including these things in the benefits package that goes out to people, because we know it is now beyond the experimentation level and really does work.

SAVING FACE IN HAITI?

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

Mr. BALLENGER. Mr. Speaker, ever since the Clinton administration's Haiti deal, we have been hearing about how important it was to allow Haiti's military rulers to save face.

America has a much lower opinion of what part of the anatomy the Clinton administration was trying to save down in Haiti.

Whatever was accomplished in last minute discussions it does not put an end to the basic questions.

Now that there is no invasion, not even a rag-tag army to defeat, what exactly is the military's mission down there?

How long will they have to do it? Not in the vague diplomacy-speak of nation-building or democracy-restoring but in the real world, everyday language of days, weeks, months, and years.

Who will pay for whatever it is they are doing and however long they will be doing it? Will an already slashed military budget have to pick up these costs too? At the same time shaving off a little more of America's own security?

In the White House the celebrations have begun; it is now time the answers came.

CONFUSION IN HAITI

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

Mr. TRAFICANT. Mr. Speaker, America is now buying guns from the Haitian people for $50. American troops have landed. They are confused, and they do not know what to do. Some of them are sightseeing.

The White House has said that Jimmy Carter's deal has gone too far, and Jimmy Carter said that the White House has not gone far enough. President Clinton said that Cedras is a thug, but Jimmy Carter said that Cedras is OK.

Aristide is upset. He did not ride in on some big charger.

Mr. Speaker, what is going on in Haiti? We have gone from a policy of "Come to America" to "Stay out. Stay out of America." Then we have gone from "We'll invade you if you don't straighten out" to "Now let's be friends."

Mr. Speaker, what is our role in Haiti? I say it is time, before we go from John Wayne to Woody Allen, that we figure out why we are spending $1 billion in Haiti and not investing that money in America where we have our own problems.

Think about it.

HAITI: WHAT TYPE OF MISSION IS THIS?

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

Mr. KNOLLENBERG. Mr. Speaker, after only 2 full days of this mission, I am becoming increasingly concerned about the role that the United States is playing in Haiti. The following incidents highlight my concern.

First, two pro-Aristide civilians were clubbed to death in broad daylight in front of U.S. military forces.

Second, it is now being reported that we will be offering $50 hard-earned, taxpayer dollars for each Haitian gun that is turned in.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

And third, it is also being reported that in order to ensure that we have control of the Haitian military, the United States will begin paying the salaries of Haitian soldiers.

Mr. Speaker, what do you suppose White House Chief of Staff Leon Panetta's response was to these points: "We are reconsidering the mission and its terms of engagement." So is this administration changing its tune after only 2 days?

This is unbelievable. Should we not have thought these points through long before we sent our young men and women into harm's way?

Mr. Speaker, I would urge you to join me in calling on my colleagues to ask the Democratic leadership for a full and fair debate on this new policy before we end up losing brave young lives like we did in Somalia.

REAL CHANGE, NOT REDEFINITION

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

Mr. SMITH of Texas. Mr. Speaker, the administration is claiming credit for solving the problem in Haiti they themselves created—like a kid who intentionally jumps into the mud and then wants a reward for taking a bath.

Worse than this spectacle is the specter of thousands of American troops remaining indefinitely in Haiti. Occupation is better than invasion, but it is still bad policy.

President Clinton told America he ordered troops to Haiti because General Cedras and his henchmen were murderers, rapists, and torturers. Now, out of mutual respect he has agreed to give these same people amnesty and honorable retirement.

The administration's redefinition of good foreign policy is as misguided as their redefinition of good domestic policy: more spending and regulations, higher taxes and interest rates, and the systematic deconstruction of family values.

America wants real change, not redefinition. Next Tuesday, Republicans will guarantee it by signing a contract with America.

A campaign promise is one thing, a signed contract is another. Real change, not redefinition; Republicans will guarantee it in writing.

PROMPT AND ORDERLY WITHDRAWAL OF TROOPS FROM HAITI NEEDED

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

Mr. MANZULLO. Mr. Speaker, is it not ironic we are now working closely with Haiti's military rulers that President Clinton once trounced? In plain view of American soldiers, who are under orders not to intervene, Haitian police yesterday attacked crowds of demonstrators and killed a coconut vendor who was cheering the U.S. intervention. Some mission. No defined mission. Yet we are told by the administration that we are in Haiti to train the police, disarm the Haitian military, restore democracy, and secure a safe environment. Yet how will we know when that is done? And, to top it all, Aristide is not grateful for what we have done. He is a leftist leader who supports antidemocratic ways of settling disputes, including necklacing and inciting mob violence to intimidate opponents. How long will it be until he stirs up the Haitian people to say Yankee go home? Will American soldiers be targeted by these mobs?

Mr. Speaker, America has no mission in Haiti. We should return immediately. But now that we are there, let us set a deadline, possibly October 15, which is the date by which Mr. Aristide is to resume power.

TRIBUTE TO MISS AMERICA 1995, MISS HEATHER WHITESTONE

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

Mr. CALLAHAN. Mr. Speaker, my home State of Alabama is literally bursting with pride this week as one of our own, Miss Heather Whitestone of Birmingham, was crowned Miss America at the 68th annual pageant held in Atlantic City, NJ.

Clearly the crowd favorite from the moment the curtain rose, Heather also captivated the Nation early in the evening as she performed a 2½-minute ballet to the Sandy Patti hit, "Via Dolorosa." As we now know, what made this particular performance even more special is that Heather can't hear music when she dances, because she has been deaf since childhood.

Mr. Speaker, Heather Whitestone is a wonderful example of everything that is good and decent and admirable about America's youth. You can tell just by looking at her, and listening to her talk that her beauty is anything but skin deep.

I know with all certainty that our new Miss America will be one of the best ambassadors for good will our Nation has ever had. And with the same confidence, I also know that Heather Whitestone's win last Saturday night will do even more for the millions of other young people all across this land who also have some type of disability. Heather's attitude and outlook on life is really pretty simple: She says if you work hard and never quit, there is nothing you cannot accomplish.

That is pretty good advice for people of all ages. And she is living proof that it works.

On behalf of the people of south Alabama, I salute Miss America 1995, Miss Heather Whitestone.

THE GIANT SUCKING SOUND OF ENTANGLEMENT

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

Mr. GOSS. Mr. Speaker, yesterday, we heard about how little American troops knew about the parameters of their mission in Haiti, except as one soldier from Florida said, "not to shoot anybody." Today, the headlines scream: "U.S. Finds Itself Stuck in the Middle" with reports of mob violence in Port-au-Prince that left two Haitians dead. This morning, we hear that the rules of engagement may have to change. To what? Will our troops now become active referees in this deadly struggle? We are hearing the giant sucking sound of entanglement, and still the President does not understand that the quagmire of Haiti's internal strife is no place for American troops. With President Aristide—the man at the center of this whole operation—refusing to endorse the agreement, and the United Nations refusing to lift the punishing economic embargo, I fear the violence will only get worse and the terms of the contract abrogated. I urge the President not to wait for the first American casualty; put a stop to this misguided mission now.

MODIFICATION IN APPOINTMENT OF CONFEREES ON H.R. 6, IMPROVING AMERICA'S SCHOOLS ACT OF 1994

The SPEAKER pro tempore. Without objection, the Chair announces that under the authority granted in clause 6 of rule X, the Speaker hereby modifies the appointment of conferees on the bill (H.R. 6) to extend for 5 years the authorizations of appropriations for the programs under the Elementary and Secondary Education Act of 1965, and for certain other purposes, as follows:

As an additional conferee from the Committee on Education and Labor, for consideration of the House bill and Senate amendment (except sections 601–03 and 801–05), and modifications committed to conference:

Mr. MILLER of California.

There was no objection.

SMALL BUSINESS REAUTHORIZATION AND AMENDMENT ACT OF 1994

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to House Resolution 494 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the

Union for the consideration of the bill, H.R. 4801.

□ 1018

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4801) to amend the Small Business Act, and for other purposes, with Mr. WATT in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 30 minutes, and the gentlewoman from Kansas [Mrs. MEYERS] will be recognized for 30 minutes.

The Chair recognizes the distinguished gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 4801, the Small Business Reauthorization and Amendment Act of 1994.

□ 1020

Mr. Chairman, this bill provide authorizations for programs administered by the Small Business Administration for fiscal years 1995 through 1997. I will be offering an amendment on behalf of myself and Mrs. MEYERS to make reductions in some of the authorizations for the venture capital programs.

For 1995, all of the SBA programs would include $153 million in direct loans and purchases of preferred stock, $12.2 billion in guarantees of loans and debentures, and $1.8 billion in guarantees of surety bond guarantees.

This compares with an administration request for $23 million, $12.45 billion, and $1.76 billion for these programs.

For 1996, these programs would include $209 million in direct loans and purchases of preferred stock, $14.4 billion in guarantees of loans and debentures, and $1.8 billion in guarantees of surety bond guarantees.

For 1997, these programs would include $275 million in direct loans and purchases of preferred stock, $18.4 billion in guarantees of loans and debentures, and $1.8 billion in guarantees of surety bond guarantees.

Over the next 3 years, almost all of these increases are in the 7(a) General Business Loan Program, the Certified Development Company Loan Guarantee Program which provides long term financing for plant and equipment and in the new participating security financing mechanism being made available to small business investment companies which are licensed by SBA to provide venture capital to small firms.

Other provisions of this reauthorization bill make improvements in the Microloan Program which provides loans averaging $10,000 per borrower, conform terms of export loans to more closely equate with needs of sellers in foreign commercial markets, and facilitate loans through delegation of authority to the participants in the Certified Lenders Program.

Other titles in the bill will provide some relief to participants in the 503 Development Company Program, and two other programs, who are paying interest rates well above market rates and yet due to exorbitant prepayment penalties are precluded from prepaying these loans now held by the Government.

In addition, the bill restructures the National Women's Business Council and reestablishes an Interagency Committee of Federal Policymakers to examine the ways to promote the development of women-owned businesses.

The committee approved this legislation by a vote of 34 to 9. I believe that the main objections to this bill in committee were caused by the proposed increases in the Small Business Investment Company and Specialized Small Business Investment Company Programs. These programs license private companies which provide venture capital to small businesses. I would also note that in the aggregate, even higher levels were requested by the administration, but that my mark, which the committee approved, reduced the amount of the increase which would be provided.

Some have said that these programs have problems and should not be increased in size. I would agree that the Small Business Investment Company Program did have problems, but I believe that the 1992 legislation, and the implementing regulations, corrected these problems. It did this by:

Emphasizing the need for better quality SBIC management; Providing higher standards of applicants for licenses;

Minimizing an SBIC's cash-flow problems by use of participating securities;

Requiring more accurate valuations by each SBIC of its investments; and

Increasing the frequency of audits of each SBIC and doing the audit within the investment division of the agency, the division which is responsible for supervision and approving funding requests.

In any event, use of the new participating security was not part of any problem. It should not be held captive while we are more closely examining the old program to be sure that the problems have been fixed and while we await a report on the Specialized Small Business Investment Company Program from a private sector council.

In the spirit of compromise, however, Mrs. MEYERS and I have reached an agreement on these issues.

Basically, we have agreed to continue the levels now authorized by law for both SSBIC Programs and for the SBIC Debenture Guarantee Program for fiscal years 1995 through 1997; and our agreement would set the program level for the new SBIC participating security at existing law for 1995—$400 million—but would split the difference between existing law and the amounts approved by the committee for the 2 out-years. Thus the amounts authorized for the Participating Securities Program would be $650 million for 1996 and $900 million for 1997.

At the appropriate time, I will offer an amendment to accomplish the necessary changes in the bill.

I want to point out that interest in this program has been phenomenal; 75 companies with private capital of $1.3 billion have sought Small Business Investment Company licenses this year. This amount would fill much of the need for venture capital by small businesses. But, these private investors are putting up this money contingent upon the Government becoming funding partners and making additional capital available to these companies.

This legislation requires the SBA to submit a detailed report on the Small Business Investment Company Program next spring. If it is favorable, as I anticipate, it will be my intention to revisit the out-year authorizations for the Small Business Investment Company Program.

This legislation also requires SBA to convene a blue ribbon private sector panel to examine the Specialized Small Business Investment Company Program and to make recommendations. If this panel does as well as the Cloherty Commission which examined the regular Small Business Investment Company Program several years ago, I expect we will receive information upon which to formulate legislation to reinvigorate the Specialized Small Business Investment Company Program so that it can more fully serve the venture capital needs of minority small businesses.

Before concluding, I want to thank all of the Members of the committee for their work and cooperation in formulating this bill and presenting it to the House. Particularly, I want to thank Mrs. MEYERS for her assistance and cooperation and acknowledge the contributions of many other Members such as Representative MARJORIE MARGOLIES-MEZVINSKY and Representative LUCILLE ROYBAL-ALLARD who worked closely to develop title VI of the bill to enhance the development of women-owned enterprises.

Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS].

(Mr. LEWIS of Georgia asked and was given permission to proceed out of order.)

REMEMBERING JEAN YOUNG

Mr. LEWIS of Georgia. Mr. Chairman, I rise today with a deep sense of sadness and sorrow over the passing of Jean Childs Young, the wife of Ambassador Andrew Young. Our prayers are

with Andy, her children, her grandchildren, and other members of her family.

Many of us in the civil rights movement got to know this beautiful and gifted woman as she worked with her husband, Ambassador Young, during the early days of the movement. In Jean Childs Young, we had a pillar of the civil rights movement. She was the personification of grace, charm, intellect, beauty, and compassion.

Jean Childs Young represented the very best of America. She was a source of inspiration to thousands. For many of us and especially those who participated in the civil rights movement, her passing means the loss of a dear and special friend.

Mrs. Young was always charming and generous. She was a great supporter of children's issues and education. She worked tirelessly to improve conditions for the world's children and to improve educational opportunities for all.

Mrs. Young will be missed by the many who knew her and her life's work. Her passing is a great loss.

□ 1030

It is a great loss to the city of Atlanta, to the State of Georgia, to the Nation, and to the world.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4801, the Small Business Administration Reauthorization Act. H.R. 4801 is our basic 3-year reauthorization for the Small Business Administration. H.R. 4801 sets the program levels for the SBA's various direct and guaranteed loan programs. Included in the bill are authorization levels for the major small business financial assistance programs, such as the 7(a) General Business Loan Program, the Certified Development Company Program, and the Small Business Investment Company Programs.

A major function of the SBA is assisting small businesses in their quest for capital, and these reauthorization levels are set to meet the anticipated demand through 1997. The majority of SBA loan programs are run on a guaranteed basis, giving the taxpayer the most bang for the buck. For example, the 7(a) Loan Program, the SBA's flagship program, will be authorized to guarantee over $9 billion in loans with an outlay of less than $250 million. Programs like this provide the vital capital assistance necessary to make small business the effective job creator that drives our economy, a benefit that far outweighs the cost to the taxpayer.

H.R. 4801 also reauthorizes the counseling and assistance programs at the SBA. These programs, like the Small Business Development Centers and SCORE, provide valuable, affordable advice to small business men and women, giving them access to experience and knowledge which might otherwise be hard to find.

In addition to reauthorizing programs, H.R. 4801 also makes numerous improvements in several SBA programs. The committee has voted to establish new Accredited and Premier Lender Programs that will give the Certified Development Companies more flexibility and discretion in their lending, and reduce the impediments to their efforts to promote growth and job creations.

The committee has also increased the limits on the International Trade Lending Program to enable small business to access foreign markets and help expand our economy by expanding our markets.

The SBA reauthorization bill removes a provision prohibiting the SBA from adjusting the size standards for the five industries in the Competitiveness Demonstration Program. These industries—construction, dredging, waste removal, architecture and engineering, and ship repair—have been frozen at outdated size standards for several years as a result of the prohibition. In addition, we are granting the Administrator of the SBA greater flexibility to try some new methods for determining proper small business size standards.

H.R. 4801 also offers a solution to the long-standing problem of debenture prepayment penalties in the 503 Loan Program. I am pleased that the appropriators have found at least some of the funds necessary to alleviate this inequitable situation.

I am pleased that H.R. 4801 takes important steps to strengthen our efforts to assist small businesses owned and controlled by women through the creation of an Interagency Committee on Women's Business Enterprise. This committee, consisting of policymakers from all cabinet departments and other Federal agencies, will work in concert with the private sector advisory entity, the National Women's Business Council. Together they will identify, and take steps toward solving, problems that act as barriers to the success of women-owned businesses.

Finally, this legislation instructs the Office of Advocacy at the SBA to conduct a comprehensive study of the impact of Federal regulation, paperwork, and taxes on small business. This has been a growing concern both in Congress and the small business community and I am glad that we are taking steps to address it.

Mr. Chairman, this is a good bill. The committee worked hard and held a series of seven hearings, in addition to our usual oversight efforts, and Chairman LAFALCE deserves a great deal of credit for his efforts. I ask my colleagues to support this bill and support small business.

Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. BAKER].

Mr. BAKER of Louisiana. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I wish to express my appreciation to the gentlewoman from Kansas [Mrs. MEYERS], the ranking member, and the members of the committee for the inclusion of an important and, I think, innovative program in SBA authorization. America today is constructed of a number of business interests, but far and above all others, mom and pop businesses are what America is all about.

In fact, when we look at the number of employees in businesses around the country today, as an example, over 90 percent of the businesses in America today employ less than 25 people. Seventy percent or more employ less than 10, yet, when we look at the traditional definition of a small business in terms of the administration's definition of a small business, we find it is 500 employees, or total receipts of less than $5 million a year, so many of the programs requiring government enterprises to do business with small firms, in fact, turn out to be very large businesses. One-half of 1 percent of all the approved 8(a) contractors in my State, for example, get over 90 percent of all the contracts. Yes, they are the very large firms, not the small mom and pops that make up Main Street America.

Mr. Chairman, a new program, a new requirement, has been included in this legislation called a very small business set-aside, which creates for the first time an ability for a Federal procurement agency to do business with a company with less than 10 employees, thereby allowing the mom and pops on Main Street America to compete successfully for Federal dollars which are spent on goods and services.

Mr. Chairman, this set-aside has nothing to do with race or sex or any other normal demographic. It simply allows any businessman who truly is a small business to compete with others for the opportunity to see their firm grow from 5 employees to perhaps 10.

Mr. Chairman, if we are indeed to see economic expansion and real job creation across our country, it is going to come from allowing small businesses to participate in the huge Federal expenditures for goods and services. This is a very important new initiative, and I certainly wish to express my appreciation to the Members on both sides of the aisle who allowed this innovative approach to be tested. I am optimistic that over the coming months, as we look seriously at the problems of the 8(a) program, we can find a way to allow small business to truly share in the expenditures of massive Federal Government. It is an appropriate and logical step for us to take.

Mr. LAFALCE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. ROYBAL-ALLARD], so we might engage in a colloquy.

Ms. ROYBAL-ALLARD. Mr. Chairman, first of all, I rise in strong support of H.R. 4801, the Small Business Reauthorization and Amendments Act of 1994. This act helps provide critically needed support for the small businesses in this country.

I would also like to thank the committee for allowing me, in conjunction with my distinguished colleague, the gentlewoman from Pennsylvania [Ms. MARGOLIES-MEZVINSKY], to amend H.R. 4801 to preserve the independence and the funding of the National Women's Business Council so it may continue its crucial work of promoting women's business ownership, and for adopting my amendment to authorize the use of Mobile Resource Centers to expand SBA's outreach efforts to traditionally underserved urban and rural areas.

Mr. Chairman, as previously agreed, at this time, I would like to engage in a brief colloquy with the distinguished chairman of the Small Business Committee.

Mr. Chairman, during the committee's deliberations on H.R. 4801, I raised concerns about the distribution of loan guarantees made to minorities and women under the SBA's 7(a) loan program.

As you know, the 7(a) loan represents 90 percent of the SBA's total loan commitment. There is evidence, however, that minorities and women are not being adequately served by this program.

The most recent report on the 7(a) program found that women-owned businesses received only 11.5 percent of the total 7(a) guaranteed loans, and that all minority groups combined received only 12.7 percent of these loans.

Mr. Chairman, I would ask the chairman of the committee, am I correct in my understanding that he agrees that the distribution of 7(a) loan guarantees needs closer congressional scrutiny, and that the committee, under your leadership, will work to ensure that the SBA provides accurate information to the committee on the equitable distribution of 7(a) loan guarantees to women and minorities?

□ 1040

Mr. LAFALCE. Mr. Chairman, I thank the gentlewoman very much for taking the lead in these very important issues.

Our committee is extremely concerned about the amount of loans being provided to women and to minorities and, therefore, we have discussed this on many occasions with Administrator Bowles. He shares this deep concern.

In fact, this month after examination of data on a district-by-district basis, the Administrator and each and every district director agreed on specific goals for improvements in lending to minorities and to women; indeed, entered into contracts to achieve certain goals.

There are, however, some problems with the statistics now maintained by the SBA. The agency and its program participants are working to not only identify the problems but then to correct them.

In addition, there may be a conflict between an SBA requirement that lenders compile and report loan data based upon sex or race and what is known as Regulation B of the Federal Reserve Board which seems to prohibit lenders from considering such factors.

The committee will continue to work with the SBA and the Federal Reserve Board to resolve this situation and allow the SBA to compile accurate and meaningful data which this committee can then evaluate as part of the oversight function with respect to SBA lending.

It is my belief that the amount of lending to women and to minorities is far too low and I assure the gentlewoman that we will continue to work very closely with her to secure significant improvement.

Ms. ROYBAL-ALLARD. Mr. Chairman, I thank the gentleman. As always, I appreciate his willingness to work with the committee members.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of this legislation and commend the committee chairman and ranking member on their leadership on small business issues and on this reauthorization.

There are many good things in this reauthorization bill from the point of view of the ability of small businesses to grow and develop in America, but there are a couple of provisions that I am very concerned about. I am disappointed with the cut in the budget of the Office of Women's Business Ownership and I regret also the reduction in support for the National Women's Business Council, because the majority of small businesses in America are being founded by women. They are founding very small businesses. The challenge to America if we are going to continue to create jobs at a pace that serves our people is to help those small businesses grow into medium-sized businesses and finally into big businesses. The Office of Women's Business Ownership has been more practical, has been more closely allied with the women business ownership community than any other office of Government and has developed realistic resources to help those small businesses founded by women to grow into stronger small businesses and finally into medium-sized businesses.

Women-owned businesses do face barriers in today's economy. That is why the interagency committee that is set up in this legislation is really a very significant contribution. There are many barriers to small businesses participating in, for example, Government purchasing contracts and there are even additional barriers for women-owned small businesses, and that is still true in the broader, private economy. Access to credit and those kinds of things are more difficult for women-owned small businesses. Since women are founding the majority of small businesses in America, it is indeed unfortunate, and was a very, I think, unfortunate signal from this administration—which is where I know this initiative originated—to send. We should not be cutting the support for the Office of Women's Business Ownership and the National Women's Business Council in our appropriations process, and which two oppose that cut, two nonetheless, appreciate this committee's strong support for the small business community and sensitivity to the needs and interests of our small business owners, many of whom are inventive, resourceful, strong women of America.

Mr. LAFALCE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. POSHARD].

Mr. POSHARD. Mr. Chairman, I rise in support of the bill. Small Business Administration programs are often overlooked by those of us who frequently praise small business as an engine of growth in our economy. Smaller firms certainly have been the source of most of this country's new jobs and innovations in recent years. And no one deserves more credit for that fact than the thousands of entrepreneurs and managers who undertake risk and devote much of their lives to pursuing the special satisfactions of owning and managing their own companies. Still, I think it is important to note the growing role of, and the increasing demand for, SBA programs that assist this crucial sector.

I would like to praise the role of the chairman of the Small Business Committee, Mr. LAFALCE, for his stewardship over this bill and for his leadership on the committee. This bill contains significant program innovations, and its authorization levels for SBA's crucial credit programs reflect both the increased demand for and the success of those programs.

These SBA programs deliver great direct benefit to our domestic economy at low taxpayer cost. They constitute a sound investment in the truest sense, generally more than paying for themselves in returned revenue. And I believe Administrator Erskine Bowles is revitalizing the SBA to promote even better service to its ultimate customer—the country's small businesses.

Today's bill contains one new program, the Accredited Lender Program, which I would like to mention. The

Small Business Committee included the ALP concept, drawn from a bill which I had previously introduced. The Accredited Lender Program will allow certified development companies participating in the 504 loan program, who have a proven record of success in that program, to receive expedited processing from SBA on their loan applications—usually within 5 working days.

By avoiding duplication of paperwork, the Accredited Lenders Program will allow small businesses to receive approval and credit promptly, which we know can often be the difference between a deal happening and its falling through. It can be the difference between jobs being created or not. I am confident that this new ALP program will help the 504 program to deliver even more benefit than that successful program does now, with no significant increase in exposure of taxpayer dollars to risk of loss.

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

Mr. LAFALCE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I rise in support of H.R. 4801, and congratulate the gentleman from New York and the gentlewoman from Kansas for crafting legislation that has drawn bipartisan support in the Small Business Committee. This reauthorization bill contains several programs which will foster the growth of small business.

Small business, as we all recognize, represents the fabric of economic recovery and future growth in both large and small communities. I have witnessed first hand in my district the benefits of flourishing small businesses. These benefits include higher employment rates and reduced crime. Perhaps the greatest benefit, however, are the partnerships that have formed between business, local government, and community groups. These groups should be commended, but they should also be assisted by the Federal Government.

The SBA serves in this capacity and Congress would be remiss if it did not allocate adequate resources and programs to assist small business. Through export loans, accredited lenders programs, assistance for women-owned businesses, and other programs, H.R. 4801 provides innovative assistance to small business.

Mr. BAKER from Louisiana also deserves commendation for his amendment which establishes a 3-year pilot program to provide procurement opportunities for businesses with 10 employees or less. I concur with my colleague from Louisiana, and believe that mom-and-pop style business deserve assistance from the SBA. Finally, I urge support for this bill, despite its lowered levels of funding for the SBIC and SSBIC programs. Although I would prefer the levels proposed by the administration, I still recognize that the overall bill contains the essential programs required to assist small business. I would therefore urge strong bipartisan support for this legislation.

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Mr. LAFALCE. Mr. Chairman, I thank the gentleman from New York for his fine remarks.

Before yielding back the balance of my time, I would be remiss if I did not point out that one of the previous speakers, the gentleman from Illinois [Mr. POSHARD] was extremely helpful in the formation of this bill, and indeed authored the legislation establishing the accredited lenders program as part of the CDC or 504 program whereby experienced community development companies will receive priority processing of their applications. So my special thanks to him, too.

Ms. SNOWE. Mr. Chairman, I rise in support of H.R. 4801, the Small Business Reauthorization Act of 1994 to authorize funding for the Small Business Administration [SBA] for the next 3 fiscal years. Small businesses play a critical role in the long-term growth and prosperity of our Nation by providing stable, permanent jobs. The SBA has made a significant contribution in helping create and maintain small businesses around the country and in my home State of Maine, so I am proud to support the reauthorization of the Small Business Administration.

Small business means jobs. Nationally, 54 percent of American workers are employed in small business—those firms with fewer than 500 employees—according to the SBA. Small businesses are the backbone of Maine's economy. Roughly, 97 percent of businesses owned in Maine are small businesses, and these employ 62 percent of Maine's nonfarm workers.

The Small Business Administration has played an integral part in the formation and successful operation of Maine's small businesses. Through the first 6 months of this year, the SBA has provided $33.46 million in the form of direct loans and guaranteed funding for Maine's small businesses. Since 1992, SBA funding for Maine has totaled $128.9 million.

In part because of SBA's involvement, Maine businesses continue to increase. According to the latest SBA data, new business formations rose 6.2 percent in Maine from 1991 to 1992. This compares with a 1.1 percent rise nationally over the same period. Maine ranked 16th in the Nation in business formations.

The contribution of the SBA toward creating a productive small business environment is unquestionable. Over my years of service in Congress, including 4 years as a member of the House Small Business Committee, I have been proud to work with the SBA to help develop small business and address its concerns.

In June 1991, I helped the Small Business Administration announce the launching of a new program in New England designed to address the credit crunch. Called the Revolving Line of Credit Program, it enabled the SBA to guarantee up to 75 percent of a revolving line of credit extended by a commercial lender. Such federally guaranteed loans can be used as working capital by small manufacturing businesses. I also cohosted then-SBA Administrator Pat Saiki's visit to Maine in 1992 to discuss what the SBA could do to help small business in Maine.

Recently, I have been working with my colleagues on the New England Congressional Caucus to address the difficulties of small businesses in our region. As cochair of the caucus, I held a meeting on June 10, 1993, with the four Federal regulatory agencies to discuss why Maine small businesses have trouble obtaining credit and what approaches can be taken to fix the problem. Part of the solution is to relieve the regulatory burden on lending institutions, and legislation is currently pending in Congress to do just that.

Mr. Chairman, I supported the SBA reauthorization in 1990 and I will support this SBA reauthorization bill because the SBA works for small business. Maine small business benefit from SBA programs, like the microloan program, inaugurated during the Bush administration by Senator BUMPERS, and which provides direct small business loans up to $25,000 to entrepreneurs.

Microloans were created as a demonstration project in the Senate version of the fiscal year 1992 Commerce, Justice, State appropriations bill and Senator BUMPERS is credited for crafting the language for the microloan program. Senator BUMPERS' demonstration microloan program was later incorporated into H.R. 4111, the Small Business Credit Crunch Relief Act of 1992.

Maine has one of the oldest microloan programs in the country. In the spring of 1992, Coastal Enterprises, Inc. of Maine was selected as one of 35 qualifying organizations nationwide to initiate the Microloan Demonstration Program. However, as far back as 1984, some Maine localities were creating loan pools to make small loans to start-up businesses and served a similar purpose as the subsequent SBA microloan program.

From the fall of 1992 through March 1994, 87 microloans were made in Maine, creating 134 jobs. During this period, Maine has received over $1 million in microloans. I am pleased that this bill authorizes $130 million for microloans in fiscal year 1995, with increased authorizations in the subsequent 2 fiscal years.

I further support the bill's establishment of an Accredited Lenders Program, which will facilitate processing of loan applications and eventually allow qualified lenders to approve SBA-guaranteed loans on behalf of the SBA directly.

As cochair of the congressional Caucus for Women's Issues, I strongly support the bill's provisions on the development of women-owned businesses. According to the latest Census Bureau statistics, women-owned businesses increased 65.3 percent during the 1980's. The bill establishes an Office of Women's Business Ownership at SBA. It also restructures the National Women's Business Council as an advisory council to the SBA and Congress, although I regret that funding for the NWBC has been reduced by more than

half of what it has been in the past—from $500,000 to $200,000.

Mr. Chairman, the Small Business Administration works for small business and small business makes America work. Small business and entrepreneurship are the engines that drive the American economy. The Small Business Administration fulfills a vital role in support of American small business and therefore I am proud to support SBA reauthorization.

Ms. SCHENK. Mr. Chairman, I rise today in support of H.R. 4801, the Reauthorization of the Small Business Administration. As the Federal agency responsible for providing assistance to the Nation's small businesses, the Small Business Administration performs many important functions. Reauthorization is crucial to the thousands of businesses that rely on SBA loans and guarantees.

The bill makes a number of key changes in SBA programs that will lead to the expansion of opportunities for small businesses, but I would like to focus for a moment on one program in particular—the Microloan Program. The Microloan Program makes loans to local intermediaries such as an Economic Development Corporation or a Chamber of Commerce which in turn, loan money to very small business or entrepreneurs who otherwise would not be able to borrow money. This allows local organizations, not the Federal bureaucracy to makes the lending decisions. Since its inception 3 years ago, the program has met with remarkable success. Unfortunately, current legislative limitations have constrained its expansion.

H.R. 4801 rightly removes arbitrary State funding caps and restrictions on the number of intermediaries per State. These limitations penalize large States such as California and prohibit many worthy organizations from competing to become an intermediary. The bill also eliminates the intermediary cap of $1.25 million so that regions can expand their program as business opportunities grow.

Expansion of the Microloan Program is a smart, sensible way to encourage new start-up business which are the key to reviving many local economies. By eliminating caps and increasing the amount of money available to small business owners, we can give more Americans something many have always dreamed of—the opportunity to own their own business. I urge my colleagues to support passage of this important bill.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of the bill modified by the amendments printed in the bill and the additional amendments printed in part 1 of House Report 103-627 is considered as an original bill for the purpose of amendment and is considered as read.

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

H.R. 4801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Reauthorization and Amendment Act of 1994".

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by striking all of such section after subsection (k), as added by section 115(a) of the Small Business Credit and Business Opportunity Enhancement Act of 1992, and by inserting in lieu thereof the following:

"(l) The following program levels are authorized for fiscal year 1995:

"(1) For the programs authorized by this Act, the Administration is authorized to make $142,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $12,000,000 in loans as provided in section 7(a)(10) and $130,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $12,320,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $9,315,000,000 in general business loans as provided in section 7(a);

"(B) $2,200,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $33,000,000 in purchases of preferred securities;

"(B) $285,000,000 in guarantees of debentures, of which $55,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $500,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,500,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,000,000.

"(m) There are authorized to be appropriated to the Administration for fiscal year 1995 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(n) The following program levels are authorized for fiscal year 1996:

"(1) For the programs authorized by this Act, the Administration is authorized to make $208,000,000 in direct and immediate participation loans; and of such sum the Administration is authorized to make $13,000,000 in loans as provided in section 7(a)(10) and $195,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $14,610,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $10,935,000,000 in general business loans as provided in section 7(a);

"(B) $2,500,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $39,000,000 in purchases of preferred securities;

"(B) $405,000,000 in guarantees of debentures, of which $55,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $750,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,675,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,150,000.

"(o) There are authorized to be appropriated to the Administration for fiscal year 1996 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(p) The following program levels are authorized for fiscal year 1997:

"(1) For the programs authorized by this Act, the Administration is authorized to make $284,000,000 in direct and immediate participation loans; and of such sum the Administration is authorized to make $14,000,000 in loans as provided in section 7(a)(10) and $270,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $18,875,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $14,175,000,000 in general business loans as provided in section 7(a);

"(B) $3,000,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $45,000,000 in purchases of preferred securities;

"(B) $555,000,000 in guarantees of debentures, of which $55,000,000 is authorized in

guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $1,125,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,860,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,310,000.

"(q) There are authorized to be appropriated to the Administration for fiscal year 1997 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.".

TITLE II—FINANCIAL ASSISTANCE PROGRAMS

SEC. 201. MICROLOAN FINANCING PILOT.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended by adding the following new paragraph at the end:

"(12) DEFERRED PARTICIPATION LOAN PILOT.—During fiscal years 1995 through 1997, on a pilot basis, in lieu of making direct loans to intermediaries as authorized in paragraph (1)(B), the Administration may participate on a deferred basis of up to 100 percent on loans made to intermediaries by a for-profit or non-profit entity or by alliances of such entities subject to the following conditions:

"(A) NUMBER OF LOANS.—The Administration shall not participate in providing financing on a deferred basis to more than ten intermediaries in urban areas per year and to more than ten intermediaries in rural areas per year.

"(B) TERM OF LOANS.—The term of such loans shall be ten years. During the first five years of the loan, the intermediary shall be required to pay interest only; and during the second five years of the loan, the intermediary shall be required to fully amortize principal and interest payments.

"(C) INTEREST RATE.—The interest rate on such loans shall be the rate specified by paragraph (3)(F) for direct loans.".

SEC. 202. MICROLOAN STATE LIMITATION.

Section 7(m)(7)(C) of the Small Business Act (15 U.S.C. 636(m)(7)(C)) is repealed.

SEC. 203. LIMIT ON PARTICIPATION.

Section 7(m)(7)(A) of the Small Business Act (15 U.S.C. 636(m)(7)(A)) is amended to read as follows:

"(A) NUMBER OF PARTICIPANTS.—During this demonstration program, the Administration is authorized to fund, on a competitive basis, not more than 240 microloan programs.".

SEC. 204. EQUITABLE DISTRIBUTION.

Section 7(m)(8) of the Small Business Act (15 U.S.C. 636(m)(8)) is amended to read as follows:

"(8) EQUITABLE DISTRIBUTION OF INTERMEDIARIES.—In approving microloan program applicants, the Administration shall select participation by such intermediaries as will ensure appropriate availability of loans to small businesses located in urban areas and in rural areas.".

SEC. 205. AMOUNT OF LOANS TO INTERMEDIARIES.

Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended to read as follows:

"(C) LOAN LIMITS.—In determining the amount of funding which the Administration may provide to one intermediary, it shall take into consideration the small business population in the area served by the intermediary.".

SEC. 206. LOANS TO EXPORTERS.

Section 7(a)(14)(A) of the Small Business Act (15 U.S.C. 636(a)(14)(A)) is amended to read as follows:

"(A) The Administration may provide extensions, standby letters of credit, revolving lines of credit for export purposes, and other financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets. A bank or participating lending institution may establish the rate of interest on such financings as may be legal and reasonable.".

SEC. 207. WORKING CAPITAL INTERNATIONAL TRADE LOANS.

Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended to read as follows:

"(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed $1,250,000, of which not more than $750,000 may be used for working capital, supplies, or financings under section 7(a)(14) for export purposes; and".

SEC. 208. GUARANTEES ON INTERNATIONAL TRADE LOANS.

Section 7(a)(2)(B)(iv) of the Small Business Act (15 U.S.C. 636(a)(2)(B)(iv)) is amended to read as follows:

"(iv) not less than 85 percent nor more than 90 percent of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (14) or under paragraph (16).".

SEC. 209. ACCREDITED LENDERS PROGRAM.

(a) Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following new section:

"SEC. 507. ACCREDITED LENDERS PROGRAM.

"(a) The Administration is authorized to establish an Accredited Lenders Program for qualified State and local development companies which meet the requirements of subsection (b).

"(b) The Administration may designate a qualified State or local development company as an accredited lender if such company—

"(1) has been an active participant in the development company program for at least the last 12 months;

"(2) has well-trained, qualified personnel who are knowledgeable in the Administration's lending policies and procedures for the development company program;

"(3) has the ability to process, close, and service financing for plant and equipment under section 502 of this Act;

"(4) has a loss rate on its debentures that is acceptable to the Administration;

"(5) has a history of submitting to the Administration complete and accurate debenture guaranty application packages; and

"(6) has demonstrated the ability to serve small business credit needs for financing plant and equipment as provided in section 502 of this Act.

"(c) The Administration shall expedite the processing of a loan application or servicing action submitted by a qualified State or local development company that has been designated as an accredited lender in accordance with subsection (b).

"(d) The designation of a qualified State or local development company as an accredited lender may be suspended or revoked if the Administration determines that the development company has not continued to meet the criteria for eligibility under subsection (b) or that the development company has failed to adhere to the Administration's rules and regulations or is violating any other applicable provision of law. Suspension or revocation shall not affect any outstanding debenture guarantee.

"(e) For purposes of this section, the term 'qualified State or local development company' has the same meaning as in section 503(e).".

(b) The Administration shall promulgate regulations to carry out this section within 90 days of the date of the enactment of this Act.

(c) The Administration shall report to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives within one year, and annually thereafter, on the implementation of this section, specifically including data on the number of development companies designated as accredited lenders, their debenture guarantee volume, their loss rates, and the average processing time on their guarantee applications, along with such other information as the Administration deems appropriate.

SEC. 210. PREMIER LENDERS PROGRAM.

(a) Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is further amended by adding at the end the following new section:

"SEC. 508. PREMIER LENDERS PROGRAM.

"(a) The Administration is authorized to establish a Premier Lenders Program for certified development companies which meet the requirements of subsection (b).

"(b) The Administration may designate a participant in the accredited lenders program as a premier lender if such company—

"(1) has been an active participant in the accredited lenders program for at least the last 12 months: *Provided*, That prior to January 1, 1996, the Administration may waive this provision if the applicant is qualified to participate in the accredited lenders program;

"(2) has a history of submitting to the Administration adequately analyzed debenture guarantee application packages; and

"(3) agrees to assume and to reimburse the Administration for 5 percent of any loss sustained by the Administration on account of default by the certified development company in the payment of principal or interest on a debenture issued by such company and guaranteed by the Administration under this section.

"(c) Upon approval of an applicant as a premier lender, the certified development company shall establish a loss reserve in an amount equal to the anticipated losses to the certified development company pursuant to subsection (b)(3) based upon the historic loss rate on debentures issued by such company, or 3 percent of the aggregate principal amount of debentures issued by such company and guaranteed by the Administration

under this section, whichever is greater. The loss reserve shall be comprised of segregated assets of the development company which shall be securitized in favor of the Administration or of such unqualified letters of credit or indemnity agreements from a third party as the Administration deems appropriate.

"(d) Upon designation and qualification of a company as a premier lender, and subject to such terms and conditions as the Administration may determine, and notwithstanding the provisions of section 503(b)(6), the Administration may permit a premier lender to approve loans to be funded with the proceeds of and to authorize the guarantee of a debenture issued by such company. The approval by the premier lender shall be subject to the final approval as to eligibility of any such guarantee by the Administration pursuant to subsection 503(a) of this Act, but such final approval shall not include decisions by the company involving creditworthiness, loan closing, or compliance with legal requirements imposed by law or regulation.

"(e) The designation of a qualified State or local development company as a premier lender may be suspended or revoked if the Administration determines that the company—

"(1) has not continued to meet the criteria for eligibility under subsection (b);

"(2) has not established or maintained the loss reserve required under subsection (c); or

"(3) is failing to adhere to the Administration's rules and regulations or is violating any other applicable provision of law.

"(f) Suspension or revocation shall not affect any outstanding debenture guarantee.".

(b) The Administration shall promulgate such regulations to carry out this section within 180 days of the date of the enactment of this Act.

(c) The Administration shall report to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives within one year, and annually thereafter, on the implementation of this section, specifically including data on the number of development companies designated as premier lenders, their debenture guarantee volume, and the loss rate for premier lenders as compared to accredited and other lenders, along with such other information as the Administration deems appropriate.

(d) Section 508 of the Small Business Investment Act of 1958 is repealed on October 1, 1999.

(e) The table of contents contained in section 101 of the Small Business Investment Act of 1958 is amended by adding at the end of the matter relating to title V the following:

"Sec. 507. Accredited lenders program.
"Sec. 508. Premier lenders program.".

SEC. 211. SSBIC ADVISORY COUNCIL.

(a) COUNCIL ESTABLISHED.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall appoint an Investment Advisory Council for the Specialized Small Business Investment Company Program. The Council shall consist of not less than 12 individuals from the private sector, including individuals—

(1) who have experience in providing venture capital to small business, particularly minority small business;

(2) who are current participants in the Specialized Small Business Investment Company Program;

(3) who are former participants in the Specialized Small Business Investment Company Program; or

(4) who are or who represent small business concerns.

(b) CHAIRMAN AND STAFF.—The Administrator shall designate one of the members of the Council as chairperson. The Investment Division of the Small Business Administration shall provide such staff, technical support, and information as shall be deemed appropriate. Council members shall be deemed to be an advisory board pursuant to section 8(b)(13) of the Small Business Act for purposes of reimbursement of expenses.

(C) REPORT.—Within six months of the date of appointment, the Council shall make a written report with findings and recommendations on the venture capital needs, including debt and equity, of socially or economically disadvantaged small business concerns and any needed Federal incentives to assist the private sector to meet such needs. The report shall specifically address—

(1) the history of the Specialized Small Business Investment Company program in providing assistance to such concerns and the impact of such assistance on the economy;

(2) the appropriateness and ability of the Specialized Small Business Investment Company Program to meet these needs;

(3) the problems affecting the Specialized Small Business Investment Company Program; and

(4) the effectiveness of the Specialized Small Business Investment Company Program and its administration by the Small Business Administration.

SEC. 212. PARTICIPATING SECURITIES FOR SMALLER SBICS.

Section 303(g) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)) is amended by adding the following new paragraph at the end:

"(13) Of the amount of the annual program level of participating securities approved in Appropriations Acts, 50 percent shall be reserved for funding Small Business Investment Companies with private capital of less than $20,000,000; except that during the last quarter of each fiscal year, the Administrator may, if he determines that there is a lack of qualified applicants with private capital under such amount, utilize all or any part of the securities so reserved.".

SEC. 213. REPORT ON SBIC PROGRAM.

The Small Business Administration shall provide the Committee on Small Business of the House of Representatives and Senate with a comprehensive report on the status and disposition of all Small Business Investment Companies, active or in liquidation, and a complete accounting of the assets in and the basis of their portfolios, the projected and actual loss rates for all portfolios in liquidation or active, and a detailed accounting of valuation of the SBIC program's investments. This report shall be delivered to the respective Committees on Small Business no later than April 15, 1995.

TITLE III—SIZE STANDARDS AND BOND GUARANTEES

SEC. 301. COMPETITIVE DEMONSTRATION PROJECT SIZE STANDARDS.

Section 732 of the Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by repealing the second sentence of such section.

SEC. 302. SIZE STANDARD CRITERIA.

Section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is amended to read as follows:

"(2) In addition to the criteria specified in paragraph (1), the Administrator may specify detailed definitions or standards by which a business concern may be determined to be a small business concern for the purposes of this Act or any other Act. Such standards may utilize number of employees, dollar volume of business, net worth, net income, or a combination thereof. Unless specifically authorized by statute, no Federal department or agency may prescribe a size standard for categorizing a business concern as a small business concern, unless such proposed size standard—

"(A) is being proposed after an opportunity for public notice and comment;

"(B) provides for determining—

"(i) the size of a manufacturing concern as measured by its average employment based upon employment during each of the concern's pay periods for the preceding twelve calendar months;

"(ii) the size of a concern providing services on the basis of the annual average gross receipts of the concern over a period of not less than 3 years; and

"(iii) the size of other concerns on the basis of data over a period of not less than 3 years; and

"(C) is approved by the Administrator if it is not being proposed by the Small Business Administration.".

SEC. 303. SUNSET ON PREFERRED SURETY BOND GUARANTEE PROGRAM.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (Public Law 100-590) is amended by striking "September 30, 1994" and by inserting in lieu thereof "September 30, 1997".

SEC. 304. VERY SMALL BUSINESS CONCERNS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by redesignating section 30 as section 41 and by inserting after section 29, as redesignated by section 606 of this Act, the following:

"SEC. 30. PILOT PROGRAM FOR VERY SMALL BUSINESS CONCERNS.

"(a) ESTABLISHMENT.—The Administration shall establish and carry out a pilot program in accordance with the requirements of this section to provide procurement opportunities to very small business concerns.

"(b) SUBCONTRACTING OF PROCUREMENT CONTRACTS.—

"(1) IN GENERAL.—In carrying out the program, the Administration is authorized to enter into procurement contracts with the United States Government and to arrange for the performance of such contracts through the award of subcontracts to very small business concerns.

"(2) TERMS AND CONDITIONS.—The authority of the Administration under paragraph (1) shall be subject to the same terms and conditions as apply to the authority of the Administration under section 8(a), except that—

"(A) the Administration may make such modifications to such terms and conditions as the Administration determines necessary; and

"(B) all contract opportunities offered for award under the program shall be awarded on the basis of competition restricted to eligible program participants.

"(c) PROGRAM PARTICIPATION.—Very small business concerns participating in the program shall be subject to the same terms and conditions for program participation as apply to program participants under sections 7(j) and 8(a); except that—

"(1) the Administration may make such modifications to such terms and conditions as the Administration determines necessary; and

"(2) eligibility shall be determined on the basis of qualifying as a very small business concern as defined in subsection (g), in lieu

of the requirements contained in paragraphs (4), (5), and (6) of section 8(a).

"(d) TECHNICAL AND FINANCIAL ASSISTANCE.—In order to assist very small business concerns participating in the program, the Administration is authorized—

"(1) to provide technical assistance to such concerns in the same manner and to the same extent as technical assistance is provided to small business concerns pursuant to section 7(j); and

"(2) to provide pre-authorization to such concerns for the purpose of receiving financial assistance under section 7(a).

"(e) PROGRAM TERM.—The Administration shall carry out the program in each of fiscal years 1995, 1996, and 1997.

"(f) REPORT TO CONGRESS.—On or before December 31, 1996, the Administration shall transmit to Congress a report containing an analysis of the results of the program, together with recommendations for appropriate legislative and administrative actions.

"(g) DEFINITIONS.—For the purposes of this section, the following definitions apply:

"(1) PROGRAM.—The term 'program' means the program established pursuant to subsection (a).

"(2) VERY SMALL BUSINESS CONCERN.—The term 'very small business concern' means a small business concern that—

"(A) has 10 employees or less; or

"(B) has average annual receipts that total $1,000,000 or less.".

TITLE IV—MANAGEMENT ASSISTANCE

SEC. 401. SUNSET ON COSPONSORED TRAINING.

(a) The authority of the Small Business Administration to cosponsor training as authorized by section 5(a) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) is hereby repealed September 30, 1997.

(b) Section 7(b) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) is amended by striking the second sentence.

SEC. 402. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM LEVEL.

Section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) is amended to read as follows:

"(4) The Administration shall require as a condition of any grant (or amendment or modification thereof) made to an applicant under this section, that a matching amount (excluding any fees collected from recipients of such assistance) equal to the amount of such grant be provided from sources other than the Federal Government, to be comprised of not less than 50 per centum cash and not more than 50 per centum of indirect costs and in-kind contributions: *Provided*, That this matching amount shall not include any indirect costs or in-kind contributions derived from any Federal program: *Provided further*, That no recipient of funds under this section shall receive a grant which would exceed its pro rata share of a national program based upon the population to be served by the Small Business Development Center as compared to the total population in the United States, plus $125,000, or $200,000, whichever is greater, per year. The amount of the national program shall be—

"(A) $70,000,000 through September 30, 1995;

"(B) $77,500,000 from October 1, 1995 through September 30, 1996; and

"(C) $85,000,000 beginning October 1, 1996.

The amount of eligibility of each Small Business Development Center shall be based upon the amount of the national program in effect as of the date for commencement of performance of the Center's grant.".

SEC. 403. FEDERAL CONTRACTS WITH SMALL BUSINESS DEVELOPMENT CENTERS.

(a) Section 21(a)(5) of the Small Business Act (15 U.S.C. 648(a)(5)) is amended to read as follows:

"(5) A Small Business Development Center may enter a contract with a Federal department or agency to provide specific assistance to small business concerns if the contract is approved in advance by the Deputy Associate Administrator of the Small Business Development Center program. Approval shall be based upon a determination that the contract will provide assistance to small business concerns and that its performance will not hinder the Center in carrying out the terms of its grant from the Administration. The amount of any such contract shall not be subject to the matching funds requirements of paragraph (4) nor shall the amount of eligibility under such paragraph: *Provided*, That notwithstanding any other provision of law, such contracts for assistance to small business concerns shall not be counted toward any Federal department or agency's small business, women-owned business, or socially and economically disadvantaged business contracting goal as established by section 15(g) of the Small Business Act (15 U.S.C. 644(g)).".

(b) Section 21(a)(6) of the Small Business Act (15 U.S.C. 648(a)(6)) is amended by striking "paragraphs (4) and (5)" and by inserting in lieu thereof "paragraph (4)".

SEC. 404. CENTRAL EUROPEAN SMALL BUSINESS DEVELOPMENT.

Section 25(i) of the Small Business Act (15 U.S.C. 652(i)) is amended by striking "and $2,000,000 for each of fiscal years 1993 and 1994" and by inserting in lieu thereof ", $2,000,000 for each of fiscal years 1993 and 1994, and $1,000,000 for fiscal year 1995".

SEC. 405. MOBILE RESOURCE CENTER PILOT PROGRAM.

(a) ESTABLISHMENT.—The Administrator of the Small Business Administration may establish and carry out in each of fiscal years 1995, 1996, and 1997 a mobile resource pilot program (in this section referred to as the "program" in accordance with the requirements of this section.

(b) MOBILE RESOURCE CENTER VEHICLES.—Under the program, the Administration may use mobile resource center vehicles to provide technical assistance, information, and other services available from the Small Business Administration to traditionally underserved populations. Two of such vehicles should be utilized in rural areas and 2 of such vehicles should be utilized in urban areas.

(c) REPORT TO CONGRESS.—If the Administrator conducts the program authorized in this section, not later than December 31, 1996, he shall transmit to Congress a report containing the results of such program, together with recommendations for appropriate legislative and administrative actions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1995 $900,000 to carry out this section. Of such sums—

(1) $800,000 may be made available for the purchase or lease of mobile resource center vehicles; and

(2) $100,000 may be made available for studies, startup expenses, and other administrative expenses.

Such sums shall remain available until expended.

TITLE V—RELIEF FROM FFB DEBENTURE PREPAYMENT PENALTIES

SEC. 501. CITATION.

This title may be cited as the "Small Business Prepayment Penalty Relief Act of 1994.".

SEC. 502. MODIFICATION OF DEVELOPMENT COMPANY DEBENTURE INTEREST RATES.

(a) IN GENERAL.—Upon the request of the issuer and the concurrence of the borrower, the Small Business Administration is authorized to transfer to the Federal Financing Bank such sums as may be necessary to carry out the provisions of this section in order to reduce the interest rate on a debenture issued by a certified development company. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture.

(b) INTEREST RATE MODIFICATION.—Upon receipt of such payment, the Federal Financing Bank shall modify the interest rate of each debenture for which the payment is made. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(c) DEFINITIONS.—For the purposes of this section—

(1) the term "issuer" means the issuer of a debenture pursuant to section 503 of the Small Business Investment Act of 1958 which has been purchased by the Federal Financing Bank if the debenture is outstanding on the date of enactment of this Act, and neither the loan that secures the debenture nor the debenture is in default on such date; and

(2) the term "borrower" means the small business concern whose loan secures a debenture issued pursuant to such section.

(d) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer or borrower which are otherwise authorized by contract or by law.

(e) REFINANCING.—Debentures authorized by sections 504 and 505 of the Small Business Investment Act of 1958 may be used to refinance debentures issued under section 503 of such Act if the amount of the new financing is limited to such amounts as are needed to repay the existing debenture, including any prepayment penalty imposed by the Federal Financing Bank. Any such refinancing shall be subject to all of the other provisions of sections 504 and 505 of such Act and the rules and regulations of the Administration promulgated thereunder, including, but not limited to, rules and regulations governing payment of authorized expenses and commissions, fees and discounts to brokers and dealers in trust certificates issued pursuant to section 505: *Provided, however*, That no applicant for refinancing under section 504 of this Act need demonstrate that the requisite number of jobs will be created or preserved with the proceeds of such refinancing: *Provided further*, That a development company which provides refinancing under this subsection shall be limited to a loan processing fee not to exceed one-half of one percent to cover the cost of packaging, processing and other nonlegal staff functions.

SEC. 503. MODIFICATION OF SMALL BUSINESS INVESTMENT COMPANY DEBENTURE INTEREST RATES.

(a) IN GENERAL.—Upon the request of the issuer, the Small Business Administration is authorized to transfer to the Federal Financing Bank such sums as may be necessary to carry out the provisions of this section in order to reduce the interest rate on a debenture issued by a Small Business Investment Company under the provisions of title III of the Small Business Investment Act of 1958. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture.

(b) INTEREST RATE MODIFICATION.—Upon receipt of such payment, the Federal Financing Bank shall modify the interest rate of

each debenture for which the payment is made. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(c) DEFINITIONS.—For the purposes of this section, the term "issuer" means the issuer of a debenture pursuant to section 303 of the Small Business Investment Act of 1958 which has been purchased by the Federal Financing Bank if the debenture is outstanding on the date of enactment of this Act, and is not in default on such date.

(d) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer which are otherwise authorized by contract or by law.

SEC. 504. MODIFICATION OF SPECIALIZED SMALL BUSINESS INVESTMENT COMPANY DEBENTURE INTEREST RATES.

(a) INTEREST RATE MODIFICATION.—Upon the request of the issuer, the Small Business Administration is authorized to modify the interest rate on a debenture issued by a Small Business Investment Company licensed under the provisions of section 301(d) of the Small Business Investment Act of 1958 and which is held by the Administration. No debenture which has been sold to a third party shall be eligible for modification under this section. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(b) DEFINITIONS.—For the purposes of this section, the term "issuer" means a Specialized Small Business Investment Company licensed under the provisions of section 301(d) of the Small Business Investment Act of 1958 which has issued a debenture which has been funded by the Small Business Administration, providing the debenture is outstanding on the date of enactment of this Act and is not in default on such date.

(c) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer which are otherwise authorized by contract or by law.

SEC. 505. INTEREST RATE REDUCTIONS.

(a) IN GENERAL.—Upon enactment of an Appropriations Act providing funds to carry out the provisions of this Act and limited to amounts specifically provided in advance in Appropriations Acts, the Small Business Administration shall evaluate the outstanding portfolio of debentures which are eligible for interest rate relief under this Act. The Administration shall apply the funds appropriated to carry out this Act in order to reduce the highest interest rate on all eligible debentures to a uniform rate.

(b) AUTHORIZATION.—There are authorized to be appropriated $30 million to carry out the provisions of this Act in fiscal year 1995.

TITLE VI—DEVELOPMENT OF WOMEN-OWNED BUSINESSES

SEC. 601. STATUS OF COUNCIL.

Section 401 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 405 of such Act and, as redesignated, is amended—

(1) in the heading by inserting "**OF THE COUNCIL**" after "**ESTABLISHMENT**"; and

(2) by striking the period at the end and inserting the following: "which shall serve as an independent advisory council to the Interagency Committee on Women's Business Enterprise, to the Administrator of the Small Business Administration, and to the Congress of the United States. The Council, in order to carry out its function as an independent advisory council to the Congress, is authorized and directed to report independently of the Interagency Committee directly to the Congress at such times and on such matters as it, in its discretion, deems appropriate.".

SEC. 602. DUTIES OF NATIONAL WOMEN'S BUSINESS COUNCIL.

Section 402 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 406 of such Act and, as redesignated, is amended to read as follows:

"SEC. 406. DUTIES OF THE COUNCIL.

"The Council shall meet at such times as it determines necessary in order to advise and consult with the Interagency Committee on Women's Business Enterprise on matters relating to the activities, functions, and policies of such Committee as provided in this title. The Council shall make annual recommendations for consideration by the Committee. The Council also shall provide reports and make such other recommendations as it deems appropriate to the Committee, to the Administrator of the Small Business Administration, and to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives.".

SEC. 603. MEMBERSHIP OF THE COUNCIL.

Section 403 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 407 of such Act, and, as redesignated, is amended to read as follows:

"SEC. 407. MEMBERSHIP OF THE COUNCIL.

"(a) The Council shall be composed of 15 members who shall be appointed by the Administrator of the Small Business Administration and who shall serve at the Administrator's discretion. In making the appointments, the Administrator shall include racial, geographic and economic diversity, and representation from diverse sectors of the economy, including manufacturing, high technology, services and credit institutions, and shall give priority to include representation of major women's business organizations.

"(b) Only the owner, operator or employee of a woman-owned business shall be eligible for appointment, and not more than eight appointees shall be members of the same political party. If any member of the Council subsequently becomes an officer or employee of the Federal Government or of the Congress, such individual may continue as a member of the Council for not longer than the thirty-day period beginning on the date such individual becomes such an officer or employee.

"(c) The Council annually shall select one member to serve as its Chairperson. The Chairperson of the Council, or her designee, shall be the representative of the Council to all meetings of the Interagency Committee on Women's Business Enterprise.

"(d) The Council shall meet not less than four times per year. Meetings shall be at the call of the Chairperson at such times as she deems appropriate.

"(e) Members of the Council shall serve without pay for such membership, except they shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council, in the same manner as persons serving on advisory boards pursuant to section 8(b) of the Small Business Act.".

SEC. 604. INTERAGENCY COMMITTEE.

Title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by striking section 404 and by inserting the following new sections prior to section 405 as redesignated by section 601 of this Act:

"SEC. 401. ESTABLISHMENT OF THE COMMITTEE.

"There is established an Interagency Committee to be known as the 'Interagency Committee on Women's Business Enterprise' (hereinafter in this title referred to as the Committee).

"SEC. 402. DUTIES OF THE COMMITTEE.

"The Committee shall—

"(1) promote, coordinate and monitor the plans, programs and operations of the departments and agencies of the Federal Government which may contribute to the establishment, preservation and strengthening of women's business enterprise. It may, as appropriate, develop comprehensive interagency plans and specific program goals for women's business enterprise with the cooperation of Federal departments and agencies;

"(2) promote the better utilization of the activities and resources of State and local governments, business and trade associations, private industry, colleges and universities, foundations, professional organizations, and volunteer and women's business enterprise, and facilitate the coordination of the efforts of these groups with those of Federal departments and agencies;

"(3) consult with the Council to develop and promote new initiatives designed to foster women's business enterprise, and to develop policies, programs, and plans intended to promote such development;

"(4) consider the Council's recommendations and public and private sector studies of the problems of women entrepreneurs, and promote further research into such problems; and

"(5) design a comprehensive plan for a joint public-private sector effort to facilitate the development and growth of women-owned businesses. The Committee should submit the plan to the President for review within six months of the effective date of this Act.

"SEC. 403. MEMBERSHIP OF THE COMMITTEE.

"(a) The Committee shall be composed of representatives of the following departments and agencies: The Departments of Agriculture, Commerce, Defense, Energy, Health and Human Services, Education, Housing and Urban Development, Interior, Justice, Labor, Transportation, Treasury, the Federal Trade Commission, General Services Administration, National Science Foundation, Office of Federal Procurement Policy, and the Director of the Office of Women's Business Ownership of the Small Business Administration, who shall serve as Vice Chairperson of the Committee. The head of each such department and agency shall designate a representative who shall be a policy making official within the department or agency.

"(b) The Committee shall have a Chairperson appointed by the President, after consultation with the Administrator of the Small Business Administration and the Chief Counsel for Advocacy of the Small Business Administration. The Chairperson shall be the head of a Federal department or agency. If the Chairperson is the head of one of the departments or agencies enumerated in subsection (a), he or she shall also serve as the representative of such department or agency.

"(c) The Committee shall meet not less than four times per year. Meetings shall be at the call of the Chairperson at such times as he or she deems appropriate.

"(d) The members of the Committee shall serve without additional pay for such membership.

"(e) The Chairperson of the Committee may designate a Director of the Committee, after consultation with the Administrator of the Small Business Administration and the Chief Counsel for Advocacy of the Small Business Administration.

"(f) The Chief Counsel for Advocacy is authorized to appoint to his staff under the provisions of section 204 of Public Law 94-305 (15 U.S.C. 634(d)) the person so designated under subsection (e). He or she is also authorized to provide additional staff and administrative support for the Committee.

"(g) The Director of the Office of Women's Business Ownership of the Small Business Administration is authorized to provide additional staff and administrative support for the Committee.

"SEC. 404. REPORTS FROM THE COMMITTEE.

"The Committee shall transmit to the President and to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives a report no less than once in every twelve-month period. The first such report shall be submitted no later than March 31, 1995. Such reports shall contain any recommendations from the Council and any comments of the Committee thereon, a detailed statement on the activities of the Committee, the findings and conclusions of the Committee, together with its recommendations for such legislation and administrative actions as it considers appropriate to promote the development of small business concerns owned and controlled by women.".

SEC. 605. REPEALER.

Sections 404 through 407 of the Women's Business Ownership Act of 1988, as in effect on the day before the date of the enactment of this Act, are repealed and the following new section is added at the end of title IV of such Act:

"SEC. 408. DEFINITIONS.

"For the purposes of this Act, the term—

"(1) 'woman-owned business' shall mean a small business which is at least 51 percent owned by a woman or women who also control and operate it;

"(2) 'control' shall mean exercising the power to make policy decisions;

"(3) 'operate' shall mean being actively involved in the day-to-day management; and

"(4) 'women's business enterprise' shall mean a woman-owned business or businesses or the efforts of a woman or women to establish, maintain, or develop such a business or businesses.".

SEC. 606. EXTENSION OF AUTHORITY FOR DEMONSTRATION PROJECTS.

Section 28 of the Small Business Act, as added by section 2 of Public Law 102-191, is redesignated as section 29 and, as so redesignated, is amended by striking from subsection (g) "1995" and by inserting "1997".

SEC. 607. ESTABLISHMENT OF OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

Section 29 of the Small Business Act, as redesignated by section 606 of this Act, is amended by adding the following new subsection at the end:

"(h) There is established within the Administration an Office of Women's Business Ownership, which shall be responsible for the administration of the Administration's programs for the development of women's business enterprises as defined in section 408 of the Women's Business Ownership Act of 1988. The Office shall be headed by a director who shall be appointed by the Administrator.".

SEC. 608. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Title IV of the table of contents of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"TITLE IV—DEVELOPMENT OF WOMEN'S BUSINESS ENTERPRISE

"Sec. 401. Establishment of the Committee.
"Sec. 402. Duties of the Committee.
"Sec. 403. Membership of the Committee.
"Sec. 404. Reports from the Committee.
"Sec. 405. Establishment of the Council.
"Sec. 406. Duties of the Council.
"Sec. 407. Membership of the Council.
"Sec. 408. Definitions.".

(b) The heading to title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"TITLE IV—DEVELOPMENT OF WOMEN'S BUSINESS ENTERPRISES".

SEC. 609. AUTHORIZATION.

There is authorized to be appropriated $200,000 in each of fiscal years 1995 through 1997 to carry out the provisions of title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note).

TITLE VII—MISCELLANEOUS AMENDMENTS

SEC. 701. HANDICAPPED PARTICIPATION IN SMALL BUSINESS SET ASIDE CONTRACTS.

Section 15(c) of the Small Business Act (15 U.S.C. 644(c)) is amended—

(1) by amending paragraph (2)(A) to read as follows:

"(2)(A) During each fiscal year, public or private organizations for the handicapped shall be eligible to participate in programs authorized under this section in an aggregate amount not to exceed $50,000,000."; and

(2) by adding the following new paragraph at the end thereof:

"(7) Any contract awarded to such an organization pursuant to the provisions of this subsection may be extended for up to two additional years.".

SEC. 702. SBA INTEREST PAYMENTS TO TREASURY.

Section 4(c)(5)(B)(ii) of the Small Business Act (15 U.S.C. 633(c)(5)(B)(ii)) is amended to read as follows:

"(ii) The Administration shall pay into the miscellaneous receipts of the Treasury following the close of each fiscal year the actual interest it collects during that fiscal year on all financings made under the authority of this Act.".

SEC. 703. IMPOSITION OF FEES.

Section 5(b) of the Small Business Act (15 U.S.C. 634(b)) is amended—

(1) in paragraph (10) by striking "and" at the end;

(2) in paragraph (11) by striking the period at the end and inserting a semicolon; and

(3) by adding the following new paragraphs at the end:

"(12) impose, retain and use only those fees which are specifically authorized by law or which are in effect on September 30, 1994, and in the amounts and at the rates in effect on such date. The administrator is authorized to impose, retain and utilize, subject to approval in appropriations Acts, the following additional fees—

"(A) not to exceed $100 for each loan servicing action requested after disbursement of the loan, including substitution of collateral, loan assumptions, release or substitution of guarantors, reamortizations or similar actions;

"(B) to recover the direct, incremental cost involved in the production and dissemination of compilations of information produced by the Administration under the authority of the Small Business Act and the Small Business Investment Act of 1958; and

"(13) to collect, retain and utilize, subject to approval in appropriations Acts, any amounts collected by fiscal transfer agents and not used by such agent as payment of the cost of loan pooling or debenture servicing operations: *Provided*, That any monies so collected shall be utilized solely to facilitate the administration of the program which generated the excess monies.".

SEC. 704. SBIR VENDORS.

Section 9(q)(2) of the Small Business Act (15 U.S.C. 638(q)(2)) is amended to read as follows:

"(2) VENDOR SELECTION.—Each agency may select a vendor to assist small business concerns to meet the goals listed in paragraph (1). Such selection shall be competitive using merit-based criteria, for a term not to exceed 3 years.".

SEC. 705. MANUFACTURING CONTRACTS.

(a) ESTABLISHMENT OF PILOT PROGRAM.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

"(p) MANUFACTURING MODERNIZATION PILOT PROGRAM.—

"(1) ESTABLISHMENT.—The Administrator may establish and carry out a manufacturing modernization pilot program (hereinafter in this section referred to as the 'program') for the purpose of promoting the award of Federal procurement contracts to small business concerns that participate in manufacturing application and education centers that are established or certified pursuant to paragraph (2).

"(2) MANUFACTURING APPLICATION AND EDUCATION CENTERS.—The Administrator may establish manufacturing application and education centers which will provide training to small business concerns on new and innovative manufacturing practices in a shared-use production environment and which will assist such concerns in carrying out Federal procurement contracts for the manufacture of components and subsystems. The Administrator may also certify existing manufacturing application and education centers for participation in the program.

"(3) USE OF PRIVATE CENTERS AS EXAMPLES.—In establishing any manufacturing application and education centers pursuant to paragraph (2), the Administrator may use as examples manufacturing application and education centers in the private sector that provide the following services: technology demonstration, technology education, technology application support, technology advancement support, and technology awareness.

"(4) IDENTIFICATION OF CONTRACTS.—The Administrator and the head of a contracting agency may identify for additional small business set-asides pursuant to subsection (a) any procurement, and in particular any procurement which is being foreign-sourced or is considered critical, which is susceptible to performance by a small business concern if the concern is assisted by a manufacturing application and education center under the program. Any such procurement shall be subject to the requirements of subsection (a), including requirements relating to any failure of the Administrator and the head of the contracting agency to agree on procurement methods.

"(5) NONAPPLICABILITY OF PERFORMANCE REQUIREMENT.—The requirement of subsection (o)(1)(B) shall not apply with respect to any contract carried out by a small business concern under the program with the assistance

of a manufacturing application and education center.

"(6) REGULATIONS.—Not later than 6 months after the date of the enactment of this subsection, the Administrator shall issue regulations to carry out this subsection if he determines it appropriate to carry out the program authorized by this subsection.

"(7) REPORTS.—

"(A) PROGRESS REPORT.—Not later than 3 months after the last day of the fiscal year in which final regulations are issued pursuant to paragraph (6), the Administrator shall transmit to the Committees on Small Business of the House of Representatives and the Senate a report on the progress of the program.

"(B) FINAL REPORT.—If the Administrator establishes the program authorized herein, not later than March 31, 1999, he shall transmit to the Committees on Small Business of the House of Representatives and the Senate a report on the success of the program in—

"(i) enabling deployment of technology to small business concerns participating in the program, and

"(ii) assisting manufacturing application and education centers in achieving self-sufficiency,

together with recommendations concerning continuation, modification, or discontinuance of the program.

"(8) PROGRAM TERM.—The Administrator may carry out the program during the period beginning on the date of issuance of final regulations under paragraph (5) and ending on September 30, 1999.

"(9) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.".

SEC. 706. DENIAL OF USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 30, as added by section 304 of this Act, the following:

"SEC. 31. DENIAL OF USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.

"None of the funds made available pursuant to this Act may be used to provide any direct benefit or assistance to any individual in the United States when it is made known to the Administrator of the Small Business Administration or the official to which the funds are made available that the individual is not lawfully within the United States.".

SEC. 707. OFFICE OF ADVOCACY EMPLOYEES.

Section 204 of Public Law 94-305 (15 U.S.C. 634d) is amended as follows—

(1) by striking "after consultation with and subject to the approval of the Administrator,"; and

(2) in paragraph (1) by striking "GS-15 of the General Schedule" and all that follows and inserting "GS-15 of the General Schedule: Provided, however, That not more than 14 staff personnel at any one time may be employed and compensated at a rate in excess of GS-15, step 10, of the General Schedule;".

SEC. 708. ADVOCACY STUDY OF PAPERWORK AND TAX IMPACT.

The Chief Counsel for Advocacy of the Small Business Administration shall conduct a study of the impact of all Federal regulatory paperwork and tax requirements upon small business and report its findings to the Congress within 1 year of the date of the enactment of this Act.

The CHAIRMAN. No other amendment to the bill is in order except the amendments printed in part 2 of the report. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, is considered as read, shall be debatable under the terms specified in report, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in part 2 of House Report 103-627.

AMENDMENT OFFERED BY MR. LAFALCE

Mr. LAFALCE. Mr. Chairman, I offer amendment No. 1 made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LAFALCE:

Page 2, line 19, strike "$12,320,000,000" and insert "$11,535,000,000".

Page 3, strike lines 6 through 17 and insert the following:

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $23,000,000 in purchases of preferred securities;

"(B) $244,000,000 in guarantees of debentures, of which $44,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $400,000,000 in guarantees of participating securities.

Page 5, line 3, strike "$14,610,000,000" and insert "$13,455,000,000".

Page 5, strike lines 13 through 24 and insert the following:

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $24,000,000 in purchases of preferred securities;

"(B) $256,000,000 in guarantees of debentures, of which $46,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $650,000,000 in guarantees of participating securities.

Page 7, line 10, strike "$18,875,000,000" and insert "$17,195,000,000".

Page 7, strike line 20 and all that follows through line 7 on page 8 and insert the following:

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $25,000,000 in purchases of preferred securities;

"(B) $268,000,000 in guarantees of debentures, of which $48,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $900,000,000 in guarantees of participating securities.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am offering this amendment on behalf of myself and my ranking minority member, Mrs. MEYERS of Kansas. The amendment is directed toward accommodating concerns expressed by the gentlelady from Kansas and others about proposed increases in program levels for the Small Business Investment Company and Specialized Small Business Investment Company Program.

Clearly these programs have experienced problems in the past, but it is my belief that legislation enacted in 1992 provided the necessary remedy to most of the problems. And I would point out that this 1992 legislation was fully supported on a bipartisan basis by the House and Senate, as well as by the Bush administration.

Nonetheless, to accommodate these concerns, we have requested a detailed report from the Small Business Administration. In the interim, we are holding the program to amounts now authorized by law except on a new Participating Securities Program which in no way is part of any problem, either past or present.

In addition, the amendment makes technical changes to conform the aggregate amount of program levels to those agreed to.

Mr. Chairman, I appreciate Mrs. MEYERS' willingness to address this issue and I assure her that we will work together to carry out appropriate oversight of the Small Business Investment Company Program and all of the programs administered by the SBA.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

Mrs. MEYERS of Kansas. Mr. Chairman, I would like to speak in support of the amendment.

The CHAIRMAN. Without objection, the gentlewoman from Kansas [Mrs. MEYERS] is recognized for 10 minutes to speak in support of the amendment.

There was no objection.

Mrs. MEYERS of Kansas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment, offered by Chairman LAFALCE and me, represents a compromise reached on authorization levels for SBA venture capital programs. The Small Business Investment Company [SBIC] and specialized SBIC programs pair private capital with SBA financing to provide equity and long-term financing for small businesses. SBA financing is loaned to these entities through the purchase of preferred stock, the issuance of guaranteed debentures, or participating securities.

Unfortunately, the SSBIC and SBIC programs, with the exception of the Participating Securities Program

which is just getting up and running, have been experiencing problems. According to the SBA, as many as 194 SBIC's and SSBIC's are in trouble, with as much as $500 million to risk. SBA Administrator Erskine Bowles has been working hard to restore fiscal soundness to the programs. He has brought in Mr. Robert Stillman, a respected expert in the venture capital industry, to run the SBIC program. Expectations are high that the problems will be resolved and the program will help fill the void of venture capital for small firms.

However, I believe we should see the results of these efforts before authorizing higher levels for these programs. In 1992, when our committee created, and Congress adopted, legislation revamping the SSBIC and SBIC programs, we authorized these programs through fiscal year 1997. H.R. 4801 proposed increases for these programs, above and beyond the amounts in current law for fiscal years 1995, 1996, and 1997.

At the Small Business Committee's markup of H.R. 4801, I expressed my strong reservations about the authorization levels for the SBIC/SSBIC programs in the bill. I offered an amendment to severely cut program levels, bringing them in line with the appropriated levels, which was defeated. This amendment was defeated, but the chairman agreed to work with me in reaching a compromise on authorization levels we could both accept.

This amendment represents that compromise. I would like to thank Chairman LAFALCE for his efforts to offer an amendment reducing SBIC and SSBIC authorization levels that I could accept. The levels provided in the LaFalce-Meyers amendment takes the authorization levels for all SBIC and SSBIC programs back to current law, with the exception of the participating securities program in fiscal year 1996 and fiscal year 1997. These years were increased by $100 and $200 million, respectively—a sizable increase, to be sure, but much less than the administration requested.

I believe this is a fair, reasonable amendment, reflecting the desire to get the programs back on track, without killing vital venture capital programs for small business. I would like to state for the record that I will be watching these programs very carefully in the coming months, to make sure that they are, indeed, getting back on track. H.R. 4801 requires a comprehensive study of the SBIC program be presented to the committee by April 1995, and an advisory council is established to study and make recommendations on the SSBIC program. I will await these studies and recommendations with interest, and am taking my oversight responsibilities for these programs very seriously.

Again, I thank Chairman LAFALCE for his cooperation in this matter, I strongly urge the amendment's adoption.

Mr. Chairman, I include statistics on SBIC's and SSBIC's as follows:

MEYERS/LaFALCE AMENDMENTS ON SBIC/SSBIC [1]

[In millions of dollars]

Program	H.R. 4801	LaFalce/ Meyers
SSBIC preferred stock:		
Fiscal year 1995	33	23
Fiscal year 1996	39	24
Fiscal year 1997	45	25
SSBIC guaranteed debentures:		
Fiscal year 1995	55	44
Fiscal year 1996	55	46
Fiscal year 1997	55	48
SBIC guaranteed debentures:		
Fiscal year 1995	230	200
Fiscal year 1996	350	210
Fiscal year 1997	500	220
SBIC participating security:		
Fiscal year 1995	500	400
Fiscal year 1996	750	650
Fiscal year 1997	1,125	900

[1] Amendment reduces the authorized amounts for the SSBIC preferred stock (direct loan program); the SSBIC and SBIC guaranteed debenture program; and the SBIC participating securities program.

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

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAFALCE].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part 2 of House Report 103–627.

AMENDMENT OFFERED BY MR. KNOLLENBERG

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KNOLLENBERG:

Page 4, line 21, strike "$208,000,000" and insert "$198,000,000".

Page 4, line 24, strike "$195,000,000" and insert "$185,000,000".

Page 5, line 3, increase the pending figure by $10,000,000.

Page 5, line 11, strike "$20,000,000" and insert "$30,000,000".

Page 7, line 3, strike "$284,000,000" and insert "$264,000,000".

Page 7, line 6, strike "$270,000,000" and insert "$250,000,000".

Page 7, line 10, increase the pending figure by $20,000,000.

Page 7, line 18, strike "$20,000,000" and insert "$40,000,000".

The CHAIRMAN. Pursuant to the rule, the gentleman from Michigan [Mr. KNOLLENBERG] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment to H.R. 4801, a bill to reauthorize the Small Business Administration.

This is a very straightforward amendment concerning the SBA's Microloan Program.

The Clinton administration has expressed its desire to move from direct lending in the SBA, toward loans made on a guaranteed basis. This shift not only allows for the leveraging of funds in order to stretch our scarce dollars, but it also protects the taxpayer from the cost of defaulted loans.

Chairman LAFALCE and others have recognized the administration's proposal through the creation and continuation of a well-crafted Guaranteed Microloan Pilot Program, for which the chairman has authorized $20 million per year over the next 3 years.

My amendment seeks to build on these foundations laid by Chairman LAFALCE by expanding the authorized levels by $10 million in 1996, and by $20 million in 1997. We will accomplish this by transferring funds from the Direct Microloan Program.

Not only will my amendment expand the Pilot Program, but there will also be ample funds remaining in the Direct Microloan Program to adequately serve small business needs.

For example, in 1996, $10 million is transferred to the Pilot Program from the $195 million authorized in the bill for direct microloans. In 1997, $20 million is transferred from the $270 million authorized in the bill for direct microloans.

As you can see, my amendment will not threaten access to capital for small businesses which are unable to find banks willing to take the time to work with the SBA and the loan applicant to make a guaranteed loan of such a small size, as microloans, by definition, are.

The Guaranteed Microloan Pilot Program, as it stands, is a good one. My amendment seeks to expand on the chairman's hand work by giving it the financing that it will need to ensure that it becomes a successful and effective program.

I realize that with many small businesses, the last person to actually get paid each month is the small business owner himself. As a former small businessman myself, I can remember times when I had to make payroll out of my own pocket.

For large corporations, and even for some individuals, loans of this size are simply small change. But for many very small businesses, these microloans of under $25,000 may be the difference between success and failure.

The SBA Microloan Program is an important source of capital for all types of very small businesses throughout our Nation. These are the true mom-and-pop businesses, often run out of peoples homes primarily in our Nation's urban and rural areas, perhaps the very areas most in need of business development. These businesses are important to the individual owners, to their local areas, and to our economy as a whole.

This amendment will be good for small business by providing more bang for each appropriated buck. It will be

good for the American taxpayer by providing some protection from the inevitable cost associated with making loans.

Mr. Chairman, I urge support for my amendment.

□ 1100

The CHAIRMAN. Does any Member seek recognition in opposition to the amendment?

Mr. LAFALCE. Mr. Chairman, I do not oppose the amendment, but I would intend to claim the time.

The CHAIRMAN. The gentleman from New York [Mr. LAFALCE] will be recognized for 5 minutes.

Mr. LAFALCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do not oppose the amendment. In fact, I am very willing to accept the amendment.

We do not believe that to transfer additional money from direct loans, loan guarantees, is necessary. The amendment simply increases the amount of guaranteed money available for a trial program which has not been tested.

The gentleman had offered a much more extensive amendment in committee and has now reduced the amount of the transfer very substantially. I appreciate the conciliatory approach he has taken, the changes he has made, and in the spirit of cooperation, accept the amendment.

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

Mr. KNOLLENBERG. Mr. Chairman, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS], the ranking minority member.

Mrs. MEYERS of Kansas. Mr. Chairman, I rise in strong support of the amendment offered by Mr. KNOLLENBERG. The Microloan Program is an excellent program aimed at aiding the smallest of small businesses—mostly startups—in urban and rural areas. The administration had proposed moving the entire Microloan Program from a direct to a guaranteed basis. H.R. 4801 initiates a pilot program to start a gradual move in that direction. The Knollenberg amendment simply increases the levels of pilot program in fiscal years 1996 and 1997, decreasing the Microloan Direct Program by identical amounts in those same years.

The Knollenberg amendment just increases our commitment to making microloans on a guaranteed basis, and gives it every opportunity for success. I hope that these efforts will be successful, allowing us to assist even more small businesses with limited funds.

Mr. KNOLLENBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to again thank the chairman, the gentleman from New York [Mr. LAFALCE], for his work and his spirit of cooperation, and the ranking member, the gentlewoman from Kansas [Mrs. MEYERS].

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. KNOLLENBERG].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in part 2 of House Report 103-627.

AMENDMENT OFFERED BY MR. BILIRAKIS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BILIRAKIS: Page 54, after line 21, insert the following:

SEC. 709. CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 31, as added by section 706 of this Act, the following:

"SEC. 32. CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.

"Each applicant for financial assistance under this Act, including applicants for direct loans and loan guarantees, shall certify, as a condition for receiving such assistance, that the applicant is not in violation of the terms of any administrative order, court order, or repayment agreement entered into between the applicant and the custodial parent or the State agency providing child support enforcement services which requires the applicant to pay child support, as such term is defined by section 462(b) of the Social Security Act.".

The CHAIRMAN. The gentleman from Florida [Mr. BILIRAKIS] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to first extend my thanks to the distinguished chairman of the Small Business Committee, Mr. LAFALCE, and the distinguished ranking member, Mrs. MEYERS, as well as their staffs, for their willingness to work with me on this amendment. I know they share my desire to improve the enforcement of child support, and I appreciate their efforts.

I would further extend my appreciation and commendations to my L.A., Todd Tuten. I said to him, "Todd, find some way in which we might be able to address this very abysmal picture regarding child support in this country." He came upon this method, and worked with the staffs of the committee, and we were able to come up with this amendment.

My amendment is not designed to address the fundamental flaws in our Nation's child support enforcement system. Rather, it is intended to send a clear message—that paying child support is a fundamental civic responsibility. Parents who neglect that obligation simply transfer the costs to the rest of society, and they should not be rewarded for such action.

My staff and I have worked carefully to draft language which will achieve this policy objective without being excessively broad in scope. We want to ensure that the amendment will not exclude individuals who should rightfully receive assistance, and that it will not impose any hardship on the Small Business Administration.

In that regard, the Small Business Administration has informed me that the amendment would not impose a significant administrative burden on the agency.

Briefly, the amendment would require applicants for financial assistance to certify that they are not in violation of the terms of any administrative order, court order, or repayment agreement under which the applicant is required to pay child support.

Applicants will only be required to sign an affirmative statement—they will not be asked to present documentation from the court or administrative body. This requirement would be enforced through an existing provision of the Small Business Act, which establishes penalties for fraud in obtaining financial assistance.

My amendment will prevent the use of taxpayers' dollars to assist those who refuse to satisfy their most basic parental obligation—providing adequate support for their child. However, my primary intent is to encourage payment of child support. In that respect, the amendment can be likened to a "carrot and stick" approach.

By denying assistance only to those individuals who are currently in violation of an order or repayment agreement, the amendment provides an incentive for noncustodial parents to pay their past-due child support. Once the terms of the order or repayment agreement are met, the individual is no longer precluded from applying for such assistance.

Mr. Chairman, failure to pay child support is not merely being late or forgetful of one's obligations. It is a violation of a lawful court order. It may also be considered contempt of court. Thus, it is not unreasonable to require applicants for SBA assistance to comply with their legal duties.

I believe we must also look to the end result of failure to pay support: A lack of financial assistance designed to ensure the health and well-being of children, who are, by definition, innocent victims of the delinquency.

In conclusion, Mr. Chairman, my amendment is designed to send a simple message—that we as a society place a high value on the health and well-being of our children. I remain willing to work with my colleagues on any necessary refinements to the language of this proposal, and I urge Members to support this important amendment.

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

The CHAIRMAN. The gentleman from New York [Mr. LAFALCE] will be recognized for 5 minutes.

Mr. LAFALCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, everyone wants fathers to assume financial responsibility for their children, and this includes compliance with court-ordered child support.

The gentleman's amendment would preclude the SBA loan assistance to any applicant who was more than 1 month in arrears in these payments. This does sound good, but it could create problems. For example, a father remarries and establishes a second family. If the new family's home is damaged by disaster, do we want to deny them a loan to repair or replace it? Should the new wife and possible children be denied disaster loan assistance?

There could be countless other examples. I could go on, but I will not.

□ 1110

The point is I do agree with the intent of the gentleman's amendment.

Mr. Chairman, since the gentleman first brought the amendment to my attention, he has revised it to mitigate some of the harshness by removing the prohibition if the applicant enters into some type of a repayment agreement to eliminate the delinquency. I believe the language solves most of the problems. Therefore, I am willing to accept the amendment and hope that as other problems are pointed out we can further refine the amendment to solve those problems in conference.

Therefore, Mr. Chairman, in that spirit I would accept the amendment.

Mr. BILIRAKIS. Mr. Chairman, I appreciate the comments of the chairman. I believe, I say to the gentleman, I know that we have worked with his staff to try to get that worked out, and I think it has been satisfactorily worked out. If not, as I have already indicated, we are willing to work with the gentleman from New York [Mr. LAFALCE] further on it.

Mr. LAFALCE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding.

I thank the gentleman from Florida [Mr. BILIRAKIS] for his amendment.

I think this is a very important amendment. Many of us have been working hard to make sure the Federal Government is doing everything it can to make sure that parents do not run away from their kids. The most important decision anybody makes is to be a parent. These responsibilities should not be treated lightly. I think the taxpayers get tired of both giving people some money to get started in business and also pay for their first family that they wish to shed.

So the gentleman is absolutely correct. I thank him for bringing this amendment up. I am delighted it has been accepted. I think we have to do everything we can to make sure it is enforced, and enforced rigorously. I think the compromise is the way to go, and that is that anyone who is in arrears gets no Federal money until they show a plan for how they are going to repay their arrears. I think that makes sense. That is a compromise, and that says you cannot just throw families away the way you throw bottles or the way you throw away trash. These are not trash, they are children. I thank the gentleman for his compassion and for bringing this up.

Mr. Chairman, I thank the gentleman from New York [Mr. LAFALCE] for working this all out.

Mr. BILIRAKIS. Mr. Chairman, I thank the gentlewoman for her kind remarks and assistance in this regard.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the Bilirakis amendment, and I want to commend the gentleman for his leadership and foresight on this issue.

Mr. Chairman, simply put, the state of our child support enforcement system is a national shame, and a scandal of epidemic proportion. Despite years of efforts and reforms we have undertaken in the past, billions of dollars of child support still go unpaid every year.

And make no mistake: this is not a victimless crime. The children who go without the support to which they are legally and morally entitled are the first victims. But ultimately, the American taxpayers are the victim as these children fall onto the welfare rolls.

As we in Congress prepare to debate welfare reform, we should not lose sight of this simple fact: child support enforcement is welfare prevention. A tough and effective child support title must be a component of any effective reform legislation.

The gentleman's amendment would prohibit the SBA from using taxpayer dollars for the deadbeats who do not live up to their moral and legal obligations. It requires SBA applicants to certify that they are not in violation of any existing child support order, and uses the existing fraud and abuse enforcement mechanisms already in place under SBA statute.

In fact, this amendment mirrors and is consistent with a provision in comprehensive child support legislation I have introduced, as well as the Child Support Responsibility Act recently introduced by the Caucus on Women's Issues.

Under that legislation, we would apply these commonsense prohibitions in Mr. BILIRAKIS' amendment to all Federal programs or guarantees. Our bill would once and for all prohibit the Federal Government from aiding and abetting those who refuse to pay child support, through a job, benefits, subsidies, or loan guarantee.

Be it a federally guaranteed mortgage, a government-backed student loan, or a cash or benefits program like food stamps, our bill will definitively prohibit payment to those who fail to make their child support payments, unless they show they are in compliance with a plan to repay their legal and financial obligations.

As we move toward adopting these reforms for all Federal programs, we should start here and now with the Bilirakis amendment, and the Small Business Administration.

Mr. Chairman, let this be a first step. It has become crystal clear over the past several weeks that an omnibus welfare reform package is not going to be enacted this year. That's exactly why this Congress should move quickly to approve tough child support enforcement reforms now.

The Speaker has indicated his support. The majority leader has indicated his support. The Republican leadership is on board. The chairman of the subcommittee has indicated his support. Let's get on with it.

Do not make the children wait another year. Do not let the deadbeats escape their moral and legal obligation another day. Let us pass comprehensive child support reforms now.

Support the Bilirakis amendment. The Bilirakis amendment paves the way for more comprehensive reforms.

Mr. BILIRAKIS. Mr. Chairman, I am informed the gentlewoman from Kansas [Mrs. MEYERS], the ranking member of the committee, would like to speak on this matter. I realize I have no further time. Possibly the gentleman from New York may have.

Mr. LAFALCE. Mr. Chairman, I believe I have some remaining time, and I yield such time as she may consume to the distinguished ranking member, the gentlewoman from Kansas [Mrs. MEYERS].

The CHAIRMAN. The gentlewoman from Kansas [Mrs. MEYERS] is recognized for up to 1½ minutes.

Mrs. MEYERS of Kansas. Mr. Chairman, I thank the gentleman from Florida [Mr. BILIRAKIS] for offering the amendment, and I thank the gentleman from New York [Mr. LAFALCE] for yielding this time.

Mr. Chairman, I rise in support of this amendment. I appreciate the effort of the gentleman from Florida to make this amendment effective and yet not place an overwhelming burden on the Small Business Administration.

I agree with the gentleman it is clear unpaid child support and single-parent families are creating a disastrous situation in our Nation, and I appreciate his efforts to remedy this appalling problem and support the amendment.

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

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Florida [Mr. BILIRAKIS].

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 4. Does the sponsor of amendment No. 4 wish to proceed?

If not, it is now in order to consider amendment No. 5. Does the sponsor of that amendment wish to proceed?

If not, the question is on the committee amendment in the nature of a substitute, as modified, as amended.

The committee amendment in the nature of a substitute, as modified, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. KLECZKA) having assumed the chair, Mr. WATT, Chairman 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. 4801) to amend the Small Business Act, and for other purposes, pursuant to House Resolution 494, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute, as modified, as amended?

If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. KIM

Mr. KIM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman [Mr. KIM] opposed to the bill.

Mr. KIM. Yes, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KIM moves to recommit the bill H.R. 4801 to the Committee on Small Business with instructions to report the same back to the House forthwith with the following amendment:

Page 37, after line 3, insert the following:

(c) ADDITIONAL AMOUNTS.—Notwithstanding any other provision of law, the Administration is authorized to transfer, subject to subsequent appropriations, appropriations made available to carry out this title the unobligated balance of the following amounts appropriated by title IV of the Department of State of Related Agencies Appropriations Act, 1995:

(1) $15,000,000 made available to the Administration under the heading "Salaries and Expenses" to implement section 24 of the Small Business Act.

(2) $23,750,000 made available to the Administration under the heading "Business Loans Program Account" to carry out the projects specified in the second sentence of the first paragraph under such heading.

Amounts transferred under this subsection shall be in addition to amounts appropriated pursuant to subsection (b).

Mr. KIM (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

Mr. LAFALCE. Mr. Speaker, I object. We do not have a copy of the motion to instruct, and I would like to have a copy and I would like to have it read.

The Clerk continued the reading of the motion to recommit.

□ 1120

Mr. LAFALCE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. KIM] is recognized for 5 minutes in support of his motion to recommit.

Mr. KIM. Mr. Speaker, today I am offering a motion to recommit H.R. 4801, with instructions to include an amendment which would eliminate approximately $38 million of unauthorized appropriations—in other words, pork projects—and would require the SBA to use that money to help small businessowners escape the burden of onerous prepayment penalties that they face under the SBA's 503 Loan Program.

The reason I am doing this is that I believe that we should be helping small businesses, not adding pork to help a small number of senior Members. If we do not pass my amendment, shame on us.

The 503 Loan Program was designed to provide long-term fixed rate financing for small businesses to buy equipment, machinery, and buildings. Under this program, borrowers, small businessowners, who wished to pay off their loans early, were subject to a substantial prepayment penalty as high as 60 percent.

My amendment will help small businesses by helping to reduce section 503 loan prepayment penalties by simply transferring these $38 million pork projects into this 503 Program. Small businesses are trapped by these penalties because they are unable to refinance their loans or repay them early because of the outrageous rates and penalties imposed upon them under the 503 Program.

It is clear that these small businesses need our help. Unfortunately, H.R. 4801, as currently written, only provides $30 million in funding under section 505 to help correct this problem, even though it would take $98 million to solve the problem entirely.

Let me tell the Members this: I was deeply disappointed to find out that this bill shortchanged small businessowners in this way. So imagine my surprise when I examined that appropriations bill for the SBA and found $38 million in unauthorized pork barrel appropriations for the SBA.

Mr. Speaker, there are approximately 3,500 small businesses that have outstanding 503 Loan Programs right now and are trapped because, as I mentioned earlier, they are unable to refinance or make a payment early because they cannot afford to pay such outrageously high prepayment penalties.

We are telling small businesses that there just was not enough money to help them and then turning around and spending millions of dollars on frivolous "goodies."

Mr. Speaker, my amendment would rectify this shameful situation. Finally, let me be clear on this: A yes vote on this motion is a vote for small businesses in our districts. A no vote on this motion is a vote for pork and against the interests of the small businessowners of this Nation. I urge my colleagues to vote "yes."

The SPEAKER pro tempore. The gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes in opposition to the motion to recommit.

Mr. LAFALCE. Mr. Speaker, I must rise in opposition to the motion to recommit for a number of reasons, but primarily because the gentleman from California would have us engage in a superfluous, meaningless act. What he would do via the authorization process is attempt to repeal an appropriations bill that has already passed both houses of Congress and has already been signed into law by the President of the United States, and because it otherwise would have been out of order, he makes this authorization repeal subject to the approval of the Appropriations Committee in a new appropriations bill that would then subsequently have to be passed by this House and then subsequently signed into law by the President.

There comes a point in time when finality is required. The potential law of the land was discussed and debated a number of weeks ago. The voice of this body was heard. It is now the law of the land, and we should not engage in such superfluous activity.

Mr. Speaker, I urge the defeat of the motion to recommit.

Mr. Speaker, I now yield to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I rise in opposition to the motion to recommit.

This does not do a solitary thing that is not authorized anyway. It is totally superfluous. Congress can transfer funding without this provision if it wants to. This amendment is just garbage under the Small Business Act. The Small Business Act is a serious act in the permanent statutes of the United States. It is a 3-year act, and it is a 3-year authorization we are passing today. The Small Business Act should not be loaded up with this garbage or with any other superfluous garbage just because someone wants to make a statement.

Mr. Speaker, I oppose the motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

For what purpose does the gentleman from California [Mr. KIM] rise?

Mr. KIM. Mr. Speaker, I would like to yield the remainder of my time to the ranking member of the Committee on Small Business.

The SPEAKER pro tempore. Without objection, the gentlewoman from Kansas [Mrs. MEYERS] is recognized for 30 seconds.

There was no objection.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in strong support of the motion to recommit. For at least two Congresses the Small Business Committee has wrestled with the burdensome prepayment penalties in the 503 Loan Program. Finally, after gaining administration support we ran into the problem of money. We were told that $30 million was all that could be scraped together to solve a $100 million problem.

Mr. Speaker, imagine my shock when I found that the 1995 SBA appropriations contained $38 million of totally unauthorized spending. This spending is for programs the administration had not requested, and urged be eliminated. The Committee on Small Business has never held a hearing on these projects, or deliberated their authorization.

It is outrageous that small business men and women, some in hardship situations due to the high penalty for prepayment of SBA 503 loans will go without relief due to this kind of spending. Let us do the right thing and support the Kim motion to recommit and try to put that money to use helping small business.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. KIM. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be ordered on the question of the passage of the bill.

The vote was taken by electronic device, and there were—yeas 176, nays 242, not voting 16, as follows:

[Roll No. 427]

YEAS—176

Allard
Andrews (ME)
Andrews (NJ)
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Camp
Canady
Cantwell
Castle
Clinger
Coble
Collins (GA)
Combest
Condit
Cooper
Cox
Crane
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutto
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson (SD)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Lucas
Machtley
Manzullo
McCandless
McCollum
McCrery
McCurdy
McHugh
McInnis
McKeon
Meyers
Mica
Michel
Miller (FL)
Minge
Molinari
Moorhead
Morella
Nussle
Orton
Oxley
Paxon
Penny
Peterson (MN)
Petri
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Ramstad
Ravenel
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Stearns
Stenholm
Stump
Swett
Talent
Taylor (MS)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Walker
Walsh
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NAYS—242

Ackerman
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barlow
Bateman
Becerra
Beilenson
Berman
Bevill
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Callahan
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Furse
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutchinson
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Owens
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pickle
Poshard
Price (NC)
Quillen
Quinn
Rahall
Rangel
Reed
Regula
Reynolds
Richardson
Rogers
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (IA)
Spence
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swift
Tanner
Tauzin
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)

NOT VOTING—16

Abercrombie
Calvert
Frost
Gallo
Kennedy
Maloney
McMillan
Meehan
Ridge
Roth
Slattery
Sundquist
Synar
Vento
Vucanovich
Washington

□ 1149

Messrs. WYNN, LIVINGSTON, and PACKARD changed their vote from "yea" to "nay."

Messrs. JOHNSON of South Dakota, BARTON of Texas, and GILMAN changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. KLECZKA). The question is on the passage of the bill.

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

Mr. LAFALCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chair will remind Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 370, nays 48, not voting 16, as follows:

[Roll No. 428]

YEAS—370

Abercrombie
Ackerman
Andrews (ME)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Cunningham
Danner
Darden
de la Garza
Deal
DeFazio
Dellums
Derrick
Deutsch
Dickey
Dingell
Dixon
Dooley
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Harman
Hastert
Hastings
Hayes
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Lucas
Machtley
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Menendez
Meyers
Mfume
Michel
Miller (CA)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moran
Morella
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schenk
Schiff
Schroeder
Schumer
Scott
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Visclosky
Volkmer
Walker
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NAYS—48

Allard
Andrews (NJ)
Archer
Armey
Bachus (AL)
Barton
Bliley
Burton
Coble
Cox
Crane
Crapo
DeLay
Doolittle
Dornan
Dreier
Duncan
Ehlers
Fawell
Fields (TX)
Goodlatte
Hancock
Hefley
Hoekstra
Hunter
Istook
Kim
Manzullo
McCandless
McCollum
Mica
Miller (FL)
Moorhead
Myers
Packard
Paxon
Penny
Petri
Rohrabacher
Roth
Royce
Schaefer
Sensenbrenner
Smith (MI)
Stearns
Stump
Upton
Zimmer

NOT VOTING—16

DeLauro
Diaz-Balart
Dicks
Ford (MI)
Frost
Gallo
Kennedy
Maloney
Meek
Ridge
Slattery
Sundquist
Synar
Vento
Vucanovich
Washington

□ 1200

Messrs. MOORHEAD, FAWELL, and MCCOLLUM changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 4801, the bill just passed.

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

There was no objection.

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2060) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill as follows:

S. 2060

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 "Small Business Administration Reauthorization and Amendment Act of 1994".

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

Sec. 1. Short title; table of contents.

TITLE I—AUTHORIZATIONS

Sec. 101. Authorizations.

TITLE II—FINANCIAL ASSISTANCE PROGRAMS

Sec. 201. Microloan financing pilot.
Sec. 202. Eligibility of Native American tribal governments to be microloan intermediaries.
Sec. 203. Microloan program extension.
Sec. 204. Microloan program funding and State limitations.
Sec. 205. Distribution of intermediaries.
Sec. 206. Microloan intermediary loan limitation.
Sec. 207. Microloan technical assistance to nonborrowers.
Sec. 208. Microloan demonstration program grants.
Sec. 209. Eligibility to participate as a microloan intermediary and a technical assistance provider.
Sec. 210. Loans to exporters.
Sec. 211. Working capital international trade loans.
Sec. 212. Guarantees on international trade loans.
Sec. 213. Accredited lenders program.
Sec. 214. Interest rate on certified development company loans.
Sec. 215. Certifications of eligibility for SBIC and SSBIC financing.
Sec. 216. Participating securities for smaller SBICs.

TITLE III—SIZE STANDARDS AND BOND GUARANTEES

Sec. 301. Size standard criteria.
Sec. 302. Sunset on preferred surety bond guarantee program.
Sec. 303. Manufacturing contracts through manufacturing application and education centers.

TITLE IV—BUSINESS DEVELOPMENT ASSISTANCE

Subtitle A—General Provisions

Sec. 401. Sunset on cosponsored training.

Sec. 402. Small business development center program level.
Sec. 403. Federal contracts with small business development centers.
Sec. 404. Small business development center program examination and certification.
Sec. 405. Service Corps of Retired Executives (SCORE) program.
Sec. 406. Information concerning franchising.
Subtitle B—Development of Woman-Owned Businesses
Sec. 411. Extension of authority for demonstration projects.
Sec. 412. Establishment of Office of Women's Business Ownership.
Sec. 413. National Commission on Women in Business.
TITLE V—RELIEF FROM DEBENTURE PREPAYMENT PENALTIES
Sec. 501. Short title.
Sec. 502. Prepayment of development company debentures.
TITLE VI—MISCELLANEOUS AMENDMENTS
Sec. 601. Consolidation of funding accounts.
Sec. 602. Imposition of fees.
Sec. 603. Job creation and community benefit.
Sec. 604. Microloan program amendments.
Sec. 605. Technical clarification.
Sec. 606. Secondary market study due date.
Sec. 607. Study and data base: Guaranteed Business Loan Program and Development Company Program.
Sec. 608. SBIR vendors.
Sec. 609. Program extension.
Sec. 610. Prohibition on the use of funds for individuals not lawfully within the United States.
Sec. 611. Office of advocacy employees.
Sec. 612. Prohibition on the provision of assistance.
Sec. 613. Certification of compliance with child support obligations.

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by striking subsections (k) (as added by section 405(3) of the Small Business Credit and Business Opportunity Enhancement Act of 1992) through (p) and inserting the following:

"(l) The following program levels are authorized for fiscal year 1995:

"(1) For the programs authorized by this Act, the Administration is authorized to make $110,000,000 in direct and immediate participation loans, and $45,000,000 in technical assistance grants as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $13,315,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $9,000,000,000 in general business loans as provided in section 7(a);

"(B) $2,300,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958;

"(C) $2,000,000,000 in loans as provided in section 7(a)(21); and

"(D) $15,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $33,000,000 in purchases of preferred securities;

"(B) $275,000,000 in guarantees of debentures, of which $65,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $500,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $450,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) The Administration is authorized to make grants or enter into cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $3,500,000;

"(B) for the Small Business Institute program authorized by section 8(b)(1), $3,000,000; and

"(C) for activities of small business development centers pursuant to section 21(c)(3)(G), $25,000,000, to remain available until expended.

"(m) There are authorized to be appropriated to the Administration for fiscal year 1995 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(n) The following program levels are authorized for fiscal year 1996:

"(1) For the programs authorized by this Act, the Administration is authorized to make $175,000,000 in direct and immediate participation loans, and $65,000,000 in technical assistance grants as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $15,320,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $10,000,000,000 in general business loans as provided in section 7(a);

"(B) $2,800,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958;

"(C) $2,500,000,000 in loans as provided in section 7(a)(21); and

"(D) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $39,000,000 in purchases of preferred securities;

"(B) $300,000,000 in guarantees of debentures, of which $70,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $750,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $500,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) The Administration is authorized to make grants or enter cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $3,750,000;

"(B) for the small business institute program authorized by section 8(b)(1), $3,250,000; and

"(C) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $25,000,000, to remain available until expended.

"(o) There are authorized to be appropriated to the Administration for fiscal year 1996 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(p) The following program levels are authorized for fiscal year 1997:

"(1) For the programs authorized by this Act, the Administration is authorized to make $250,000,000 in direct and immediate participation loans and $98,000,000 in technical assistance grants as provided in section 7(m), to remain available until expended.

"(2) For the programs authorized by this Act, the Administration is authorized to make $19,020,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $12,000,000,000 in general business loans as provided in section 7(a);

"(B) $3,500,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958;

"(C) $3,500,000,000 in loans as provided in section 7(a)(21); and

"(D) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $45,000,000 in purchases of preferred securities;

"(B) $375,000,000 in guarantees of debentures, of which $75,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $1,125,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,200,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) The Administration is authorized to make grants or enter cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $4,000,000;

"(B) for the small business institute program authorized by section 8(b)(1), $3,500,000; and

"(C) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $25,000,000, to remain available until expended.

"(q) There are authorized to be appropriated to the Administration for fiscal year 1997 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the

Small Business Investment Act of 1958, including salaries and expenses of the Administration.".

TITLE II—FINANCIAL ASSISTANCE PROGRAMS

SEC. 201. MICROLOAN FINANCING PILOT.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended by adding at the end the following new paragraph:

"(12) DEFERRED PARTICIPATION LOAN PILOT.—In lieu of making direct loans to intermediaries as authorized in paragraph (1)(B), during fiscal years 1995 through 1997, the Administration may, on a pilot program basis, participate on a deferred basis of not less than 90 percent and not more than 100 percent on loans made to intermediaries by a for-profit or nonprofit entity or by alliances of such entities, subject to the following conditions:

"(A) NUMBER OF LOANS.—In carrying out this paragraph, the Administration shall not participate in providing financing on a deferred basis to more than 10 intermediaries in urban areas or more than 10 intermediaries in rural areas.

"(B) TERM OF LOANS.—The term of each loan shall be 10 years. During the first year of the loan, the intermediary shall not be required to repay any interest or principal. During the second through fifth years of the loan, the intermediary shall be required to pay interest only. During the sixth through tenth years of the loan, the intermediary shall be required to make interest payments and fully amortize the principal.

"(C) INTEREST RATE.—The interest rate on each loan shall be the rate specified by paragraph (3)(F) for direct loans. Subject to the availability of appropriations, the Administration may make payments to lenders on behalf of intermediaries in order to achieve such interest rate.".

SEC. 202. ELIGIBILITY OF NATIVE AMERICAN TRIBAL GOVERNMENTS TO BE MICROLOAN INTERMEDIARIES.

Section 7(m)(11)(A) of the Small Business Act (15 U.S.C. 636(m)(11)(A)) is amended—

(1) in clause (iii), by striking "or" at the end;

(2) in clause (iv), by striking the comma at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(v) an agency of or nonprofit entity established by a Native American Tribal Government,".

SEC. 203. MICROLOAN PROGRAM EXTENSION.

Section 609(j) of Public Law 102-140 (105 Stat. 831) is amended by striking "5 years after the date of enactment of this Act", and inserting "on October 1, 1998".

SEC. 204. MICROLOAN PROGRAM FUNDING AND STATE LIMITATIONS.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (5)(A)—

(A) by striking "25 grants" and inserting "50 grants"; and

(B) by striking "$125,000" and inserting "$150,000"; and

(2) by striking paragraph (7) and inserting the following:

"(7) PROGRAM FUNDING FOR MICROLOANS.—

"(A) NUMBER OF PARTICIPANTS.—In carrying out paragraph (1)(B)(i), the Administration may fund, on a competitive basis, not more than—

"(i) 150 microloan programs in fiscal year 1995; and

"(ii) 200 microloan programs in each succeeding fiscal year.

"(B) STATE LIMITATIONS.—A State shall not receive more than $10,000,000 in loan funds during any year of program participation.".

SEC. 205. DISTRIBUTION OF INTERMEDIARIES.

Section 7(m)(8) of the Small Business Act (15 U.S.C. 636(m)(8)) is amended to read as follows:

"(8) DISTRIBUTION OF INTERMEDIARIES.—In approving microloan program applicants under this subsection, the Administration shall select such intermediaries as will further microloan availability for small businesses in all industries located throughout each State, especially small businesses located in economically distressed urban and rural areas.".

SEC. 206. MICROLOAN INTERMEDIARY LOAN LIMITATION.

Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended by striking "$1,250,000" and inserting "$2,000,000".

SEC. 207. MICROLOAN TECHNICAL ASSISTANCE TO NONBORROWERS.

Section 7(m)(4) of the Small Business Act (15 U.S.C. 636(m)(4)) is amended by adding at the end the following new subparagraph:

"(E) ASSISTANCE TO CERTAIN SMALL BUSINESS CONCERNS.—Each intermediary may expend an amount not to exceed 20 percent of the grant funds authorized under paragraph (1)(B)(ii) to provide marketing, management, and technical assistance to small business concerns that are not borrowers under this subsection.".

SEC. 208. MICROLOAN DEMONSTRATION PROGRAM GRANTS.

Section 7(m)(4) of the Small Business Act (15 U.S.C. 636(m)(4)) is amended—

(1) in subparagraph (B), by inserting "except for a grant made to an intermediary that provides not less than 50 percent of its loans to small business concerns owned by one or more members of a federally recognized Indian tribe," after "under subparagraph (A),"; and

(2) in subparagraph (C), by striking clause (i) and inserting the following:

"(i) IN GENERAL.—In addition to grants made under subparagraph (A), each intermediary shall be eligible to receive a grant equal to 5 percent of the total outstanding balance of loans made to the intermediary under this subsection if—

"(I) the intermediary provides not less than 25 percent of its loans to small business concerns owned by one or more members of a federally recognized Indian tribe; or

"(II) the intermediary has a portfolio of loans made under this subsection that averages not more than $7,500 during the period of the intermediary's participation in the program.".

SEC. 209. ELIGIBILITY TO PARTICIPATE AS A MICROLOAN INTERMEDIARY AND A TECHNICAL ASSISTANCE PROVIDER.

Section 7(m)(2) of the Small Business Act (15 U.S.C. 636(m)(2)) is amended—

(1) by striking "(2) ELIGIBILITY FOR PARTICIPATION.—An" and inserting the following:

"(2) ELIGIBILITY FOR PARTICIPATION.—

"(A) IN GENERAL.—An";

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting accordingly; and

(3) by adding at the end the following new subparagraph:

"(B) PARTICIPATION AS INTERMEDIARY AND TECHNICAL ASSISTANCE PROVIDER.—A single entity may simultaneously receive 1 grant as an intermediary pursuant to paragraph (1)(B)(ii) and 1 grant as a nonintermediary technical assistance provider pursuant to paragraph (1)(B)(iii) if the Administration determines that—

"(i) the purposes of the grants are not duplicative;

"(ii) the grants will enable the entity to provide technical assistance to different geographic areas, or to support both guaranteed and direct loans in the same geographic area; and

"(iii) the entity meets all of the requirements of the programs authorized pursuant to clauses (ii) and (iii) of paragraph (1)(B).".

SEC. 210. LOANS TO EXPORTERS.

Section 7(a)(14)(A) of the Small Business Act (15 U.S.C. 636(a)(14)(A)) is amended to read as follows:

"(14)(A) The Administration may provide extensions of credit, standby letters of credit, revolving lines of credit for export purposes, and other financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets. A bank or participating lending institution may establish the rate of interest on such financings as may be legal and reasonable.".

SEC. 211. WORKING CAPITAL INTERNATIONAL TRADE LOANS.

Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended to read as follows:

"(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed $1,250,000, of which not more than $750,000 may be used for working capital, supplies, or financings under section 7(a)(14) for export purposes; and".

SEC. 212. GUARANTEES ON INTERNATIONAL TRADE LOANS.

Section 7(a)(2)(B)(iv) of the Small Business Act (15 U.S.C. 636(a)(2)(B)(iv)) is amended to read as follows:

"(iv) not less than 85 percent nor more than 90 percent of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (14) or (16).".

SEC. 213. ACCREDITED LENDERS PROGRAM.

(a) ESTABLISHMENT.—Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following new section:

"SEC. 507. ACCREDITED LENDERS PROGRAM.

"(a) ESTABLISHMENT.—The Administration is authorized to establish an Accredited Lenders Program for qualified State and local development companies that meet the requirements of subsection (b).

"(b) REQUIREMENTS.—The Administration may designate a qualified State or local development company as an accredited lender if such company—

"(1) has been an active participant in the Development Company Program authorized by sections 502, 503, and 504 for not less than the preceding 12 months;

"(2) has well-trained, qualified personnel who are knowledgeable in the Administration's lending policies and procedures for such Development Company Program;

"(3) has the ability to process, close, and service financing for plant and equipment under such Development Company Program;

"(4) has a reasonable and acceptable loss rate on the company's debentures;

"(5) has a history of submitting to the Administration complete and accurate debenture guaranty application packages; and

"(6) has demonstrated the ability to serve small business credit needs for financing plant and equipment through the Development Company Program authorized by sections 502, 503, and 504.

"(c) EXPEDITED PROCESSING OF LOAN APPLICATIONS.—The Administration shall develop an expedited procedure for processing a loan application or servicing action submitted by a qualified State or local development company that has been designated as an accredited lender in accordance with subsection (b).

"(d) SUSPENSION OR REVOCATION OF DESIGNATION.—

"(1) IN GENERAL.—The designation of a qualified State or local development company as an accredited lender may be suspended or revoked if the Administration determines that—

"(A) the development company has not continued to meet the criteria for eligibility under subsection (b); or

"(B) the development company has failed to adhere to the Administration's rules and regulations or is violating any other applicable provision of law.

"(2) EFFECT.—A suspension or revocation under paragraph (1) shall not affect any outstanding debenture guarantee.

"(e) DEFINITION.—For purposes of this section, the term 'qualified State or local development company' has the same meaning as in section 503(e).".

(b) REGULATIONS.—Not later than 120 days after the date of enactment of this Act, the Administration shall promulgate final regulations to carry out this section.

(c) REPORT.—Not later than 1 year after the effective date of regulations promulgated under subsection (b), the Administration shall report to the Committees on Small Business of the Senate and the House of Representatives on the implementation of this section. Such report shall include data on the number of development companies designated as accredited lenders, their debenture guarantee volume, their loss rates, the average processing time on their guarantee applications, and such other information as the Administration deems appropriate.

SEC. 214. INTEREST RATE ON CERTIFIED DEVELOPMENT COMPANY LOANS.

Section 112(c) of the Small Business Administration Reauthorization and Amendment Act of 1988 (102 Stat. 2996) is amended—

(1) in paragraph (1), by striking "(1) IN GENERAL.—Section 503" and inserting "Section 503"; and

(2) by striking paragraph (2).

SEC. 215. CERTIFICATIONS OF ELIGIBILITY FOR SBIC AND SSBIC FINANCING.

Section 308 of the Small Business Investment Act of 1958 (15 U.S.C. 687) is amended by adding at the end the following new subsection:

"(h) CERTIFICATIONS OF ELIGIBILITY.—

"(1) CERTIFICATION BY SMALL BUSINESS CONCERN.—Prior to receiving financial assistance from a company licensed pursuant to subsection (c) or (d) of section 301, a small business concern shall certify in writing that it meets the eligibility requirements of the Small Business Investment Company Program or the Specialized Small Business Investment Company Program, as applicable.

"(2) CERTIFICATION BY COMPANY.—Prior to providing financial assistance to a small business concern under this Act, a company licensed pursuant to subsection (c) or (d) of section 301 shall certify in writing that it has reviewed the application for assistance of the small business concern and that all documentation and other information supports the eligibility of the applicant.

"(3) RETENTION OF CERTIFICATIONS.—Certificates made pursuant to paragraphs (1) and (2) shall be retained by the company licensed pursuant to subsection (c) or (d) of section 301 for the duration of the financial assistance.".

SEC. 216. PARTICIPATING SECURITIES FOR SMALLER SBICS.

Section 303(g) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)) is amended by adding at the end the following new paragraph:

"(13) PARTICIPATING SECURITIES FOR SMALLER SMALL BUSINESS INVESTMENT COMPANIES.—

"(A) IN GENERAL.—Subject to the provisions of subparagraph (B), of the amount of the annual program level of participating securities approved in appropriations Acts, 50 percent shall be reserved for funding small business investment companies with private capital of less than $20,000,000.

"(B) EXCEPTION.—During the last quarter of each fiscal year, if the Administrator determines that there is a lack of qualified applicants with private capital of less than $20,000,000, the Administrator may utilize all or any part of the program level for securities reserved under subparagraph (A) for qualified applicants with private capital of $20,000,000 or more.".

TITLE III—SIZE STANDARDS AND BOND GUARANTEES

SEC. 301. SIZE STANDARD CRITERIA.

Section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is amended to read as follows:

"(2) SIZE STANDARD CRITERIA.—

"(A) IN GENERAL.—In addition to the criteria specified in paragraph (1), the Administrator may specify detailed definitions or standards by which a business concern may be determined to be a small business concern for the purposes of this Act or any other Act.

"(B) ADDITIONAL CRITERIA.—The standards described in paragraph (1) may utilize number of employees, dollar volume of business, net worth, net income, or a combination thereof.

"(C) REQUIREMENTS.—Unless specifically authorized by statute, no Federal department or agency may prescribe a size standard for categorizing a business concern as a small business concern, unless such proposed size standard—

"(i) is proposed after an opportunity for public notice and comment;

"(ii) provides for determining—

"(I) the size of a manufacturing concern as measured by the manufacturing concern's average employment based upon employment during each of the manufacturing concern's pay periods for the preceding 12 months;

"(II) the size of a business concern providing services on the basis of the annual average gross receipts of the business concern over a period of not less than 3 years; and

"(III) the size of other business concerns on the basis of data over a period of not less than 3 years; and

"(iii) is approved by the Administrator.".

SEC. 302. SUNSET ON PREFERRED SURETY BOND GUARANTEE PROGRAM.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking "September 30, 1994" and inserting "September 30, 1995".

SEC. 303. MANUFACTURING CONTRACTS THROUGH MANUFACTURING APPLICATION AND EDUCATION CENTERS.

(a) IN GENERAL.—The Small Business Administration shall promote the award of Federal manufacturing contracts to small business concerns that participate in manufacturing application and education centers by working with the Department of Commerce and other agencies to identify components and subsystems that are both critical and currently foreign-sourced.

(b) QUALIFICATIONS.—In order to qualify as a manufacturing application and education center under this section, an entity shall have the capacity to assist small business concerns in a shared-use production environment and to offer the following services:

(1) Technology demonstration.

(2) Technology education.

(3) Technology application support.

(4) Technology advancement support.

(c) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—The requirements of section 15(o)(1)(B) of the Small Business Act shall not apply with respect to any manufacturing contract carried out by a small business concern in conjunction with a manufacturing application and education center under this section.

(d) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall promulgate final regulations to carry out this section.

(e) TERMINATION OF AUTHORITY.—The authority of the Small Business Administration under this section shall terminate on September 30, 1997.

TITLE IV—BUSINESS DEVELOPMENT ASSISTANCE

Subtitle A—General Provisions

SEC. 401. SUNSET ON COSPONSORED TRAINING.

(a) IN GENERAL.—

(1) REPEAL.—The amendments made by section 5(a) of Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) are hereby repealed.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on September 30, 1997.

(b) CONFORMING AMENDMENT.—Section 7(b) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) is amended in the second sentence by striking "and the amendments made to section 8(b)(1)(A) of the Small Business Act by section 5(a)(2) of this Act are" and inserting "is".

SEC. 402. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM LEVEL.

Section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) is amended to read as follows:

"(4) SMALL BUSINESS DEVELOPMENT CENTER PROGRAM LEVEL.—

"(A) IN GENERAL.—The Administration shall require as a condition of any grant (or amendment or modification thereof) made to an applicant under this section, that a matching amount (excluding any fees collected from recipients of such assistance) equal to the amount of such grant be provided from sources other than the Federal Government, to be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions.

"(B) RESTRICTION.—The matching amount described in subparagraph (A) shall not include any indirect costs or in-kind contributions derived from any Federal program.

"(C) NATIONAL PROGRAM.—

"(i) IN GENERAL.—No recipient of funds under this section shall receive a grant that exceeds—

"(I) for fiscal year 1995, the greater of—

"(aa) the sum of such recipient's pro rata share of a national program based upon the population to be served by the small business development center as compared to the total population in the United States, and $100,000; or

"(bb) $200,000; and

"(II) except as provided in clause (ii), in each succeeding fiscal year, the greater of—

"(aa) the sum of such recipient's pro rata share of a national program based upon the population to be served by the small business development center as compared to the total population in the United States, and $200,000; or

"(bb) $300,000.

"(ii) EXCEPTION.—The provisions of clause (i)(I) shall apply in any fiscal year after fiscal year 1995 in which, based on funds appropriated, a small business development center would, under the provisions of clause (i)(II), receive less than the small business development center received in fiscal year 1995.

"(iii) AMOUNT.—The amount of the national program shall be—

"(I) $70,000,000 through September 30, 1995;

"(II) $77,500,000 from October 1, 1995 through September 30, 1996; and

"(III) $85,000,000 beginning October 1, 1996.

The amount for which a small business development center is eligible under this paragraph shall be based upon the amount of the national program in effect as of the date for commencement of performance of the small business development center's grant.".

SEC. 403. FEDERAL CONTRACTS WITH SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(a)(5) of the Small Business Act (15 U.S.C. 648(a)(5)) is amended to read as follows:

"(5) FEDERAL CONTRACTS WITH SMALL BUSINESS DEVELOPMENT CENTERS.—

"(A) IN GENERAL.—A small business development center may enter into a contract with a Federal department or agency to provide specific assistance to small business concerns, if the contract is approved in advance by the Associate Administrator of the small business development center program.

"(B) APPROVAL CRITERIA.—Each approval of a contract under subparagraph (A) shall be based upon a determination that the contract will provide assistance to small business concerns and that performance of the contract will not hinder the small business development center in carrying out the terms of the grant received by the small business development center from the Administration.

"(C) EXEMPTION FROM MATCHING REQUIREMENT.—A contract under this paragraph shall not be subject to the matching funds or eligibility requirements of paragraph (4).

"(D) ADDITIONAL PROVISION.—Notwithstanding any other provision of law, a contract for assistance under this paragraph may not be applied to any Federal department or agency's small business, woman-owned business, or socially and economically disadvantaged business contracting goal under section 15(g).".

SEC. 404. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM EXAMINATION AND CERTIFICATION.

Section 21(k) of the Small Business Act (15 U.S.C. 648(k)) is amended to read as follows:

"(k) PROGRAM EXAMINATION AND CERTIFICATION.—

"(1) EXAMINATION.—Not later than 180 days after the date of enactment of this subsection, the Administration shall develop and implement a biannual programmatic and financial examination of each small business development center established pursuant to this section.

"(2) CERTIFICATION.—The Administration may provide financial support, by contract or otherwise, to the association authorized by subsection (a)(3)(A) for the purpose of developing a small business development center certification program.

"(3) EXTENSION OR RENEWAL OF COOPERATIVE AGREEMENTS.—In extending or renewing a cooperative agreement of a small business development center, the Administration shall consider the results of the examination and certification program conducted pursuant to paragraphs (1) and (2).".

SEC. 405. SERVICE CORPS OF RETIRED EXECUTIVES (SCORE) PROGRAM.

Section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)) is amended by adding at the end the following new subparagraph:

"(H) In carrying out subparagraph (B), the Administration shall encourage the Service Corps of Retired Executives (SCORE) established pursuant to such subparagraph, to the maximum extent practicable, to consult and work in conjunction with the Corporation for National and Community Service and the Points of Light Foundation established under the National and Community Service Act of 1990.".

SEC. 406. INFORMATION CONCERNING FRANCHISING.

Section 8(b)(1)(A) of the Small Business Act (15 U.S.C. 637(b)(1)(A)) is amended by inserting "including information on the benefits and risks of franchising," after "small-business enterprises,".

Subtitle B—Development of Woman-Owned Businesses

SEC. 411. EXTENSION OF AUTHORITY FOR DEMONSTRATION PROJECTS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 28 (as added by section 2 of the Women's Business Development Act of 1991) as section 29; and

(2) in section 29(g), as redesignated, by striking "1995" and inserting "1997".

SEC. 412. ESTABLISHMENT OF OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

Section 29 of the Small Business Act (15 U.S.C. 656), as redesignated by section 411, is amended by adding at the end the following new subsection:

"(h) OFFICE OF WOMEN'S BUSINESS OWNERSHIP.—There is hereby established within the Administration an Office of Women's Business Ownership, which shall be responsible for the administration of the Administration's programs for the development of women's business enterprises, as such term is defined in section 408 of the Women's Business Ownership Act of 1988. The Office of Women's Business Ownership shall be administered by an Assistant Administrator, who shall be appointed by the Administrator.".

SEC. 413. NATIONAL COMMISSION ON WOMEN IN BUSINESS.

(a) ESTABLISHMENT.—Section 401 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"SEC. 401. ESTABLISHMENT.

"There is hereby established a Commission to be known as the 'National Commission on Women in Business' (hereafter in this title referred to as the 'Commission').".

(b) DUTIES OF THE COMMISSION.—Section 402 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"SEC. 402. DUTIES OF THE COMMISSION.

"The Commission shall—

"(1) review, promote, coordinate, and monitor plans and programs, developed in the public and private sectors, which affect the ability of woman-owned businesses to obtain capital and credit;

"(2) promote and assist in the development of the Intermediate Census on Women's Business Ownership and other surveys of woman-owned businesses;

"(3) provide assistance to and outreach for the involvement of women business owners in White House Conference on Small Business;

"(4) study and assess—

"(A) the obstacles faced by women seeking to establish businesses and women seeking senior management positions in large and small businesses and in the professions; and

"(B) the contributions to the Nation's economy by businesses owned or managed by women; and

"(5) design a comprehensive plan for a joint public-private sector effort to facilitate the development and growth of woman-owned businesses.

"(b) REPORT.—Not later than January 31, 1996, the Commission shall submit a report to the President and the Committees on Small Business of the Senate and the House of Representatives describing the plan developed pursuant to subsection (a)(5).".

(c) MEMBERSHIP.—Section 403 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"SEC. 403. MEMBERSHIP OF THE COMMISSION.

"(a) IN GENERAL.—The Commission shall be composed of 14 members, of whom—

"(1) 7 members shall be the individuals described in subsection (b); and

"(2) 7 members shall be appointed in accordance with subsection (c).

"(b) PUBLIC SECTOR MEMBERS.—For purposes of subsection (a)(1), the individuals described in this section are—

"(1) the Administrator of the Small Business Administration;

"(2) the Assistant Administrator of the Office of Women's Business Ownership of the Small Business Administration;

"(3) the Secretary of the Treasury, or the Secretary's designee;

"(4) the Secretary of Labor, or the Secretary's designee;

"(5) the Secretary of Commerce, or the Secretary's designee;

"(6) the Administrator of the General Services Administration, or the Administrator's designee; and

"(7) 1 member of the Board of Governors of the Federal Reserve System, or the designee of a member.

"(c) PRIVATE SECTOR MEMBERS.—

"(1) CHAIRPERSON.—Not later than 45 days after the date of enactment of the Small Business Administration Reauthorization and Amendment Act of 1994, the President shall appoint an individual to serve as the chairperson of the Commission (hereafter in this title referred to as the 'Chairperson') who shall be a prominent business-woman who is qualified to head the Commission by virtue of her education, training, and experience.

"(2) OTHER MEMBERS.—Not later than 60 days after the date of enactment of the Small Business Administration Reauthorization and Amendment Act of 1994, the Administrator of the Small Business Administration shall appoint 6 members of the Commission, of whom—

"(A) 1 shall be an owner of a small business concern, as such term is defined in section 3 of the Small Business Act, who is a member of the same political party as the President;

"(B) 1 shall be an owner of a small business concern, as such term is defined in section 3 of the Small Business Act, who is not a member of the same political party as the President; and

"(C) 4 shall be representatives of national women's business organizations.

"(d) ADMINISTRATIVE PROVISIONS.—

"(1) RESTRICTION.—The members of the Commission appointed pursuant to subsection (c) shall not be officers or employees of the Federal Government.

"(2) VICE CHAIRPERSON.—The member of the Commission appointed pursuant to subsection (b)(2) shall serve as vice chairperson of the Commission.

"(3) TERMS.—The term of service of the members of the Commission appointed pursuant to subsection (c) shall be 1 year. No member of the Commission may serve for more than 2 consecutive terms.

"(4) DESIGNEES.—Each designee appointed pursuant to subsection (b) shall—

"(A) be a policy-making official whose duties are consistent with the duties of the Commission; and

"(B) report directly to the head of the agency on the activities of the Commission.

"(5) COMPENSATION AND TRAVEL EXPENSES.—

"(A) PUBLIC SECTOR MEMBERS.—The members of the Commission described in subsection (b) shall serve on the Commission without additional compensation.

"(B) PRIVATE SECTOR MEMBERS.—The members of the Commission appointed pursuant to subsection (c) shall serve without pay for membership, except that such members shall be entitled to reimbursement for domestic travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Commission in the same manner as persons serving on advisory boards pursuant to section 8(b) of the Small Business Act.

"(6) VACANCIES.—A vacancy on the Commission shall, not later than 30 days after the date on which the vacancy occurs, be filled in the same manner in which the original appointment was made.

"(7) MEETINGS.—The Commission shall meet at the call of the Chairperson not less than 4 times each year.

"(8) QUORUMS.—

"(A) RECEIPT OF TESTIMONY.—Four members of the Commission shall constitute a quorum for the receipt of testimony and other evidence.

"(B) APPROVAL OF RECOMMENDATIONS.—A majority of the members of the Commission shall constitute a quorum for the approval of recommendations or reports issued pursuant to sections 402 and 406.".

(d) EXECUTIVE DIRECTOR AND STAFF.—Section 404 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"SEC. 404. EXECUTIVE DIRECTOR AND STAFF.

"(a) EXECUTIVE DIRECTOR.—The Commission shall have an Executive Director who shall be appointed by the Chairperson and the Assistant Administrator of the Small Business Administration Office of Women's Business Ownership. Upon the recommendation by the Executive Director, the Chairperson may appoint and fix the pay of 4 additional employees at a rate of pay not to exceed the maximum rate of pay payable for a position at GS-15 of the General Schedule.

"(b) ADMINISTRATIVE PROVISIONS.—The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and except as provided in subsection (a), may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the Executive Director so appointed may not receive pay in excess of the annual rate of basic pay payable for a position at ES-1 of the Senior Executive Pay Schedule under section 5832 of title 5, United States Code.

"(c) DETAIL OF ADDITIONAL PERSONNEL.—Upon request to the Chairperson, the head of any Federal department or agency may detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this title without regard to section 3341 of title 5, United States Code.".

(e) POWERS OF THE COMMISSION.—Section 405 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking "Council" each place it appears and inserting "Commission"; and

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

"(f) COOPERATION WITH PRIVATE ENTITIES.—

"(1) IN GENERAL.—Subject to the requirements of paragraph (2), the Commission may carry out its duties under section 402 through cooperation with private nonprofit and for-profit entities.

"(2) RESTRICTION.—If the Commission cooperates with private entities pursuant to paragraph (1), the Commission shall ensure that—

"(A) the Commission receives appropriate recognition and publicity;

"(B) the cooperation does not constitute or imply an endorsement by the Commission of the products and services of the cosponsor; and

"(C) the Commission avoids unnecessary promotion of the products and services of the cosponsor and minimizes utilization of any 1 cosponsor in a marketing area.".

(f) REPORTS.—Section 406 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking "Council" each place it appears and inserting "Commission";

(2) by striking "December 31, 1989" and inserting "not later than 1 year after the date of enactment of the Small Business Administration Reauthorization and Amendment Act of 1994"; and

(3) by striking "based upon its reviews conducted under section 402".

(g) AUTHORIZATION.—Section 407 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title—

"(1) $500,000 in fiscal year 1995;

"(2) $500,000 is fiscal year 1996; and

"(3) $100,000 in fiscal year 1997."; and

(2) by striking subsection (c).

(h) TRANSITION REIMBURSEMENT.—In order to facilitate the transition from the National Women's Business Council, established by title IV of the Women's Business Ownership Act of 1988, to the National Commission on Women in Business established by this section, the National Commission on Women in Business may, during the 30-day period beginning on the date on which the Chairperson of the National Commission on Women in Business is appointed pursuant to section 413 of this Act, reimburse the costs and salaries, where appropriate, of the Chairperson, Executive Director, and staff of the National Women's Business Council for transition activities .

(i) SUNSET.—The authority of the National Commission on Women in Business established under title IV of the Women's Business Ownership Act of 1988, as amended by this section, shall terminate on November 30, 1996.

TITLE V—RELIEF FROM DEBENTURE PREPAYMENT PENALTIES

SEC. 501. SHORT TITLE.

This title may be cited as the "Small Business Prepayment Penalty Relief Act of 1994".

SEC. 502. PREPAYMENT OF DEVELOPMENT COMPANY DEBENTURES.

(a) IN GENERAL.—Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following new section:

"SEC. 508. PREPAYMENT OF DEVELOPMENT COMPANY DEBENTURES.

"(a) IN GENERAL.—

"(1) PREPAYMENT AUTHORIZED.—Subject to the requirements set forth in subsection (b), an issuer of a debenture purchased by the Federal Financing Bank and guaranteed by the Administration under section 503 may, at the election of the borrower whose loan secures such debenture and with the approval of the Administration, prepay such debenture in accordance with the provisions of this section.

"(2) PROCEDURE.—

"(A) IN GENERAL.—In making a prepayment under paragraph (1)—

"(i) the borrower shall pay to the Federal Financing Bank an amount that is equal to the sum of the unpaid principal balance due on the debenture as of the date of the prepayment (plus accrued interest at the coupon rate on the debenture) and the amount of the repurchase premium described in subparagraph (B); and

"(ii) the Administration shall pay to the Federal Financing Bank the difference between the repurchase premium paid by the borrower under this subsection and the repurchase premium that the Federal Financing Bank would otherwise have received.

"(B) REPURCHASE PREMIUM.—

"(i) IN GENERAL.—For purposes of subparagraph (A)(i), the repurchase premium is the amount equal to the product of—

"(I) the unpaid principal balance due on the debenture on the date of prepayment; and

"(II) the applicable percentage rate, as determined in accordance clause (ii).

"(ii) APPLICABLE PERCENTAGE RATE.—For purposes of clause (i)(II), the applicable percentage rate means—

"(I) with respect to a 10-year term loan, 9.5 percent;

"(II) with respect to a 15-year term loan, 9.5 percent;

"(III) with respect to a 20-year term loan, 10.5 percent; and

"(IV) with respect to a 25-year term loan, 11.5 percent.

"(b) REQUIREMENTS.—For purposes of subsection (a), the requirements of this subsection are that—

"(1) the debenture is outstanding and neither the loan that secures the debenture nor the debenture is in default on the date on which the prepayment is made;

"(2) State, local, or personal funds, or the proceeds of a refinancing in accordance with subsection (d) of this section under the programs authorized by sections 504 and 505, are used to prepay the debenture; and

"(3) the issuer certifies that the benefits, net of fees and expenses authorized herein, associated with prepayment of the debenture are entirely passed through to the borrower.

"(c) NO PREPAYMENT FEES OR PENALTIES.—No fees or penalties other than those specified in this section may be imposed on the issuer, the borrower, the Administration, or any fund or account administered by the Administration as the result of a prepayment under this section.

"(d) REFINANCING LIMITATIONS.—

"(1) IN GENERAL.—The refinancing of a debenture under sections 504 and 505, in accordance with subsection (b)(2) of this section—

"(A) shall not exceed the amount necessary to prepay existing debentures, including all costs associated with the refinancing and any applicable prepayment penalty or repurchase premium; and

"(B) shall be subject to the provisions of sections 504 and 505 and the rules and regulations promulgated thereunder, including rules and regulations governing payment of authorized expenses, commissions, fees, and discounts to brokers and dealers in trust certificates issued pursuant to section 505.

"(2) JOB CREATION.—An applicant for refinancing under section 504 of a loan made pursuant to section 503 shall not be required to demonstrate that a requisite number of jobs will be created with the proceeds of a refinancing.

"(3) LOAN PROCESSING FEE.—To cover the cost of loan packaging, processing, and other administrative functions, a development company that provides refinancing under subsection (b)(2) may impose a loan processing fee, not to exceed 0.5 percent of the principal amount of the loan.

"(e) DEFINITIONS.—For purposes of this section—

"(1) the term 'issuer' means the qualified State or local development company that issued a debenture pursuant to section 503, which has been purchased by the Federal Financing Bank; and

"(2) the term 'borrower' means a small business concern whose loan secures a debenture issued pursuant to section 503.".

(b) REGULATIONS.—Not later than 30 days after the date of enactment of this Act, the Administration shall promulgate such regulations as may be necessary to carry out this section, including regulations establishing a deadline for receipt of applications for prepayment and refinancing under title V of the Small Business Investment Act of 1958.

(c) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE VI—MISCELLANEOUS AMENDMENTS

SEC. 601. CONSOLIDATION OF FUNDING ACCOUNTS.

(a) IN GENERAL.—Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended by striking "(c)(1) There" and all that follows through paragraph (4) and inserting the following:

"(c) LOAN LIQUIDATION FUND.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT.—There is hereby established in the United States Treasury a fund to be known as the Loan Liquidation Fund (hereafter in this subsection referred to as the 'Fund').

"(B) AMOUNTS CONTAINED IN FUND.—All amounts received by the Administration prior to October 1, 1991, from the repayment of loans and debentures, payments of interest, and other receipts arising out of transactions entered into by the Administration pursuant to section 5(e), 5(g), 7(a), 7(b), 7(c)(2), 7(e), 7(h), 7(l), 7(m), or 8(a) of this Act, or title III, IV, or V of the Small Business Investment Act of 1958, shall be paid into the Fund. Balances existing in the revolving funds on or after the effective date of this paragraph shall be transferred to the Fund on such date.

"(C) OPERATING EXPENSES.—The Fund shall have available, without fiscal year limitation, such funds as may be necessary to finance the operational needs of the Fund.

"(2) ANNUAL STATUS REPORT.—As soon as practicable after the end of each fiscal year, the Administration shall submit to the Committees on Small Business and Appropriations of the Senate and the House of Representatives a complete report on the status of the Fund.".

(b) INTEREST PAYMENTS TO TREASURY.—Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) by redesignating paragraph (5) as paragraph (3); and

(2) in paragraph (3)(B), as redesignated, by striking clause (ii) and inserting the following:

"(ii) Upon the expiration of each fiscal year, the Administration shall pay into the miscellaneous receipts of the United States Treasury the actual interest the Administration has collected during the preceding fiscal year on all financings made under the authority of this Act.".

SEC. 602. IMPOSITION OF FEES.

Section 5(b) of the Small Business Act (15 U.S.C. 634(b)) is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(12) impose, retain, and use only those fees which are specifically authorized by law or which are in effect on September 30, 1994, and in the amounts and at the rates in effect on such date, except that the Administrator may, subject to approval in appropriations Acts, impose, retain, and utilize, additional fees—

"(A) not to exceed $300 for each loan servicing action requested after disbursement of the loan, including any substitution of collateral, loan assumption, release or substitution of a guarantor, reamortization, or similar action; and

"(B) to recover the direct, incremental cost involved in the production and dissemination of compilations of information produced by the Administration under the authority of the Small Business Act and the Small Business Investment Act of 1958; and

"(13) collect, retain and utilize, subject to approval in appropriations Acts, any amounts collected by fiscal transfer agents and not used by such agent as payment of the cost of loan pooling or debenture servicing operations, except that amounts collected under this paragraph shall be utilized solely to facilitate the administration of the program that generated the excess amounts.".

SEC. 603. JOB CREATION AND COMMUNITY BENEFIT.

Section 7(a)(21) of the Small Business Act (15 U.S.C. 636(a)(21)) is amended by adding at the end the following new subparagraph:

"(E) JOB CREATION AND COMMUNITY BENEFIT.—In providing assistance under this paragraph, the Administration shall develop procedures to ensure, to the maximum extent practicable, that such assistance is used for projects that—

"(i) have the greatest potential for—

"(I) creating new jobs for individuals whose employment is involuntarily terminated due to reductions in Federal defense expenditures; or

"(II) preventing the loss of jobs by employees of small business concerns described in subparagraph (A)(i); and

"(ii) have substantial potential for stimulating new economic activity in communities most affected by reductions in Federal defense expenditures.".

SEC. 604. MICROLOAN PROGRAM AMENDMENTS.

Section 7(m)(9)(B) of the Small Business Act (15 U.S.C. 636(m)(9)(B)) is amended—

(1) by inserting "and loan guarantees" after "for loans"; and

(2) by inserting after "experienced microlending organizations" the following: "and national and regional nonprofit organizations that have demonstrated experience in providing training support for microenterprise development and financing.".

SEC. 605. TECHNICAL CLARIFICATION.

(a) DEFENSE CONVERSION.—Section 7(a)(21)(A) of the Small Business Act (15 U.S.C. 636(a)(21)(A)) is amended by striking "under the" and inserting "on a guaranteed basis under the".

(b) ADDITIONAL TECHNICAL CLARIFICATION.—Section 204 of Public Law 94-305 (15 U.S.C. 634d) is amended by striking "section 202" and inserting "this title".

SEC. 606. SECONDARY MARKET STUDY DUE DATE.

Section 6 of the Small Business Credit Enhancement Act of 1993 (15 U.S.C. 634 note) is amended by striking "16 months after the date of enactment" and inserting "November 1, 1994".

SEC. 607. STUDY AND DATA BASE: GUARANTEED BUSINESS LOAN PROGRAM AND DEVELOPMENT COMPANY PROGRAM.

(a) STUDY AUTHORIZED.—The Administration shall conduct a study of—

(1) the Guaranteed Business Loan program under section 7(a) of the Small Business Act; and

(2) the Development Company program under sections 502, 503, and 504 of the Small Business Investment Act of 1958.

(b) EVALUATION.—After conducting the study under subsection (a), the Administration shall evaluate the performance of the programs described in paragraphs (1) and (2) of subsection (a) on an annual and aggregated basis during the most recent 4-year period for which data are available. Such evaluation shall focus on the following factors:

(1) The number, dollar amount, and average size of the loans or financings under each program.

(2) The number, dollar amount, and average size of the loans or financings made to woman-owned and minority-owned businesses under each program.

(3) The geographic distribution of the loans or financings under each program.

(4) The jobs created or maintained attributable to the loans or financings under each program.

(5) The number, dollar amount, and average size of the loans or financings on which borrowers defaulted under each program.

(6) The amounts recovered by the Administration after default, foreclosure, or otherwise under each program.

(7) The number of companies which are no longer in business despite receiving the loans or financings under each program.

(8) The taxes paid by businesses which received the loans or financings under each program.

(9) Such other information as the Administration determines to be appropriate for a complete evaluation of each program.

(c) CONTRACTING WITH INDEPENDENT ENTITIES.—In carrying out subsections (a) and (b), the Administration may contract with an independent entity or entities—

(1) to conduct the study pursuant to subsection (a); and

(2) to develop a database of information to enable the Administration to maintain and access, on an ongoing basis, current information relating to the factors set forth in subsection (b).

(d) DATE.—The study authorized by subsection (a) shall be completed not later than September 30, 1995.

SEC. 608. SBIR VENDORS.

Section 9(q)(2) of the Small Business Act (15 U.S.C. 638(q)(2)) is amended to read as follows:

"(2) VENDOR SELECTION.—Each agency may select a vendor to assist small business concerns to meet the goals listed in paragraph (1) for a term not to exceed 3 years. Such selection shall be competitive and shall utilize merit-based criteria.".

SEC. 609. PROGRAM EXTENSION.

Section 602(e) of the Business Opportunity Development Reform Act of 1988 (15 U.S.C. 637 note) is amended by striking "September 30, 1994", and inserting "September 30, 1995".

SEC. 610. PROHIBITION ON THE USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.

Section 2 of the Small Business Act (15 U.S.C. 631) is amended by adding at the end the following new subsection:

"(i) PROHIBITION ON THE USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.—None of the funds made available pursuant to this Act may be used to provide any direct benefit or assistance to any individual in the United States if the Administrator or the official to which the funds are made available receives notification that the individual is not lawfully within the United States.".

SEC. 611. OFFICE OF ADVOCACY EMPLOYEES.

Section 204 of Public Law 94-305 (15 U.S.C. 634d) is amended—

(1) in the matter preceding paragraph (1) by striking "after consultation with and subject to the approval of the Administrator,"; and

(2) in paragraph (1), by striking "ten" and inserting "14".

SEC. 612. PROHIBITION ON THE PROVISION OF ASSISTANCE.

Section 4 of the Small Business Act (15 U.S.C. 633) is amended by adding at the end the following new subsection:

"(e) PROHIBITION ON THE PROVISION OF ASSISTANCE.—Notwithstanding any other provision of law, the Administration is prohibited from providing any financial or other assistance to any business concern or other person engaged in the production or distribution of any product or service that is determined to be obscene.".

SEC. 613. CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.

Section 4 of the Small Business Act (15 U.S.C. 633), as amended by section 612, is amended by adding at the end the following new subsection:

"(f) CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.—

"(1) IN GENERAL.—Each applicant for financial assistance under this Act, including an applicant for a direct loan or a loan guarantee, shall certify that the applicant is not in violation of the terms of any—

"(A) administrative order;

"(B) court order; or

"(C) repayment agreement entered into between the applicant and the custodial parent or State agency providing child support enforcement services,

that requires the applicant to pay child support, as such term is defined in section 462(b) of the Social Security Act.

"(2) ENFORCEMENT.—Not later than 6 months after the date of enactment of this subsection, the Administration shall issue such regulations as may be necessary to enforce compliance of the requirements of this subsection.".

MOTION OFFERED BY MR. LAFALCE

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

The Clerk read as follows:

Mr. LAFALCE moves to strike all after the enacting clause of S. 2060 and insert in lieu thereof the text of H.R. 4801 as passed by the House, as follows:

S. 2060

That this Act may be cited as the "Small Business Reauthorization and Amendment Act of 1994".

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by striking all of such section after subsection (k), as added by section 115(a) of the Small Business Credit and Business Opportunity Enhancement Act of 1992, and by inserting in lieu thereof the following:

"(l) The following program levels are authorized for fiscal year 1995:

"(1) For the programs authorized by this Act, the Administration is authorized to make $142,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $12,000,000 in loans as provided in section 7(a)(10) and $130,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $11,535,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $9,315,000,000 in general business loans as provided in section 7(a);

"(B) $2,200,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $20,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $23,000,000 in purchases of preferred securities;

"(B) $244,000,000 in guarantees of debentures, of which $44,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $400,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,500,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,000,000.

"(m) There are authorized to be appropriated to the Administration for fiscal year 1995 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(n) The following program levels are authorized for fiscal year 1996:

"(1) For the programs authorized by this Act, the Administration is authorized to make $198,000,000 in direct and immediate participation loans; and of such sum the Administration is authorized to make $13,000,000 in loans as provided in section 7(a)(10) and $185,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $24,610,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $10,935,000,000 in general business loans as provided in section 7(a);

"(B) $2,500,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $80,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $24,000,000 in purchases of preferred securities;

"(B) $256,000,000 in guarantees of debentures, of which $46,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $650,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,675,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,150,000.

"(o) There are authorized to be appropriated to the Administration for fiscal year 1996 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(p) The following program levels are authorized for fiscal year 1997:

"(1) For the programs authorized by this Act, the Administration is authorized to make $264,000,000 in direct and immediate participation loans; and of such sum the Administration is authorized to make $14,000,000 in loans as provided in section 7(a)(10) and $250,000,000 in loans as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $17,215,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $14,175,000,000 in general business loans as provided in section 7(a);

"(B) $3,000,000,000 in financings as provided in section 7(a)(13) and section 504 of the Small Business Investment Act of 1958; and

"(C) $40,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $25,000,000 in purchases of preferred securities;

"(B) $268,000,000 in guarantees of debentures, of which $48,000,000 is authorized in guarantees of debentures from companies operating pursuant to section 301(d) of such Act; and

"(C) $900,000,000 in guarantees of participating securities.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of

1958, the Administration is authorized to enter into guarantees not to exceed $1,800,000,000, of which not more than $600,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of such Act.

"(5) For the Service Corps of Retired Executives program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,860,000, and for the small business institute program authorized by section 8(b)(1) of this Act, the Administration is authorized to make grants or enter cooperative agreements not to exceed $3,310,000.

"(q) There are authorized to be appropriated to the Administration for fiscal year 1997 such sums as may be necessary to carry out the provisions of this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.".

TITLE II—FINANCIAL ASSISTANCE PROGRAMS

SEC. 201. MICROLOAN FINANCING PILOT.

Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended by adding the following new paragraph at the end:

"(12) DEFERRED PARTICIPATION LOAN PILOT.—During fiscal years 1995 through 1997, on a pilot basis, in lieu of making direct loans to intermediaries as authorized in paragraph (1)(B), the Administration may participate on a deferred basis of up to 100 percent on loans made to intermediaries by a for-profit or nonprofit entity or by alliances of such entities subject to the following conditions:

"(A) NUMBER OF LOANS.—The Administration shall not participate in providing financing on a deferred basis to more than ten intermediaries in urban areas per year and to more than ten intermediaries in rural areas per year.

"(B) TERM OF LOANS.—The term of such loans shall be ten years. During the first five years of the loan, the intermediary shall be required to pay interest only; and during the second five years of the loan, the intermediary shall be required to fully amortize principal and interest payments.

"(C) INTEREST RATE.—The interest rate on such loans shall be the rate specified by paragraph (3)(F) for direct loans.".

SEC. 202. MICROLOAN STATE LIMITATION.

Section 7(m)(7)(C) of the Small Business Act (15 U.S.C. 636(m)(7)(C)) is repealed.

SEC. 203. LIMIT ON PARTICIPATION.

Section 7(m)(7)(A) of the Small Business Act (15 U.S.C. 636(m)(7)(A)) is amended to read as follows:

"(A) NUMBER OF PARTICIPANTS.—During this demonstration program, the Administration is authorized to fund, on a competitive basis, not more than 240 microloan programs.".

SEC. 204. EQUITABLE DISTRIBUTION.

Section 7(m)(8) of the Small Business Act (15 U.S.C. 636(m)(8)) is amended to read as follows:

"(8) EQUITABLE DISTRIBUTION OF INTERMEDIARIES.—In approving microloan program applicants, the Administration shall select participation by such intermediaries as will ensure appropriate availability of loans to small businesses located in urban areas and in rural areas.".

SEC. 205. AMOUNT OF LOANS TO INTERMEDIARIES.

Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended to read as follows:

"(C) LOAN LIMITS.—In determining the amount of funding which the Administration may provide to one intermediary, it shall take into consideration the small business population in the area served by the intermediary.".

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SEC. 206. LOANS TO EXPORTERS.

Section 7(a)(14)(A) of the Small Business Act (15 U.S.C. 636(a)(14)(A)) is amended to read as follows:

"(A) The Administration may provide extensions, standby letters of credit, revolving lines of credit for export purposes, and other financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets. A bank or participating lending institution may establish the rate of interest on such financings as may be legal and reasonable.".

SEC. 207. WORKING CAPITAL INTERNATIONAL TRADE LOANS.

Section 7(a)(3)(B) of the Small Business Act (15 U.S.C. 636(a)(3)(B)) is amended to read as follows:

"(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed $1,250,000, of which not more than $750,000 may be used for working capital, supplies, or financings under section 7(a)(14) for export purposes; and".

SEC. 208. GUARANTEES ON INTERNATIONAL TRADE LOANS.

Section 7(a)(2)(B)(iv) of the Small Business Act (15 U.S.C. 636(a)(2)(B)(iv)) is amended to read as follows:

"(iv) not less than 85 percent nor more than 90 percent of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (14) or under paragraph (16).".

SEC. 209. ACCREDITED LENDERS PROGRAM.

(a) Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following new section:

"SEC. 507. ACCREDITED LENDERS PROGRAM.

"(a) The Administration is authorized to establish an Accredited Lenders Program for qualified State and local development companies which meet the requirements of subsection (b).

"(b) The Administration may designate a qualified State or local development company as an accredited lender if such company—

"(1) has been an active participant in the development company program for at least the last 12 months;

"(2) has well-trained, qualified personnel who are knowledgeable in the Administration's lending policies and procedures for the development company program;

"(3) has the ability to process, close, and service financing for plant and equipment under section 502 of this Act;

"(4) has a loss rate on its debentures that is acceptable to the Administration;

"(5) has a history of submitting to the Administration complete and accurate debenture guaranty application packages; and

"(6) has demonstrated the ability to serve small business credit needs for financing plant and equipment as provided in section 502 of this Act.

"(c) The Administration shall expedite the processing of a loan application or servicing action submitted by a qualified State or local development company that has been designated as an accredited lender in accordance with subsection (b).

"(d) The designation of a qualified State or local development company as an accredited lender may be suspended or revoked if the Administration determines that the development company has not continued to meet the criteria for eligibility under subsection (b) or that the development company has failed to adhere to the Administration's rules and regulations or is violating any other applicable provision of law. Suspension or revocation shall not affect any outstanding debenture guarantee.

"(e) For purposes of this section, the term 'qualified State or local development company' has the same meaning as in section 503(e).".

(b) The Administration shall promulgate regulations to carry out this section within 90 days of the date of the enactment of this Act.

(c) The Administration shall report to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives within one year, and annually thereafter, on the implementation of this section, specifically including data on the number of development companies designated as accredited lenders, their debenture guarantee volume, their loss rates, and the average processing time on their guarantee applications, along with such other information as the Administration deems appropriate.

SEC. 210. PREMIER LENDERS PROGRAM.

(a) Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is further amended by adding at the end the following new section:

"SEC. 508. PREMIER LENDERS PROGRAM.

"(a) The Administration is authorized to establish a Premier Lenders Program for certified development companies which meet the requirements of subsection (b).

"(b) The Administration may designate a participant in the accredited lenders program as a premier lender if such company—

"(1) has been an active participant in the accredited lenders program for at least the last 12 months: Provided, That prior to January 1, 1996, the Administration may waive this provision if the applicant is qualified to participate in the accredited lenders program;

"(2) has a history of submitting to the Administration adequately analyzed debenture guarantee application packages; and

"(3) agrees to assume and to reimburse the Administration for 5 percent of any loss sustained by the Administration on account of default by the certified development company in the payment of principal or interest on a debenture issued by such company and guaranteed by the Administration under this section.

"(c) Upon approval of an applicant as a premier lender, the certified development company shall establish a loss reserve in an amount equal to the anticipated losses to the certified development company pursuant to subsection (b)(3) based upon the historic loss rate on debentures issued by such company, or 3 percent of the aggregate principal amount of debentures issued by such company and guaranteed by the Administration under this section, whichever is greater. The loss reserve shall be comprised of segregated assets of the development company which shall be securitized in favor of the Administration or of such unqualified letters of credit or indemnity agreements from a third party as the Administration deems appropriate.

"(d) Upon designation and qualification of a company as a premier lender, and subject to such terms and conditions as the Administration may determine, and notwithstanding the provisions of section 503(b)(6), the Administration may permit a premier lender to approve loans to be funded with the proceeds of and to authorize the guarantee of a debenture issued by such company. The approval by the premier lender shall be subject to the final approval as to eligibility of any such guarantee by the Administration pursuant to subsection 503(a) of this Act, but such final approval shall not include decisions by the company involving creditworthiness, loan closing, or compliance with legal requirements imposed by law or regulation.

"(e) The designation of a qualified State or local development company as a premier lender may be suspended or revoked if the Administration determines that the company—

"(1) has not continued to meet the criteria for eligibility under subsection (b);

"(2) has not established or maintained the loss reserve required under subsection (c); or

"(3) is failing to adhere to the Administration's rules and regulations or is violating any other applicable provision of law.

"(f) Suspension or revocation shall not affect any outstanding debenture guarantee.".

(b) The Administration shall promulgate such regulations to carry out this section within 180 days of the date of the enactment of this Act.

(c) The Administration shall report to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives within one year, and annually thereafter, on the implementation of this section, specifically including data on the number of development companies designated as premier lenders, their debenture guarantee volume, and the loss rate for premier lenders as compared to accredited and other lenders, along with such other information as the Administration deems appropriate.

(d) Section 508 of the Small Business Investment Act of 1958 is repealed on October 1, 1999.

(e) The table of contents contained in section 101 of the Small Business Investment Act of 1958 is amended by adding at the end of the matter relating to title V the following:

"Sec. 507. Accredited lenders program.
"Sec. 508. Premier lenders program.".

SEC. 211. SSBIC ADVISORY COUNCIL.

(a) COUNCIL ESTABLISHED.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall appoint an Investment Advisory Council for the Specialized Small Business Investment Company Program. The Council shall consist of not less than 12 individuals from the private sector, including individuals—

(1) who have experience in providing venture capital to small business, particularly minority small business;

(2) who are current participants in the Specialized Small Business Investment Company Program;

(3) who are former participants in the Specialized Small Business Investment Company Program; or

(4) who are or who represent small business concerns.

(b) CHAIRMAN AND STAFF.—The Administrator shall designate one of the members of the Council as chairperson. The Investment Division of the Small Business Administration shall provide such staff, technical support, and information as shall be deemed appropriate. Council members shall be deemed to be an advisory board pursuant to section 8(b)(13) of the Small Business Act for purposes of reimbursement of expenses.

(C) REPORT.—Within six months of the date of appointment, the Council shall make a written report with findings and recommendations on the venture capital needs, including debt and equity, of socially or economically disadvantaged small business concerns and any needed Federal incentives to assist the private sector to meet such needs. The report shall specifically address—

(1) the history of the Specialized Small Business Investment Company program in providing assistance to such concerns and the impact of such assistance on the economy;

(2) the appropriateness and ability of the Specialized Small Business Investment Company Program to meet these needs;

(3) the problems affecting the Specialized Small Business Investment Company Program; and

(4) the effectiveness of the Specialized Small Business Investment Company Program and its administration by the Small Business Administration.

SEC. 212. PARTICIPATING SECURITIES FOR SMALLER SBICS.

Section 303(g) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)) is amended by adding the following new paragraph at the end:

"(13) Of the amount of the annual program level of participating securities approved in Appropriations Acts, 50 percent shall be reserved for funding Small Business Investment Companies with private capital of less than $20,000,000; except that during the last quarter of each fiscal year, the Administrator may, if he determines that there is a lack of qualified applicants with private capital under such amount, utilize all or any part of the securities so reserved.".

SEC. 213. REPORT ON SBIC PROGRAM.

The Small Business Administration shall provide the Committee on Small Business of the House of Representatives and Senate with a comprehensive report on the status and disposition of all Small Business Investment Companies, active or in liquidation, and a complete accounting of the assets in and the basis of their portfolios, the projected and actual loss rates for all portfolios in liquidation or active, and a detailed accounting of valuation of the SBIC program's investments. This report shall be delivered to the respective Committees on Small Business no later than April 15, 1995.

TITLE III—SIZE STANDARDS AND BOND GUARANTEES

SEC. 301. COMPETITIVE DEMONSTRATION PROJECT SIZE STANDARDS.

Section 732 of the Business Opportunity Development Reform Act of 1988 (Public Law 100-656) is amended by repealing the second sentence of such section.

SEC. 302. SIZE STANDARD CRITERIA.

Section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is amended to read as follows:

"(2) In addition to the criteria specified in paragraph (1), the Administrator may specify detailed definitions or standards by which a business concern may be determined to be a small business concern for the purposes of this Act or any other Act. Such standards may utilize number of employees, dollar volume of business, net worth, net income, or a combination thereof. Unless specifically authorized by statute, no Federal department or agency may prescribe a size standard for categorizing a business concern as a small business concern, unless such proposed size standard—

"(A) is being proposed after an opportunity for public notice and comment;

"(B) provides for determining—

"(i) the size of a manufacturing concern as measured by its average employment based upon employment during each of the concern's pay periods for the preceding twelve calendar months;

"(ii) the size of a concern providing services on the basis of the annual average gross receipts of the concern over a period of not less than 3 years; and

"(iii) the size of other concerns on the basis of data over a period of not less than 3 years; and

"(C) is approved by the Administrator if it is not being proposed by the Small Business Administration.".

SEC. 303. SUNSET ON PREFERRED SURETY BOND GUARANTEE PROGRAM.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (Public Law 100-590) is amended by striking "September 30, 1994" and by inserting in lieu thereof "September 30, 1997".

SEC. 304. VERY SMALL BUSINESS CONCERNS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by redesignating section 30 as section 41 and by inserting after section 29, as redesignated by section 606 of this Act, the following:

"SEC. 30. PILOT PROGRAM FOR VERY SMALL BUSINESS CONCERNS.

"(a) ESTABLISHMENT.—The Administration shall establish and carry out a pilot program in accordance with the requirements of this section to provide procurement opportunities to very small business concerns.

"(b) SUBCONTRACTING OF PROCUREMENT CONTRACTS.—

"(1) IN GENERAL.—In carrying out the program, the Administration is authorized to enter into procurement contracts with the United States Government and to arrange for the performance of such contracts through the award of subcontracts to very small business concerns.

"(2) TERMS AND CONDITIONS.—The authority of the Administration under paragraph (1) shall be subject to the same terms and conditions as apply to the authority of the Administration under section 8(a), except that—

"(A) the Administration may make such modifications to such terms and conditions as the Administration determines necessary; and

"(B) all contract opportunities offered for award under the program shall be awarded on the basis of competition restricted to eligible program participants.

"(c) PROGRAM PARTICIPATION.—Very small business concerns participating in the program shall be subject to the same terms and conditions for program participation as apply to program participants under sections 7(j) and 8(a); except that—

"(1) the Administration may make such modifications to such terms and conditions as the Administration determines necessary; and

"(2) eligibility shall be determined on the basis of qualifying as a very small business concern as defined in subsection (g), in lieu of the requirements contained in paragraphs (4), (5), and (6) of section 8(a).

"(d) TECHNICAL AND FINANCIAL ASSISTANCE.—In order to assist very small business concerns participating in the program, the Administration is authorized—

"(1) to provide technical assistance to such concerns in the same manner and to the same extent as technical assistance is provided to small business concerns pursuant to section 7(j); and

"(2) to provide pre-authorization to such concerns for the purpose of receiving financial assistance under section 7(a).

"(e) PROGRAM TERM.—The Administration shall carry out the program in each of fiscal years 1995, 1996, and 1997.

"(f) REPORT TO CONGRESS.—On or before December 31, 1996, the Administration shall transmit to Congress a report containing an analysis of the results of the program, together with recommendations for appropriate legislative and administrative actions.

"(g) DEFINITIONS.—For the purposes of this section, the following definitions apply:

"(1) PROGRAM.—The term 'program' means the program established pursuant to subsection (a).

"(2) VERY SMALL BUSINESS CONCERN.—The term 'very small business concern' means a small business concern that—

"(A) has 10 employees or less; or

"(B) has average annual receipts that total $1,000,000 or less.".

TITLE IV—MANAGEMENT ASSISTANCE

SEC. 401. SUNSET ON COSPONSORED TRAINING.

(a) The authority of the Small Business Administration to cosponsor training as authorized

by section 5(a) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) is hereby repealed September 30, 1997.

(b) Section 7(b) of the Small Business Computer Security and Education Act of 1984 (15 U.S.C. 633 note) is amended by striking the second sentence.

SEC. 402. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM LEVEL.

Section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) is amended to read as follows:

"(4) The Administration shall require as a condition of any grant (or amendment or modification thereof) made to an applicant under this section, that a matching amount (excluding any fees collected from recipients of such assistance) equal to the amount of such grant be provided from sources other than the Federal Government, to be comprised of not less than 50 per centum cash and not more than 50 per centum of indirect costs and in-kind contributions: Provided, That this matching amount shall not include any indirect costs or in-kind contributions derived from any Federal program: Provided further, That no recipient of funds under this section shall receive a grant which would exceed its pro rata share of a national program based upon the population to be served by the Small Business Development Center as compared to the total population in the United States, plus $125,000, or $200,000, whichever is greater, per year. The amount of the national program shall be—

"(A) $70,000,000 through September 30, 1995;

"(B) $77,500,000 from October 1, 1995 through September 30, 1996; and

"(C) $85,000,000 beginning October 1, 1996.

The amount of eligibility of each Small Business Development Center shall be based upon the amount of the national program in effect as of the date for commencement of performance of the Center's grant.".

SEC. 403. FEDERAL CONTRACTS WITH SMALL BUSINESS DEVELOPMENT CENTERS.

(a) Section 21(a)(5) of the Small Business Act (15 U.S.C. 648(a)(5)) is amended to read as follows:

"(5) A Small Business Development Center may enter a contract with a Federal department or agency to provide specific assistance to small business concerns if the contract is approved in advance by the Deputy Associate Administrator of the Small Business Development Center program. Approval shall be based upon a determination that the contract will provide assistance to small business concerns and that its performance will not hinder the Center in carrying out the terms of its grant from the Administration. The amount of any such contract shall not be subject to the matching funds requirements of paragraph (4) nor shall the amount of eligibility under such paragraph: Provided, That notwithstanding any other provision of law, such contracts for assistance to small business concerns shall not be counted toward any Federal department or agency's small business, women-owned business, or socially and economically disadvantaged business contracting goal as established by section 15(g) of the Small Business Act (15 U.S.C. 644(g)).".

(b) Section 21(a)(6) of the Small Business Act (15 U.S.C. 648(a)(6)) is amended by striking "paragraphs (4) and (5)" and by inserting in lieu thereof "paragraph (4)".

SEC. 404. CENTRAL EUROPEAN SMALL BUSINESS DEVELOPMENT.

Section 25(i) of the Small Business Act (15 U.S.C. 652(i)) is amended by striking "and $2,000,000 for each of fiscal years 1993 and 1994" and by inserting in lieu thereof ", $2,000,000 for each of fiscal years 1993 and 1994, and $1,000,000 for fiscal year 1995".

SEC. 405. MOBILE RESOURCE CENTER PILOT PROGRAM.

(a) ESTABLISHMENT.—The Administrator of the Small Business Administration may establish and carry out in each of fiscal years 1995, 1996, and 1997 a mobile resource pilot program (in this section referred to as the "program" in accordance with the requirements of this section.

(b) MOBILE RESOURCE CENTER VEHICLES.—Under the program, the Administration may use mobile resource center vehicles to provide technical assistance, information, and other services available from the Small Business Administration to traditionally underserved populations. Two of such vehicles should be utilized in rural areas and 2 of such vehicles should be utilized in urban areas.

(c) REPORT TO CONGRESS.—If the Administrator conducts the program authorized in this section, not later than December 31, 1996, he shall transmit to Congress a report containing the results of such program, together with recommendations for appropriate legislative and administrative actions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1995 $900,000 to carry out this section. Of such sums—

(1) $800,000 may be made available for the purchase or lease of mobile resource center vehicles; and

(2) $100,000 may be made available for studies, startup expenses, and other administrative expenses.

Such sums shall remain available until expended.

TITLE V—RELIEF FROM FFB DEBENTURE PREPAYMENT PENALTIES

SEC. 501. CITATION.

This title may be cited as the "Small Business Prepayment Penalty Relief Act of 1994.".

SEC. 502. MODIFICATION OF DEVELOPMENT COMPANY DEBENTURE INTEREST RATES.

(a) IN GENERAL.—Upon the request of the issuer and the concurrence of the borrower, the Small Business Administration is authorized to transfer to the Federal Financing Bank such sums as may be necessary to carry out the provisions of this section in order to reduce the interest rate on a debenture issued by a certified development company. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture.

(b) INTEREST RATE MODIFICATION.—Upon receipt of such payment, the Federal Financing Bank shall modify the interest rate of each debenture for which the payment is made. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(c) DEFINITIONS.—For the purposes of this section—

(1) the term "issuer" means the issuer of a debenture pursuant to section 503 of the Small Business Investment Act of 1958 which has been purchased by the Federal Financing Bank if the debenture is outstanding on the date of enactment of this Act, and neither the loan that secures the debenture nor the debenture is in default on such date; and

(2) the term "borrower" means the small business concern whose loan secures a debenture issued pursuant to such section.

(d) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer or borrower which are otherwise authorized by contract or by law.

(e) REFINANCING.—Debentures authorized by sections 504 and 505 of the Small Business Investment Act of 1958 may be used to refinance debentures issued under section 503 of such Act if the amount of the new financing is limited to such amounts as are needed to repay the existing debenture, including any prepayment penalty imposed by the Federal Financing Bank. Any such refinancing shall be subject to all of the other provisions of sections 504 and 505 of such Act and the rules and regulations of the Administration promulgated thereunder, including, but not limited to, rules and regulations governing payment of authorized expenses and commissions, fees and discounts to brokers and dealers in trust certificates issued pursuant to section 505: Provided, however, That no applicant for refinancing under section 504 of this Act need demonstrate that the requisite number of jobs will be created or preserved with the proceeds of such refinancing: Provided further, That a development company which provides refinancing under this subsection shall be limited to a loan processing fee not to exceed one-half of one percent to cover the cost of packaging, processing and other nonlegal staff functions.

SEC. 503. MODIFICATION OF SMALL BUSINESS INVESTMENT COMPANY DEBENTURE INTEREST RATES.

(a) IN GENERAL.—Upon the request of the issuer, the Small Business Administration is authorized to transfer to the Federal Financing Bank such sums as may be necessary to carry out the provisions of this section in order to reduce the interest rate on a debenture issued by a Small Business Investment Company under the provisions of title III of the Small Business Investment Act of 1958. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture.

(b) INTEREST RATE MODIFICATION.—Upon receipt of such payment, the Federal Financing Bank shall modify the interest rate of each debenture for which the payment is made. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(c) DEFINITIONS.—For the purposes of this section, the term "issuer" means the issuer of a debenture pursuant to section 303 of the Small Business Investment Act of 1958 which has been purchased by the Federal Financing Bank if the debenture is outstanding on the date of enactment of this Act, and is not in default on such date.

(d) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer which are otherwise authorized by contract or by law.

SEC. 504. MODIFICATION OF SPECIALIZED SMALL BUSINESS INVESTMENT COMPANY DEBENTURE INTEREST RATES.

(a) INTEREST RATE MODIFICATION.—Upon the request of the issuer, the Small Business Administration is authorized to modify the interest rate on a debenture issued by a Small Business Investment Company licensed under the provisions of section 301(d) of the Small Business Investment Act of 1958 and which is held by the Administration. No debenture which has been sold to a third party shall be eligible for modification under this section. The reduction shall be effective January 2, 1995 and shall apply for the remainder of the term of the debenture. No other change shall be made in the terms and conditions of the debenture, and the modification in the interest rate shall not be construed as a new direct loan or a new loan guarantee.

(b) DEFINITIONS.—For the purposes of this section, the term "issuer" means a Specialized Small Business Investment Company licensed under the provisions of section 301(d) of the Small Business Investment Act of 1958 which has issued a debenture which has been funded by the Small Business Administration, providing

the debenture is outstanding on the date of enactment of this Act and is not in default on such date.

(c) OTHER RIGHTS.—A modification of the interest rate on a debenture as authorized in this section shall not affect any rights or options of the issuer which are otherwise authorized by contract or by law.

SEC. 505. INTEREST RATE REDUCTIONS.

(a) IN GENERAL.—Upon enactment of an Appropriations Act providing funds to carry out the provisions of this Act and limited to amounts specifically provided in advance in Appropriations Acts, the Small Business Administration shall evaluate the outstanding portfolio of debentures which are eligible for interest rate relief under this Act. The Administration shall apply the funds appropriated to carry out this Act in order to reduce the highest interest rate on all eligible debentures to a uniform rate.

(b) AUTHORIZATION.—There are authorized to be appropriated $30 million to carry out the provisions of this Act in fiscal year 1995.

TITLE VI—DEVELOPMENT OF WOMEN-OWNED BUSINESSES

SEC. 601. STATUS OF COUNCIL.

Section 401 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 405 of such Act and, as redesignated, is amended—

(1) in the heading by inserting "of the council" after "establishment"; and

(2) by striking the period at the end and inserting the following: "which shall serve as an independent advisory council to the Interagency Committee on Women's Business Enterprise, to the Administrator of the Small Business Administration, and to the Congress of the United States. The Council, in order to carry out its function as an independent advisory council to the Congress, is authorized and directed to report independently of the Interagency Committee directly to the Congress at such times and on such matters as it, in its discretion, deems appropriate.".

SEC. 602. DUTIES OF NATIONAL WOMEN'S BUSINESS COUNCIL.

Section 402 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 406 of such Act and, as redesignated, is amended to read as follows:

"SEC. 406. DUTIES OF THE COUNCIL.

"The Council shall meet at such times as it determines necessary in order to advise and consult with the Interagency Committee on Women's Business Enterprise on matters relating to the activities, functions, and policies of such Committee as provided in this title. The Council shall make annual recommendations for consideration by the Committee. The Council also shall provide reports and make such other recommendations as it deems appropriate to the Committee, to the Administrator of the Small Business Administration, and to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives.".

SEC. 603. MEMBERSHIP OF THE COUNCIL.

Section 403 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is redesignated as section 407 of such Act, and, as redesignated, is amended to read as follows:

"SEC. 407. MEMBERSHIP OF THE COUNCIL.

"(a) The Council shall be composed of 15 members who shall be appointed by the Administrator of the Small Business Administration and who shall serve at the Administrator's discretion. In making the appointments, the Administrator shall include racial, geographic and economic diversity, and representation from diverse sectors of the economy, including manufacturing, high technology, services and credit institutions, and shall give priority to include representation of major women's business organizations.

"(b) Only the owner, operator or employee of a woman-owned business shall be eligible for appointment, and not more than eight appointees shall be members of the same political party. If any member of the Council subsequently becomes an officer or employee of the Federal Government or of the Congress, such individual may continue as a member of the Council for not longer than the thirty-day period beginning on the date such individual becomes such an officer or employee.

"(c) The Council annually shall select one member to serve as its Chairperson. The Chairperson of the Council, or her designee, shall be the representative of the Council to all meetings of the Interagency Committee on Women's Business Enterprise.

"(d) The Council shall meet not less than four times per year. Meetings shall be at the call of the Chairperson at such times as she deems appropriate.

"(e) Members of the Council shall serve without pay for such membership, except they shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council, in the same manner as persons serving on advisory boards pursuant to section 8(b) of the Small Business Act.".

SEC. 604. INTERAGENCY COMMITTEE.

Title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by striking section 404 and by inserting the following new sections prior to section 405 as redesignated by section 601 of this Act:

"SEC. 401. ESTABLISHMENT OF THE COMMITTEE.

"There is established an Interagency Committee to be known as the 'Interagency Committee on Women's Business Enterprise' (hereinafter in this title referred to as the Committee).

"SEC. 402. DUTIES OF THE COMMITTEE.

"The Committee shall—

"(1) promote, coordinate and monitor the plans, programs and operations of the departments and agencies of the Federal Government which may contribute to the establishment, preservation and strengthening of women's business enterprise. It may, as appropriate, develop comprehensive interagency plans and specific program goals for women's business enterprise with the cooperation of Federal departments and agencies;

"(2) promote the better utilization of the activities and resources of State and local governments, business and trade associations, private industry, colleges and universities, foundations, professional organizations, and volunteer and women's business enterprise, and facilitate the coordination of the efforts of these groups with those of Federal departments and agencies;

"(3) consult with the Council to develop and promote new initiatives designed to foster women's business enterprise, and to develop policies, programs, and plans intended to promote such development;

"(4) consider the Council's recommendations and public and private sector studies of the problems of women entrepreneurs, and promote further research into such problems; and

"(5) design a comprehensive plan for a joint public-private sector effort to facilitate the development and growth of women-owned businesses. The Committee should submit the plan to the President for review within six months of the effective date of this Act.

"SEC. 403. MEMBERSHIP OF THE COMMITTEE.

"(a) The Committee shall be composed of representatives of the following departments and agencies: The Departments of Agriculture, Commerce, Defense, Energy, Health and Human Services, Education, Housing and Urban Development, Interior, Justice, Labor, Transportation, Treasury, the Federal Trade Commission, General Services Administration, National Science Foundation, Office of Federal Procurement Policy, and the Director of the Office of Women's Business Ownership of the Small Business Administration, who shall serve as Vice Chairperson of the Committee. The head of each such department and agency shall designate a representative who shall be a policy making official within the department or agency.

"(b) The Committee shall have a Chairperson appointed by the President, after consultation with the Administrator of the Small Business Administration and the Chief Counsel for Advocacy of the Small Business Administration. The Chairperson shall be the head of a Federal department or agency. If the Chairperson is the head of one of the departments or agencies enumerated in subsection (a), he or she shall also serve as the representative of such department or agency.

"(c) The Committee shall meet not less than four times per year. Meetings shall be at the call of the Chairperson at such times as he or she deems appropriate.

"(d) The members of the Committee shall serve without additional pay for such membership.

"(e) The Chairperson of the Committee may designate a Director of the Committee, after consultation with the Administrator of the Small Business Administration and the Chief Counsel for Advocacy of the Small Business Administration.

"(f) The Chief Counsel for Advocacy is authorized to appoint to his staff under the provisions of section 204 of Public Law 94–305 (15 U.S.C. 634(d)) the person so designated under subsection (e). He or she is also authorized to provide additional staff and administrative support for the Committee.

"(g) The Director of the Office of Women's Business Ownership of the Small Business Administration is authorized to provide additional staff and administrative support for the Committee.

"SEC. 404. REPORTS FROM THE COMMITTEE.

"The Committee shall transmit to the President and to the Small Business Committee of the United States Senate and to the Small Business Committee of the United States House of Representatives a report no less than once in every twelve-month period. The first such report shall be submitted no later than March 31, 1995. Such reports shall contain any recommendations from the Council and any comments of the Committee thereon, a detailed statement on the activities of the Committee, the findings and conclusions of the Committee, together with its recommendations for such legislation and administrative actions as it considers appropriate to promote the development of small business concerns owned and controlled by women.".

SEC. 605. REPEALER.

Sections 404 through 407 of the Women's Business Ownership Act of 1988, as in effect on the day before the date of the enactment of this Act, are repealed and the following new section is added at the end of title IV of such Act:

"SEC. 408. DEFINITIONS.

"For the purposes of this Act, the term—

"(1) 'woman-owned business' shall mean a small business which is at least 51 percent owned by a woman or women who also control and operate it;

"(2) 'control' shall mean exercising the power to make policy decisions;

"(3) 'operate' shall mean being actively involved in the day-to-day management; and

"(4) 'women's business enterprise' shall mean a woman-owned business or businesses or the efforts of a woman or women to establish, maintain, or develop such a business or businesses.".

SEC. 606. EXTENSION OF AUTHORITY FOR DEMONSTRATION PROJECTS.

Section 28 of the Small Business Act, as added by section 2 of Public Law 102–191, is redesignated as section 29 and, as so redesignated, is amended by striking from subsection (g) "1995" and by inserting "1997".

SEC. 607. ESTABLISHMENT OF OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

Section 29 of the Small Business Act, as redesignated by section 606 of this Act, is amended by adding the following new subsection at the end:

"(h) There is established within the Administration an Office of Women's Business Ownership, which shall be responsible for the administration of the Administration's programs for the development of women's business enterprises as defined in section 408 of the Women's Business Ownership Act of 1988. The Office shall be headed by a director who shall be appointed by the Administrator.".

SEC. 608. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Title IV of the table of contents of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"TITLE IV—DEVELOPMENT OF WOMEN'S BUSINESS ENTERPRISE

"Sec. 401. Establishment of the Committee.
"Sec. 402. Duties of the Committee.
"Sec. 403. Membership of the Committee.
"Sec. 404. Reports from the Committee.
"Sec. 405. Establishment of the Council.
"Sec. 406. Duties of the Council.
"Sec. 407. Membership of the Council.
"Sec. 408. Definitions.".

(b) The heading to title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"TITLE IV—DEVELOPMENT OF WOMEN'S BUSINESS ENTERPRISES".

SEC. 609. AUTHORIZATION.

There is authorized to be appropriated $200,000 in each of fiscal years 1995 through 1997 to carry out the provisions of title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note).

TITLE VII—MISCELLANEOUS AMENDMENTS

SEC. 701. HANDICAPPED PARTICIPATION IN SMALL BUSINESS SET ASIDE CONTRACTS.

Section 15(c) of the Small Business Act (15 U.S.C. 644(c)) is amended—

(1) by amending paragraph (2)(A) to read as follows:

"(2)(A) During each fiscal year, public or private organizations for the handicapped shall be eligible to participate in programs authorized under this section in an aggregate amount not to exceed $50,000,000."; and

(2) by adding the following new paragraph at the end thereof:

"(7) Any contract awarded to such an organization pursuant to the provisions of this subsection may be extended for up to two additional years.".

SEC. 702. SBA INTEREST PAYMENTS TO TREASURY.

Section 4(c)(5)(B)(ii) of the Small Business Act (15 U.S.C. 633(c)(5)(B)(ii)) is amended to read as follows:

"(ii) The Administration shall pay into the miscellaneous receipts of the Treasury following the close of each fiscal year the actual interest it collects during that fiscal year on all financings made under the authority of this Act.".

SEC. 703. IMPOSITION OF FEES.

Section 5(b) of the Small Business Act (15 U.S.C. 634(b)) is amended—

(1) in paragraph (10) by striking "and" at the end;

(2) in paragraph (11) by striking the period at the end and inserting a semicolon; and

(3) by adding the following new paragraphs at the end:

"(12) impose, retain and use only those fees which are specifically authorized by law or which are in effect on September 30, 1994, and in the amounts and at the rates in effect on such date. The administrator is authorized to impose, retain and utilize, subject to approval in appropriations Acts, the following additional fees—

"(A) not to exceed $100 for each loan servicing action requested after disbursement of the loan, including substitution of collateral, loan assumptions, release or substitution of guarantors, reamortizations or similar actions;

"(B) to recover the direct, incremental cost involved in the production and dissemination of compilations of information produced by the Administration under the authority of the Small Business Act and the Small Business Investment Act of 1958; and

"(13) to collect, retain and utilize, subject to approval in appropriations Acts, any amounts collected by fiscal transfer agents and not used by such agent as payment of the cost of loan pooling or debenture servicing operations: Provided, That any monies so collected shall be utilized solely to facilitate the administration of the program which generated the excess monies.".

SEC. 704. SBIR VENDORS.

Section 9(q)(2) of the Small Business Act (15 U.S.C. 638(q)(2)) is amended to read as follows:

"(2) VENDOR SELECTION.—Each agency may select a vendor to assist small business concerns to meet the goals listed in paragraph (1). Such selection shall be competitive using merit-based criteria, for a term not to exceed 3 years.".

SEC. 705. MANUFACTURING CONTRACTS.

(a) ESTABLISHMENT OF PILOT PROGRAM.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following:

"(p) MANUFACTURING MODERNIZATION PILOT PROGRAM.—

"(1) ESTABLISHMENT.—The Administrator may establish and carry out a manufacturing modernization pilot program (hereinafter in this section referred to as the 'program') for the purpose of promoting the award of Federal procurement contracts to small business concerns that participate in manufacturing application and education centers that are established or certified pursuant to paragraph (2).

"(2) MANUFACTURING APPLICATION AND EDUCATION CENTERS.—The Administrator may establish manufacturing application and education centers which will provide training to small business concerns on new and innovative manufacturing practices in a shared-use production environment and which will assist such concerns in carrying out Federal procurement contracts for the manufacture of components and subsystems. The Administrator may also certify existing manufacturing application and education centers for participation in the program.

"(3) USE OF PRIVATE CENTERS AS EXAMPLES.—In establishing any manufacturing application and education centers pursuant to paragraph (2), the Administrator may use as examples manufacturing application and education centers in the private sector that provide the following services: technology demonstration, technology education, technology application support, technology advancement support, and technology awareness.

"(4) IDENTIFICATION OF CONTRACTS.—The Administrator and the head of a contracting agency may identify for additional small business set-asides pursuant to subsection (a) any procurement, and in particular any procurement which is being foreign-sourced or is considered critical, which is susceptible to performance by a small business concern if the concern is assisted by a manufacturing application and education center under the program. Any such procurement shall be subject to the requirements of subsection (a), including requirements relating to any failure of the Administrator and the head of the contracting agency to agree on procurement methods.

"(5) NONAPPLICABILITY OF PERFORMANCE REQUIREMENT.—The requirement of subsection (o)(1)(B) shall not apply with respect to any contract carried out by a small business concern under the program with the assistance of a manufacturing application and education center.

"(6) REGULATIONS.—Not later than 6 months after the date of the enactment of this subsection, the Administrator shall issue regulations to carry out this subsection if he determines it appropriate to carry out the program authorized by this subsection.

"(7) REPORTS.—

"(A) PROGRESS REPORT.—Not later than 3 months after the last day of the fiscal year in which final regulations are issued pursuant to paragraph (6), the Administrator shall transmit to the Committees on Small Business of the House of Representatives and the Senate a report on the progress of the program.

"(B) FINAL REPORT.—If the Administrator establishes the program authorized herein, not later than March 31, 1999, he shall transmit to the Committees on Small Business of the House of Representatives and the Senate a report on the success of the program in—

"(i) enabling deployment of technology to small business concerns participating in the program, and

"(ii) assisting manufacturing application and education centers in achieving self-sufficiency,

together with recommendations concerning continuation, modification, or discontinuance of the program.

"(8) PROGRAM TERM.—The Administrator may carry out the program during the period beginning on the date of issuance of final regulations under paragraph (5) and ending on September 30, 1999.

"(9) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.".

SEC. 706. DENIAL OF USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 30, as added by section 304 of this Act, the following:

"SEC. 31. DENIAL OF USE OF FUNDS FOR INDIVIDUALS NOT LAWFULLY WITHIN THE UNITED STATES.

"None of the funds made available pursuant to this Act may be used to provide any direct benefit or assistance to any individual in the United States when it is made known to the Administrator of the Small Business Administration or the official to which the funds are made available that the individual is not lawfully within the United States.".

SEC. 707. OFFICE OF ADVOCACY EMPLOYEES.

Section 204 of Public Law 94–305 (15 U.S.C. 634d) is amended as follows—

(1) by striking "after consultation with and subject to the approval of the Administrator,"; and

(2) in paragraph (1) by striking "GS–15 of the General Schedule" and all that follows and inserting "GS–15 of the General Schedule: Provided, however, That not more than 14 staff personnel at any one time may be employed and compensated at a rate in excess of GS–15, step 10, of the General Schedule;".

SEC. 708. ADVOCACY STUDY OF PAPERWORK AND TAX IMPACT.

The Chief Counsel for Advocacy of the Small Business Administration shall conduct a study

of the impact of all Federal regulatory paperwork and tax requirements upon small business and report its findings to the Congress within 1 year of the date of the enactment of this Act.

SEC. 709. CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 31, as added by section 706 of this Act, the following:

"SEC. 32. CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS.

"Each applicant for financial assistance under this Act, including applicants for direct loans and loan guarantees, shall certify, as a condition for receiving such assistance, that the applicant is not in violation of the terms of any administrative order, court order, or repayment agreement entered into between the applicant and the custodial parent or the State agency providing child support enforcement services which requires the applicant to pay child support, as such term is defined by section 462(b) of the Social Security Act.".

Amend the title so as to read: "An Act to amend the Small Business Act, and for other purposes.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Small Business Act, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4801) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 2060, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? The Chair hears none, and without objection, appoints the following conferees: Messrs. LAFALCE, SMITH of Iowa, and WYDEN, Mrs. MEYERS of Kansas, and Mr. BAKER of Louisiana.

There was no objection.

MAKING IN ORDER ON THURSDAY, SEPTEMBER 22, 1994, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 4606, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1995

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that notwithstanding the provisions of clause (2) of rule XXVIII (28), it be in order at any time on Thursday, September 22, 1994, or any day thereafter, to consider the conference report, amendments in disagreement, and motions to dispose of amendments in disagreement, to the bill (H.R. 4606) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1995, and for other purposes, and that the conference report, amendments in disagreement, and motions printed in the joint explanatory statement of the committee of conference to dispose of amendments in disagreement be considered as read when called up for consideration.

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

There was no objection.

HEADWATERS FOREST ACT

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 536 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 536

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2866) to provide for the sound management and protection of Redwood forest areas in Humboldt County, California, by adding certain lands and waters to the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour, with thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture and thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Natural Resources. After general debate the bill shall be considered for amendment under the five-minute rule. Each section shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 5(a) of rule XXI are waived. Except as provided in section 2 of this resolution, no amendment shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SEC. 2. It shall be in order at any time for the chairman of the Committee on Agriculture or a designee to offer amendments en bloc consisting of amendments printed in the report of the Committee on Rules accompanying this resolution or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for ten minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments en bloc are waived. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

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

Mr. BONIOR. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, over 1,300 years ago—before Shakespeare and Michelangelo, before Marco Polo travelled and Columbus ever sailed to these shores—there stood a magnificent forest along the Pacific Ocean that blanketed every inch of the land.

At a time of absolute beauty, it was one of the most pristine stretches of woodland mankind has every known.

By the time the founders of this country were declaring independence and writing our Constitution, over two million acres of these redwoods stood—reaching 300 feet into the sky—providing a home for countless species of plants and animals, and producing many of the raw materials that helped this Nation grow.

But today—even though this forest is still one of America's great natural treasures—only 4 percent of these majestic trees remain.

The old growth redwood forest is still one of America's greatest natural resources, but it is not a renewable resource. Once these trees are gone, they're gone—never to come back. The conditions that fostered their growth no longer exist, even if today's young trees are allowed to grow for hundreds of years.

We all have an interest in protecting this forest, and today we have a bill in front of us that will do just that.

Let me say, Mr. Speaker, that this is a unique bill. For decades, there hasn't been much political peace between the timber industry, landowners, and environmentalists.

But in this case, local landowners, the timber industry, and environmentalists all support a plan—this plan—to help preserve this precious national resource.

They all agree that this bill before us is the best solution to the problem.

I want to take a moment to commend Congressman DAN HAMBURG for the leadership he has shown in bringing together both sides on this issue. Not many people thought it could be done—but Congressman HAMBURG believed—and he has done an extraordinary job in working out this agreement.

Mr. Speaker, the rule now before the House is fair and reasonable. It makes in order nine amendments—by Republicans and Democrats. These amendments address all the major issues in the bill—including three amendments to guarantee the rights of private property owners.

Mr. Speaker, this is an extremely important bill—for the environment and for all Americans. I urge my colleagues to support the rule and the bill.

Mr. Speaker, House Resolution 536 provides for the consideration of H.R. 2866, the Headwaters Forest Act.

The rule provides 1 hour of general debate, with 30 minutes controlled by the Committee on Agriculture and 30 minutes controlled by the Committee on Natural Resources.

The rule makes in order only those amendments printed in the report to accompany the rule, which are to be considered in the order and manner specified in the report.

These amendments are not subject to amendment or to a demand for a division of the question. All points of order against the amendments printed in the report are waived.

The rule authorizes the chairman of the Committee on Agriculture or his designee to offer amendments en bloc consisting of amendments printed in the report and germane modifications thereto.

Finally, the rule provides one motion to recommit the bill.

Mr. Speaker, this is a fair and reasonable rule—and I urge my colleagues to support it.

□ 1210

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

Mr. DREIER. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, over the past 2 years, a saying has sprung up in the West to describe the numerous Federal Government actions that threaten private-property rights, cut off large tracts of Federal land and resources from productive use, destroy private-sector jobs and undermine economic prosperity. It's called the Democrats' War on the West.

This very ambitious agenda, which is having a disproportionate impact on Western States, includes: limits on logging, mining and water use; dramatically increased grazing fees; over-zealous enforcement of the Endangered Species Act to the point where certain animals have more rights than property owners; and Federal land grabs in the lower 48 States such as this Headwaters Forest Act.

Mr. Speaker, H.R. 2866 is another attack on working people in the West. For example, four of the five Humboldt County California Supervisors oppose this legislation because of the local economic impact. The forest is in Humboldt County, and they see this bill as another direct attack on private-sector jobs in their county.

This restrictive rule is an attack on the principle of accountability here in the House. Make no mistake about it, the American people are demanding that we be accountable for controversial policies. A rule that is clearly designed to prevent the House from having the opportunity to fully debate important issues relating to the Headwaters Forest bill violates that principle.

Although an open rule would be far preferable, this restrictive rule is most unfair in prohibiting consideration of sound, substantive, germane amendments that were offered in committee. For example, Mr. DOOLITTLE will not be able to offer an amendment to restrict the Headwaters Forest acquisition plan to the 4,400 acres of old growth redwood forest. We should make this critical distinction between buying old growth redwood stands and using taxpayer dollars to purchase over a billion dollars' worth of everyday forestland.

This rule also prohibits an amendment by Mr. POMBO to prohibit the Federal Government from using the Endangered Species Act to devalue land in order to acquire that land at a reduced cost. This critical property rights amendment is identical to a Tauzin amendment to the California Desert Protection Act which passed the House 281 to 148 earlier this year. Without this amendment, Federal bureaucrats will be tempted to devalue Headwaters Forest land that they plan to acquire by claiming that the redwood trees cannot be harvested in order to protect a seabird called the marbled murrelet. Therefore, I will be attempting to defeat the previous question so that this one additional amendment is made in order. This should be clearly understood, Mr. Speaker, a vote for the previous question will be a vote against the Tauzin Endangered Species Act language.

Finally, a number of worthy amendments designed to protect the American taxpayer, not just in the West but all over this country, are being blocked by this rule. An amendment by Mr. LEWIS of Florida, the ranking member of the Agriculture Subcommittee on Natural Resources, would insure that taxpayer property held by the RTC or FDIC is not traded at below market value to acquire forest land. Mr. POMBO has an amendment to limit acquisition authority for this project to 5 years to reduce the potential outflow of taxpayer dollars.

Mr. Speaker, there are numerous problems with this bill. Some will be addressed by the amendments that have been made in order, but some cannot. The folly of authorizing $1.5 billion in taxpayer dollars to buy forestland when the Federal Government already owns 46 percent of California, including the 78,000-acre Redwood National Forest, is best addressed by voting the bill down in its entirety.

Mr. Speaker, I urge my colleagues to defeat the previous question so that we can amend this rule and make the Pombo amendment on the Endangered Species Act in order. If that effort to protect private-property rights fails, if that effort fails, I urge Members to defeat this unfair rule so that we can consider this bill under a more fair and open process.

Mr. Speaker, I include for the RECORD a copy of the amendment I will offer if the previous question is defeated, as well as statistics on rollcall votes in the Rules Committee, as follows:

H. RES. 536—AN AMENDMENT OFFERED BY MR. DREIER

Page 2, line 21, insert before the period the following: "and the amendment printed in section 3 of this resolution if offered by Representative Pombo of California, or a designee, said amendment shall not be subject to amendment but shall be debatable for not to exceed 20 minutes to be equally divided and controlled by the proponent and an opponent.

Page 4, add the following after line 9:

"Sec. 3. An amendment to be offered by Representative Pombo of California, or a designee.

"Add the following new section at the end of the bill:

"SEC. . APPRAISAL.

"Lands or interests in lands acquired under section 3 shall be appraised for their highest and best use without regard to the presence of a species listed as threatened or endangered pursuant to the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).".

ROLLCALL VOTES IN THE RULES COMMITTEE ON AMENDMENTS TO THE PROPOSED RULE ON H.R. 2866—HEADWATERS FOREST ACT—TUESDAY, SEPTEMBER 20, 1994

1. Open Rule—This amendment to the proposed rule provides for an open rule with one-hour of general debate equally divided between the Agriculture Committee and the Natural Resources Committee. (Rejected 4-5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

2. Doolittle #7—Reduces the amount of land authorized to be acquired by the federal government for the Six Rivers National Forest Addition from 44,000 acres to 4,488 acres. (Rejected 4-5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

3. Pombo #10—Provides that appraisal of land values under the bill will be done without regard to the presence of a threatened or endangered species. (Rejected 4-5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

4. Pombo #12—Sunsets the acquisition authority of the Secretary of Agriculture after five years from the date of enactment. (Rejected 4–5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

5. Pombo #16—Substitute amendment consisting of the text of the bill as reported by the Committee on Agriculture. (Rejected 4–5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

6. Lewis (FL) #15—Prohibits the exchange, donation, or purchase at less than fair-market value of lands from the FDIC or the RTC to the Secretary of Agriculture. (Rejected 4–5). Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Frost, Bonior, Gordon, Slaughter. Not Voting: Derrick, Beilenson, Hall, Wheat.

7. Adoption of Rule—(Adopted 5–4). Yeas—Moakley, Frost, Bonior, Gordon, Slaughter. Nays—Solomon, Quillen, Dreier, Goss. Not Voting: Derrick, Beilenson, Hall, Wheat.

OPEN VERSUS RESTRICTIVE RULES 95TH–103D CONG.

Congress (years)	Total rules granted [1]	Open rules		Restrictive rules	
		Number	Percent [2]	Number	Percent [3]
95th (1977–78)	211	179	85	32	15
96th (1979–80)	214	161	75	53	25
97th (1981–82)	120	90	75	30	25
98th (1983–84)	155	105	68	50	32
99th (1985–86)	115	65	57	50	43
100th (1987–88)	123	66	54	57	46
101st (1989–90)	104	47	45	57	55
102d (1991–92)	109	37	34	72	66
103d (1993–94)	94	27	29	67	71

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: "Rules Committee Calendars & Surveys of Activities," 95th–102d Cong.; "Notices of Action Taken," Committee on Rules, 103d Cong., through Sept. 20, 1994.

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D–5; R–25)	3 (D–0; R–3)	PQ: 246–176. A: 259–164. (Feb. 3, 1993).
H. Res. 59, Feb. 3, 1993	MC	H.R. 2: National Voter Registration Act	19 (D–1; R–18)	1 (D–0; R–1)	PQ: 248–171. A: 249–170. (Feb. 4, 1993).
H. Res. 103, Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D–2; R–5)	0 (D–0; R–0)	PQ: 243–172. A: 237–178. (Feb. 24, 1993).
H. Res. 106, Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D–1; R–8)	3 (D–0; R–3)	PQ: 248–166. A: 249–163. (Mar. 3, 1993).
H. Res. 119, Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (d–4; R–9)	8 (D–3; R–5)	PQ: 247–170. A: 248–170. (Mar. 10, 1993).
H. Res. 132, Mar. 17, 1993	MC	H.R. 1335: Emergency supplemental Appropriations	37 (D–8; R–29)	1(not submitted) (D–1; R–0)	A: 240–185. (Mar. 18, 1993).
H. Res. 133, Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D–2; R–12)	4 (1-D not submitted) (D–2; R–2)	PQ: 250–172. A: 251–172. (Mar. 18, 1993).
H. Res. 138, Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D–8; R–12)	9 (D–4; R–5)	PQ: 252–164. A: 247–169. (Mar. 24, 1993).
H. Res. 147, Mar. 31, 1993	C	H.R. 1430: Increase Public debt limit	6 (D–1; R–5)	0 (D–0; R–0)	PQ: 244–168. A: 242–170. (Apr. 1, 1993).
H. Res. 149 Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	8 (D–1; R–7)	3 (D–1; R–2)	A: 212–208. (Apr. 28, 1993).
H. Res. 164, May 4, 1993	O	H.R. 820: Nate Competitiveness Act	NA	NA	A: Voice Vote. (May 5, 1993).
H. Res. 171, May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	NA	NA	A: Voice Vote. (May 20, 1993).
H. Res. 172, May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	NA	NA	A: 308–0 (May 24, 1993).
H. Res. 173 May 18, 1993	MC	S.J. Res. 45: United States forces in Somalia	6 (D–1; R–5)	6 (D–1; R–5)	A: Voice Vote (May 20, 1993)
H. Res. 183, May 25, 1993	O	H.R. 2244: 2d supplemental appropriations	NA	NA	A: 251–174. (May 26, 1993).
H. Res. 186, May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D–19; R–32)	8 (D–7; R–1)	PQ: 252–178. A: 236–194 (May 27, 1993).
H. Res. 192, June 9, 1993	MC	H.R. 2348: Legislative branch appropriations	50 (D–6; R–44)	6 (D–3; R–3)	PQ: 240–177. A: 226–185. (June 10, 1993).
H. Res. 193, June 10, 1993	O	H.R. 2200: NASA authorization	NA	NA	A: Voice Vote. (June 14, 1993).
H. Res. 195, June 14, 1993	MC	H.R. 5: Striker replacement	7 (D–4; R–3)	2 (D–1; R–1)	A: 244–176.. (June 15, 1993).
H. Res. 197, June 15, 1993	MO	H.R. 2333: State Department. H.R. 2404: Foreign aid	53 (D–20; R–33)	27 (D–12; R–15)	A: 294–129. (June 16, 1993).
H. Res. 199, June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	NA	NA	A: Voice Vote. (June 22, 1993).
H. Res. 200, June 16, 1993	MC	H.R. 2295: Foreign operations appropriations	33 (D–11; R–22)	5 (D–1; R–4)	A: 263–160. (June 17, 1993).
H. Res. 201, June 17, 1993	O	H.R. 2403: Treasury-postal appropriations	NA	NA	A: Voice Vote. (June 17, 1993).
H. Res. 203, June 22, 1993	MO	H.R. 2445: Energy and Water appropriations	NA	NA	A: Voice Vote. (June 23, 1993).
H. Res. 206, June 23, 1993	O	H.R. 2150: Coast Guard authorization	NA	NA	A: 401–0. (July 30, 1993).
H. Res. 217, July 14, 1993	MO	H.R. 2010: National Service Trust Act	NA	NA	A: 261–164. (July 21, 1993).
H. Res. 220, July 21, 1993	MC	H.R. 2667: Disaster assistance supplemental	14 (D–8; R–6)	2 (D–2; R–0)	PQ: 245–178. F: 205–216. (July 22, 1993).
H. Res. 226, July 23, 1993	MC	H.R. 2667: Disaster assistance supplemental	15 (D–8; R–7)	2 (D–2; R–0)	A: 224–205. (July 27, 1993).
H. Res. 229, July 28, 1993	MO	H.R. 2330: Intelligence Authority Act, fiscal year 1994	NA	NA	A: Voice Vote. (Aug. 3, 1993).
H. Res. 230, July 28, 1993	O	H.R. 1964: Maritime Administration authority	NA	NA	A: Voice Vote. (July 29, 1993).
H. Res. 246, Aug. 6, 1993	MO	H.R. 2401: National Defense authority	149 (D–109; R–40)		A: 246–172. (Sept. 8, 1993).
H. Res. 248, Sept. 9, 1993	MO	H.R. 2401: National defense authorization			PQ: 237–169. A: 234–169. (Sept. 13, 1993).
H. Res. 250, Sept. 13, 1993	MC	H.R. 1340: RTC Completion Act	12 (D–3; R–9)	1 (D–1; R–0)	A: 213–191–1. (Sept. 14, 1993).
H. Res. 254, Sept. 22, 1993	MO	H.R. 2401: National Defense authorization		91 (D–67; R–24)	A: 241–182. (Sept. 28, 1993).
H. Res. 262, Sept. 28, 1993	O	H.R. 1845: National Biological Survey Act	NA	NA	A: 238–188 (10/06/93).
H. Res. 264, Sept. 28, 1993	MC	H.R. 2351: Arts, humanities, museums	7 (D–0; R–7)	3 (D–0; R–3)	PQ: 240–185. A: 225–195. (Oct. 14, 1993).
H. Res. 265, Sept. 29, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	A: 239–150. (Oct. 15, 1993).
H. Res. 269, Oct. 6, 1993	MO	H.R. 2739: Aviation infrastructure investment	N/A	N/A	A: Voice Vote. (Oct. 7, 1993).
H. Res. 273, Oct. 12, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	PQ: 235–187. F: 149–254. (Oct. 14, 1993).
H. Res. 274, Oct. 12, 1993	MC	H.R. 1804: Goals 2000 Educate America Act	15 (D–7; R–7; I–1)	10 (D–7; R–3)	A: Voice Vote. (Oct. 13, 1993).
H. Res. 282, Oct. 20, 1993	C	H.J. Res. 281: Continuing appropriations through Oct. 28, 1993	N/A	N/A	A: Voice Vote. (Oct. 21, 1993).
H. Res. 286, Oct. 27, 1993	O	H.R. 334: Lumbee Recognition Act	N/A	N/A	A: Voice Vote. (Oct. 28, 1993).
H. Res. 287, Oct. 27, 1993	C	H.J. Res. 283: Continuing appropriations resolution	1 (D–0; R–0)	0	A: 252–170. (Oct. 28, 1993).
H. Res. 289, Oct. 28, 1993	O	H.R. 2151: Maritime Security Act of 1993	N/A	N/A	A: Voice Vote. (Nov. 3, 1993).
H. Res. 293, Nov. 4, 1993	MC	H. Con. Res. 170: Troop withdrawal Somalia	N/A	N/A	A: 390–8. (Nov. 8, 1993).
H. Res. 299, Nov. 8, 1993	MO	H.R. 1036: Employee Retirement Act–1993	2 (D–1; R–1)	N/A	A: Voice Vote. (Nov. 9, 1993).
H. Res. 302, Nov. 9, 1993	MC	H.R. 1025: Brady handgun bill	17 (D–6; R–11)	4 (D–1; R–3)	A: 238–182. (Nov. 10, 1993).
H. Res. 303, Nov. 9, 1993	O	H.R. 322: Mineral exploration	N/A	N/A	A: Voice Vote. (Nov. 16, 1993).
H. Res. 304, Nov. 9, 1993	C	H.J. Res. 288: Further CR, FY 1994	N/A	N/A	
H. Res. 312, Nov. 17, 1993	MC	H.R. 3425: EPA Cabinet Status	27 (D–8; R–19)	9 (D–1; R–8)	F: 191–227. (Feb. 2, 1994).
H. Res. 313, Nov. 17, 1993	MC	H.R. 796: Freedom Access to Clinics	15 (D–9; R–6)	4 (D–1; R–3)	A: 233–192. (Nov. 18, 1993).
H. Res. 314, Nov. 17, 1993	MC	H.R. 3351: Alt Methods Young Offenders	21 (D–7; R–14)	6 (D–3; R–3)	A: 238–179. (Nov. 19, 1993).
H. Res. 316, Nov. 19, 1993	C	H.R. 51: D.C. statehood bill	1 (D–1; R–0)	N/A	A: 252–172. (Nov. 20, 1993).
H. Res. 319, Nov. 20, 1993	MC	H.R. 3: Campaign Finance Reform	35 (D–6; R–29)	1 (D–0; R–1)	A: 220–207. (Nov. 21, 1993).
H. Res. 320, Nov. 20, 1993	MC	H.R. 3400: Reinventing Government	34 (D–15; R–19)	3 (D–3; R–0)	A: 247–183. (Nov. 22, 1993).
H. Res. 336, Feb. 2, 1994	MC	H.R. 3759: Emergency Supplemental Appropriations	14 (D–8; R–5; I–1)	5 (D–3; R–2)	PQ: 244–168. A: 342–65. (Feb. 3, 1994).
H. Res. 352, Feb. 8, 1994	MC	H.R. 811: Independent Counsel Act	27 (D–8; R–19)	10 (D–4; R–6)	PQ: 249–174. A: 242–174. (Feb. 9, 1994).
H. Res. 357, Feb. 9, 1994	MC	H.R. 3345: Federal Workforce Restructuring	3 (D–2; R–1)	2 (D–2; R–0)	A: VV (Feb. 10, 1994).
H. Res. 366, Feb. 23, 1994	MO	H.R. 6: Improving America's Schools	NA	NA	A: VV (Feb. 24, 1994).
H. Res. 384, Mar. 9, 1994	MC	H. Con. Res. 218: Budget Resolution FY 1995–99	14 (D–5; R–9)	5 (D–3; R–2)	A: 245–171 (Mar. 10, 1994).
H. Res. 401, Apr. 12, 1994	MO	H.R. 4092: Violent Crime Control	180 (D–98; R–82)	68 (D–47; R–21)	A: 244–176 (Apr. 13, 1994).
H. Res. 410, Apr. 21, 1994	MO	H.R. 3221: Iraqi Claims Act	N/A	N/A	A: Voice Vote (Apr. 28, 1994).
H. Res. 414, Apr. 28, 1994	O	H.R. 3254: NSF Auth. Act	N/A	N/A	A: Voice Vote (May 3, 1994).
H. Res. 416, May 4, 1994	C	H.R. 4296: Assault Weapons Ban Act	7 (D–5; R–2)	0 (D–0; R–0)	A: 220–209 (May 5, 1994).
H. Res. 420, May 5, 1994	O	H.R. 2442: EDA Reauthorization	N/A	N/A	A: Voice Vote (May 10, 1994).
H. Res. 422, May 11, 1994	MO	H.R. 518: California Desert Protection	N/A	N/A	PQ: 245–172 A: 248–165 (May 17, 1994).
H. Res. 423, May 11, 1994	O	H.R. 2473: Montana Wilderness Act	N/A	N/A	A: Voice Vote (May 12, 1994).
H. Res. 428, May 17, 1994	MO	H.R. 2108: Black Lung Benefits Act	4 (D–1; R–3)	N/A	A: VV (May 19, 1994).
H. Res. 429, May 17, 1994	MO	H.R. 4301: Defense Auth., FY 1995	173 (D–115; R–58)		A: 369–49 (May 18, 1994).
H. Res. 431, May 20, 1994	MO	H.R. 4301: Defense Auth., FY 1995		100 (D–80; R–20)	A: Voice Vote (May 23, 1994).
H. Res. 440, May 24, 1994	MC	H.R. 4385: Natl Hiway System Designation	16 (D–10; R–6)	5 (D–5; R–0)	A: Voice Vote (May 25, 1994).
H. Res. 443, May 25, 1994	MC	H.R. 4426: For. Ops. Approps, FY 1995	39 (D–11; R–28)	8 (D–3; R–5)	PQ: 233–191 A: 244–181 (May 25, 1994).
H. Res. 444, May 25, 1994	MC	H.R. 4454: Leg Branch Approp, FY 1995	43 (D–10; R–33)	12 (D–8; R–4)	A: 249–177 (May 26, 1994).
H. Res. 447, June 8, 1994	O	H.R. 4539: Treasury/Postal Approps 1995	N/A	N/A	A: 236–177 (June 9, 1994).
H. Res. 467, June 28, 1994	MC	H.R. 4600: Expedited Rescissions Act	N/A	N/A	PQ: 240–185 A: Voice Vote (July 14, 1994).
H. Res. 468, June 28, 1994	MO	H.R. 4299: Intelligence Auth., FY 1995	N/A	N/A	A: Voice Vote (July 19, 1994).
H. Res. 474, July 12, 1994	MO	H.R. 3937: Export Admin. Act of 1994	N/A	N/A	A: Voice Vote (July 14, 1994).

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.—Continued

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 475, July 12, 1994	O	H.R. 1188: Anti. Redlining in Ins	N/A	N/A	A: Voice Vote (July 20, 1994).
H. Res. 482, July 20, 1994	O	H.R. 3838: Housing & Comm. Dev. Act	N/A	N/A	A: Voice Vote (July 21, 1994).
H. Res. 483, July 20, 1994	O	H.R. 3870: Environ. Tech. Act of 1994	N/A	N/A	A: Voice Vote (July 26, 1994).
H. Res. 484, July 20, 1994	MC	H.R. 4604: Budget Control Act of 1994	3 (D–2; R–1)	3 (D–2; R–1)	PQ: 245–180 A: Voice Vote (July 21, 1994).
H. Res. 491, July 27, 1994	O	H.R. 2448: Radon Disclosure Act	N/A	N/A	A: Voice Vote (July 28, 1994).
H. Res. 492, July 27, 1994	O	S. 208: NPS Concession Policy	N/A	N/A	A: Voice Vote (July 28, 1994).
H. Res. 494, July 28, 1994	MC	H.R. 4801: SBA Reauth & Amdmts. Act	10 (D–5; R–5)	6 (D–4; R–2)	PQ: 215–169 A: 221–161 (July 29, 1994).
H. Res. 500, Aug. 1, 1994	MO	H.R. 4003: Maritime Admin. Reauth.	N/A	N/A	A: 336–77 (Aug. 2, 1994).
H. Res. 501, Aug. 1, 1994	O	S. 1357: Little Traverse Bay Bands	N/A	N/A	A: Voice Vote (Aug. 3, 1994).
H. Res. 502, Aug. 1, 1994	O	H.R. 1066: Pokagon Band of Potawatomi	N/A	N/A	A: Voice Vote (Aug. 3, 1994).
H. Res. 507, Aug. 4, 1994	O	H.R. 4217: Federal Crop Insurance	N/A	N/A	A: Voice Vote (Aug. 5, 1994).
H. Res. 509, Aug. 5, 1994	MC	H.J. Res. 373/H.R. 4590: MFN China Policy	N/A	N/A	A: Voice Vote (Aug. 9, 1994).
H. Res. 513, Aug. 9, 1994	MC	H.R. 4906: Emergency Spending Control Act	N/A	N/A	A: Voice Vote (Aug. 17, 1994).
H. Res. 512, Aug. 9, 1994	MC	H.R. 4907: Full Budget Disclosure Act	N/A	N/A	A: 255–178 (Aug. 11, 1994).
H. Res. 514, Aug. 9, 1994	MC	H.R. 4822: Cong. Accountability	33 (D–16; R–17)	16 (D–10; R–6)	PQ: 247–185 A: Voice Vote (Aug. 10, 1994).
H. Res. 515, Aug. 10, 1994	O	H.R. 4908: Hydrogen Etc. Research Act	N/A	N/A	A: Voice Vote (Aug. 19, 1994).
H. Res. 516, Aug. 10, 1994	MC	H.R. 3433: Presidio Management	12 (D–2; R–10)	N/A	A: Voice Vote (Aug. 19, 1994).
H. Res. 532, Sept. 20, 1994	O	H.R. 4448: Lowell Natl. Park	N/A	N/A	
H. Res. 535, Sept. 20, 1994	O	H.R. 4422: Coast Guard authorization	N/A	N/A	
H. Res. 536, Sept. 20, 1994	MC	H.R. 2866: Headwaters Forest Act	16 (D–5; R–11)	9 (D–3; R–6)	

Note.—Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous question; A-Adopted; F-Failed.

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

Mr. BONIOR. Mr. Speaker, I ask unanimous consent that the remainder of my time be controlled by the gentleman from Ohio [Mr. HALL].

The SPEAKER pro tempore (Mr. KLECZKA). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I would just like to speak in behalf of a bill that was so expertly crafted by the gentleman from California [Mr. HAMBURG]. And I know it was expertly crafted, because originally I introduced a similar bill and it needed a lot of work, and he did it.

I would like to also correct a statement of my distinguished colleague the gentleman from California. This is not the result of a Democrat's war on the West, but indeed it is the Democrats from California protecting what little of California Secretary Watt did not try and sell to the entertainment business.

We are, as our majority whip has so eloquently suggested, trying to protect a precious national monument from an ill-fated business deal which pledged a lot of junk bonds and secured them with these redwoods, and they had been sold off to redeem bonds which had very little relationship to protecting the jobs in the area. So through the work of the gentleman from California [Mr. HAMBURG] and the work of the company which owns the property, they have agreed on a compromise. So in effect we have a willing seller and a willing buyer. There is no coercion. Indeed, the property rights have been respected in the highest tradition of private and free enterprise, and the companies, led by leaders of the Republican Party are, in fact, in accord with the bill.

It is a balanced compromise between parties who had been in severe contention and have been in that contentious operation who concede the compromises and the agreements that have been made on both sides. Property rights have been protected and addressed. The environmental issues have been taken care of to the satisfaction of both sides. Fisheries, which will create jobs, will be encouraged. Sustained yield cutting will preserve jobs for all time, not just a quick buildup for a year or so while we slice all of the trees down, and then leave an underemployed, devastated community behind, but continuous yield so that the logging industry will flourish and grow in this part of northern California.

This has indeed been a long-running dispute. Two predecessors in two parties to the gentleman from California [Mr. HAMBURG] have attempted to see this area denuded. They have attempted to see all of these redwoods cut down. It has been a bipartisan attempt in that area until the gentleman from California [Mr. HAMBURG] stepped in to compromise this issue and protect the redwoods.

□ 1220

There have been accommodations by the Committee on Rules to people on both sides of this issue to allow amendments. I think it is fair. There will be substantial changes made in order by the amendments, should they prevail, that have been made in order, and I would urge my colleagues to support the rule and to vote in favor of the bill and make a step for free enterprise, a step toward property rights, a step toward conserving the environment and protecting one of our most precious historical monuments.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to say that my friend has talked about this marvelous compromise which has been structured by the gentleman from California [Mr. HAMBURG], and yet four out of five of the members of the Humboldt County Board of Supervisors have stood up for the workers of this area and opposed this so-called compromise.

Mr. Speaker, I yield 2 minutes to my friend from Palm Beach Gardens, the gentleman from Florida [Mr. LEWIS], the ranking member, soon to be chairman, if he were to stay here, of the National Resources Subcommittee of the Committee on Agriculture.

Mr. LEWIS of Florida. Mr. Speaker, I rise in strong opposition to the rule for the floor consideration of H.R. 2866, the Headwaters Forest Act.

Mr. Speaker, it was my hope that the Rules Committee would provide for an open rule in considering the Headwaters Forest Bill.

However, this rule is closed and many of the amendments which have been made in order under the rule were accepted in the Agriculture Committee and now are being offered again on the floor.

Mr. Speaker, three important amendments which were submitted to the Rules Committee were not made in order under the rule. Those are Mr. POMBO's endangered species amendment, Mr. DOOLITTLE's acreage reduction amendment, and an amendment which I had planned to offer prohibiting the Secretary of Agriculture from obtaining any of the lands through donation or at less than fair market exchange from the FDIC or RTC.

Many Members will recall the debate on the California Desert Protection Act in which language similar to Mr. POMBO's proposed amendment to this bill was adopted overwhelmingly in the House—this amendment should be allowed to be debated on the floor as the House has clearly signaled its intentions on this issue in the past.

Let me also give some background on the significance of Mr. DOOLITTLE's acreage reduction amendment which was also not made in order under the rule. This amendment is a true reflection of the intentions of the Pacific Lumber Co. who has indicated their willingness to sell or exchange only the 4,400 acre Headwaters Forest. Without this amendment and the open ended authorization of the bill—this bill carries an enormous price tag of $1.5 billion.

I would urge my colleagues to vote against this restrictive rule and also

against the bill, it is unnecessary and costly.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

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

Mr. Speaker, as one Californian who has not cosponsored this bill; today, I rise in very strong support of the rule, and final passage of H.R. 2866, the Headwaters Forest Act.

I do that because I believe the gentleman from California [Mr. HAMBURG] has worked diligently to bring us to a point where everyone from California can now support this act. I rise in support of it because, in addition, it represents a balanced approach to environmental protection that will not result in economic dislocation for the timber-dependent communities of northern California.

I want to congratulate him. The gentleman from California [Mr. HAMBURG] has done a tremendous job. A tremendous amount of hard work went into this. His diligence is obvious, by putting together this bill; by listening to all the parties affected by it, the gentleman from California [Mr. HAMBURG] has crafted a compromise that is supported by the environmental community and the timber industry. The bill has the support of numerous national and regional environmental organizations, the Environmental Defense Fund, Sierra Club, National Audubon Society, and Natural Resources Defense Council, to name just a few. They all support this bill.

The latest list of supporting environmental organizations includes some 50 national and regional groups in support. But, importantly, this bill also has the support of the Pacific Lumber Co., because they are a willing seller in this compromise.

Under the amendments made in order by the rule, the Forest Service may not acquire lands without the consent of the landowner and, moreover, the landowners within the 44,000 acres are entitled to the full and lawful use of their land, the enjoyment of their land, until those lands are actually acquired by the Federal Government.

One question that was raised early in the debate over the headwaters bill was, how will the Federal Government be able to acquire these lands without hurting other programs or raising the Federal deficit? The gentleman from California [Mr. HAMBURG] has found the key to that. The real challenge was to make this environmentally important legislation fiscally responsible. He has succeeded in crafting such a compromise.

The bill relies heavily on land exchanges to acquire the lands we seek to protect, and under this bill surplus or excess Federal lands under the jurisdiction of Federal agencies may be transferred to the Department of Agriculture for use in land exchanges.

Mr. Speaker, this legislation embodies the art of compromise. It is what legislating is all about, and in his first term, this Member has taken an extremely difficult and contentious problem that affects his district and shown great leadership that he has succeeded in protecting the environment without destroying the economy or raising the deficit that we all worry about.

I urge my colleagues to support the bill, but I am particularly hopeful they will support a rule that makes in order nine amendments distributed to both parties, across the spectrum, allowing the major issues to come to the floor for consideration. The most important amendment regarding private property rights, the willing-seller amendment the gentleman from California [Mr. POMBO] will offer, is I think, appropriate. This gives the property owners the appropriate veto over any proposed exchange or sale of land, which we do need to keep in mind is the way to get fiscal prudence included in this bill, let alone protect property rights.

This is a fine piece of work, and it deserves the support of all Members, particularly those from our State of California.

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

Mr. Speaker, I would like to engage my friend, the gentleman from Sacramento, in colloquy. I just wanted to ask one question, and I would be happy to yield to my friend to respond: There has been some confusion as to exactly what piece of legislation we are considering here, and my friend has just talked about the fact that this measure guarantees landowners full and lawful use and enjoyment of their lands until they are acquired by the Federal Government, and yet the gentleman from California [Mr. DOOLITTLE] sought to offer an amendment to do that, because he is under the impression that is not addressed.

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

Mr. DREIER. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Speaker, he must have been mistaken in that regard, because I think it is fair to assert that it is with the agreement that has been reached; the en block amendment will make certain all of those concerns are taken into consideration.

I realize there is a tremendous temptation, particularly in a political year, to sort of "stir the troubled waters" here and create a political problem that really ought not be part of our deliberations. I think this issue has been dealt adequately with by the Committee on Rules.

Mr. DREIER. Reclaiming my time, Mr. Speaker, I say to my friend, what has happened here is a very convoluted process as to exactly what piece of legislation is actually being considered, whether it was the measure originally introduced by the gentleman from California [Mr. HAMBURG], whether it was the measure reported out of the Committee on Agriculture, the Committee on Natural Resources. I hope my friend will acknowledge the fact that this is a very unusual procedure which has created a great degree of confusion which has nothing whatsoever to do with politics emanating from our side.

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

Mr. DREIER. I yield to the gentleman from California.

Mr. FAZIO. Mr. Speaker, I would be happy to just simply say that the gentleman from California [Mr. HAMBURG] has, I think, dealt very effectively with the necessary compromises that are embodied. When we vote today, his management of these compromises will be reflected in the final product.

He has fully understood what would be required to meet the test all along the way in the several committees this bill has proceeded through. The fact this bill will be in the fine shape it is in, as we complete the rule, and as we go on to debate the bill, is a tribute to him, and, again, something all members of our delegation can support.

Mr. DREIER. Mr. Speaker, I should say to my friend this statement proves there is nothing political whatsoever about this legislation.

The SPEAKER pro tempore (Mr. KLECZKA). The gentleman from California [Mr. DREIER] has consumed 2 minutes.

Mr. DREIER. Mr. Speaker, I yield 6 minutes to my very eloquent colleague from Tracy, the gentleman from California [Mr. POMBO], who unfortunately has had an amendment denied on this, one which I hope we will be able to make in order if we are able to defeat the previous question.

□ 1230

Mr. POMBO. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in opposition to the rule for a number of reasons. But I guess the main reason that I have to oppose this rule is that it is being brought up as a closed rule. It thereby limits the amendments of the Members of the House, limits their ability to offer amendments to this legislation.

Mr. Speaker, I happen to serve on two of the committees that this particular bill was referred to, the Committee on Natural Resources and the Committee on Agriculture. And in both committees major changes were made to the bill, there was major discussion, major confrontation, and ultimately two separate pieces of legislation were passed out of both of those committees of this House.

We are faced today with the situation where the bill as introduced is being

brought up—and, hopefully, with the en bloc amendments we can get back to the version which was passed out of the Committee on Agriculture.

Mr. Speaker, I presented in the Committee on Natural Resources an amendment to the bill that dealt with the Endangered Species Act and the valuation of the land. That failed in committee, and I was not allowed by the Committee on Rules to offer that on the floor here as an amendment to this piece of legislation.

We offered a similar amendment, in fact the same amendment, to the Desert Protection Act very recently on the House floor. It passed with 281 votes in favor of that amendment. So I believe the House has spoken very clearly about what its intention is with the devaluation of property values that the Federal Government has in regard to the Endangered Species Act.

I would like to explain to you why it is so important in this specific example, in this specific case: In the California northwest, where we have the spotted owl and other endangered species, the property values have sunk rapidly on property that has been declared endangered species habitat because they cannot do anything with the property other than let it sit, the private property. They have very, very limited use for that property because of actions of the Federal Government.

The Federal Government holds all the cards in this situation. They step in and make the determination whether or not an endangered species is truly endangered and they list it. Then, using their own scientists and their own science, they step out and decide where the habitat of that endangered species happens to be.

Now, in this particular instance there has been admitted that maybe the spotted owl is not endangered as it was first thought to be, and maybe the habitat is different than what they originally thought that it was.

But we have no recourse for that at this time. So the Federal Government stepped in and listed the species as endangered; they declared where the habitat of that species was. And now they are stepping out to buy that private property which happens to be habitat for one endangered species or the other.

So the Federal Government came in, all on their own, listed and devalued a piece of property which they are now attempting to buy. My amendment would rectify that by saying you cannot do that to a private property owner; you have to pay them what their property was worth before you took the actions. What this does is it does cost the taxpayers money but it spreads the cost of protecting the environment, protecting that particular endangered species, over the entire population. So that one individual property owner or one small group of property owners is not saddled with 100 percent of the burdens of the action of the Federal Government and this Congress.

I believe that if it is a priority of this country, of this Government, and of this Congress to save endangered species, if it is our priority, then we ought to make it a priority to pay for it and that one individual property owner or a small group of individual property owners are not forced to bear the entire financial burden that you are heaping on them with this legislation.

I guess to bring it down more to a localized level, if your local city decided they were going to put a road through your house, they would have to pay you the value of your property before they put the road through your house. They would have to pay you the value of your property before they put the road through your house, not after, because the value of your property would be diminished if your house was gone, if your back yard was gone and your front yard was covered by asphalt. The local government is not allowed to do this. The Federal Government should not be allowed to do this.

The Federal Government should not be allowed to step into a situation where they hold all the cards, where they have the ability to set the price on private property and then force you to accept that price and force you to operate your company or your farm or your ranch or your small business with this hanging over your head.

I do feel this is an extremely important amendment. I do not understand why the Rules Committee would not allow me the opportunity to present this amendment on the floor.

As I said previously, we have had the opportunity to debate this amendment before; it passed overwhelmingly on the House floor and there is absolutely no reason for House, for the Committee on Rules not to take up this amendment today.

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

Mr. Speaker, I say to the gentleman the issue that my friend has addressed can be voted on and will be voted on in just a few moments when we try to defeat the previous question to make the Tauzin-Pombo endangered species language in order for consideration here.

I hope very much we will recognize that anyone who votes in favor of the previous question will be voting against the Tauzin-Pombo language dealing with the endangered species.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DOOLEY].

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

I rise to really refute some of the statements of the earlier speaker in terms of his amendment that he was going to be offering today, was going to have the same impact as the Endangered Species Act amendment act offered by Mr. TAUZIN on the Desert Protection Act.

As a strong supporter of private property rights and as a strong supporter of endangered species legislation, which Mr. TAUZIN offered, I point out this is a very much different situation, because we have here a bill, when amended, is going to have provisions in it which ensure a willing buyer and a willing seller. The Federal Government is not going to hold all the cards in this contract or in these negotiations because you still have the rights of the private owner to make the decision whether he thinks the compensation, the price which is going to be negotiated, is adequate for the value of the property.

I also point out the owners of this property agree with this. In a letter they sent out just in the last month they stated that the amendment—that the bill as passed out of the Agriculture Committee, which will be the way this legislation looks like after the en bloc amendments are accepted, now contains significant amendments and fully protects the company's rights as a private property owner. If the company had any concerns about the Federal Government being able to lower the economic utility of their property by the designation of endangered species, they would not have written this letter.

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

Mr. DOOLEY. I will yield to the gentleman from California, surely.

Mr. POMBO. I thank the gentleman for yielding to me.

Mr. Speaker, the reason this is needed on this particular one, and my colleague and I have worked together a number of times on property rights issues, the reason it is needed on this amendment is because once the Federal Government clamps down and says they cannot do anything with this property, they are faced with a situation where they have to cut and run, where they have to sell it for whatever the Federal Government is offering in order to get something out of it. They cannot say "no" and sit on it for years.

Mr. DOOLEY. Reclaiming my time, the issue is different in this case because what you are making is an argument for a reform of the Endangered Species Act, which I grant needs some reform, but in this instance the gentleman is saying that the Federal Government holds all the cards when it does not because the Federal Government cannot condemn this property, the Federal Government cannot force the sale.

□ 1240

The owners of this property are going to be operating this, and managing this, and utilizing this property as consistent with existing environmental laws and the management plans as

they are prescribed by the State of California. If the management of this property is infringed upon by some environmental regulation, certainly this property is going to be maybe of a lesser value, but that is irregardless of whether or not this legislation passed which provided for an authorization for this land to go into a Federal park or Federal ownership. Still the bottom line is that the private property owner, which we should be protecting, has the sole right of either to accept this sale, the contract that is offered, and I think we have gone beyond and a long ways to ensure that private property, to ensure that this is going to be a negotiated settlement, to ensure that a fair price will be provided for this property, and I urge everyone to support the rule.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Tracy, CA [Mr. POMBO].

Mr. POMBO. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for having yielding this time to me, and I took up some of the gentleman's time, so, if he would like to respond, I would be willing. But the reason is that on this particular incidence, where one has a hundred million dollar investment that they are sitting on with absolutely no return because of actions of the Federal Government, and they are offered half or a third of what that property is worth, it is better to take that money, and cut their losses, and get out, than it is to sit on that piece of property for the remainder of the time that this bill will be authorized, waiting for the Federal Government to come up with a better offer, and getting no return.

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

Mr. POMBO. I yield to the gentleman from California.

Mr. DOOLEY. Mr. Speaker, I would ask the gentleman, if there is endangered species that are actually habitating this area, and if that does lower the economic utility, what is going to be the value of that property after the authorization of this bill expires 10 years hence when the Federal Government is no longer a purchaser? What will be the value of this property to another, a private entity that would come in and negotiate? Would it be any higher or any less than what the Federal Government would be able to offer if the owner of this property has the sole right whether or not to agree to the purchase and the acceptance of the offer that the Federal Government is offering?

Mr. POMBO. Reclaiming my time, Mr. Speaker, it would not be any higher until we reform the Endangered Species Act, but in the meantime, while the Federal Government is holding all the cards and holding the ability, the financial future of this company, in their hand and giving them no other options that have to do with that piece of property, I feel that the Federal Government should pay a fair market value for that property, and, unless my amendment is passed, that is not possible.

Mr. DOOLEY. Mr. Speaker, would the gentleman yield just for one final comment?

The SPEAKER pro tempore (Mr. KLECZKA). The time of the gentleman from California [Mr. POMBO] has expired.

Mr. POMBO. Sorry.

Mr. DREIER. Mr. Speaker, I am happy to yield these two an additional minute.

Mr. POMBO. And I yield to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. I guess the only point I would make is that, if we pass this amendment on this particular piece of legislation, we are going to be prescribing financial treatment of this property that would ensure that its value in some instances could potentially be far higher than what its actual market price, free market price, a value, would be, and that is where I think that the gentleman knows where it is difficult to accept this language because we would be prescribing a value to property which, in effect, the private sector would not even acknowledge, and that is a comment that I think the gentleman even agreed to. When its authorization expires in 10 years, this is not going to be worth any more than it is under current law.

Mr. POMBO. Reclaiming my time, Mr. Speaker, the property has been devalued in that entire region because of actions of this body and actions that we have taken on the floor, and that is what I am attempting to rectify, is the hurt that has been placed on the private property owners throughout northern California.

Mr. HALL of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, Members of the House, let me try to set the record straight. It is my understanding that the rule permits several amendments that, it is my understanding, will be accepted by the authors. One of the amendments that the rule permits is an amendment to make it clear, an amendment by the gentleman from California [Mr. DOOLEY] and the gentleman from Missouri [Mr. VOLKMER], that the Six Rivers National Forest will be extended only as the lands are required and that the Forest Service may develop management plans only for those lands they actually acquire. Second, the gentleman from California [Mr. DOOLEY] will offer an amendment that will be accepted, I understand, that will provide that landowners within that area will have full use and enjoyment of their property until the lands are actually acquired by the Federal Government, but more importantly it also will allow an amendment by the gentleman from California [Mr. POMBO] that will apply this bill only to willing sellers, and it is my understanding that amendment will be accepted by the authors of the legislation.

Now let me put that in perspective. What it means is that in this particular case the Government will not have the right to take property by condemnation as existed in the Desert Protection Act. The Government will only have the right to acquire property from willing sellers. So, with that being the case, with those amendments being in order and, I understand, being acceptable to the authors, in this bill no one will be in a position where the Government will confiscate their property, and, therefore, there will not be a need for the language of the Tauzin amendment that was adopted in the Desert Protection Act.

Why is there not a need for it? Here is the reason:

If the Government is not mandated to buy, and it is not, it is only authorized to buy, and the seller is not mandated to sell, and under the Pombo amendment that landowner will not be mandated to sell, then there is no issue for us to settle as to price, as to value. That is an issue that will be settled by the Government and the landowner at their discretion. If the landowner asks for too much more than the Government is willing to spend, the Government does not have to buy. If the Government offers too little than the landowner wants for his property, the landowner does not have to sell. The need for the protection of the Tauzin amendment that protects the right of the property owners to get full value in a confiscation is, therefore, not present in the bill as it is recommended to us by the Committee on Rules.

I would, therefore, urge my colleagues to vote for the rule and urge those who support all of us in the property rights fight to recognize that, if the Pombo, and the Dooley-Volkmer and the Dooley amendments are adopted, that we do not have the problem in this bill that we had in the Desert Protection Act, and let me make it clear. The fight over compensation for endangered species takings goes on, and it applies generically across the country in this case and in all cases, and if a landowner in this area cannot use his property because endangered species regulations take away his use and his value, he ought to have his right to go to court, or to go to claims court, or to go to the agency and get compensated. That issue is settled in the property rights bill we filed, House bill 3875. I say to my colleagues, If you haven't cosponsored it, you ought to. It's the right thing to do. It is not relevant in this case.

I urge my colleagues to adopt the rule as the Committee on Rules provides for us and to support the Dooley

and the Pombo amendments because those two amendments together take the issue off the table.

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

Mr. TAUZIN. I yield to the gentleman from California.

Mr. POMBO. Mr. Speaker, I would disagree with the gentleman on one point, and that is, that when the Government has the ability to take the property by adverse condemnation and take away the value of the property, and we are limiting the time and the terms of this agreement, they are going to be able to force the property owners to accept their offer whether or not they are truly a willing seller by a shotgun wedding, and that is what is occurring in this situation.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Marysville, CA [Mr. HERGER].

□ 1250

Mr. HERGER. Mr. Speaker, I rise in strong opposition to this gag rule. I am particularly outraged that the rule will prevent my California colleague Mr. POMBO, from offering his amendment to protect the value of private property affected by this bill.

Mr. POMBO's amendment simply would require that the Federal Government appraise lands to be acquired at their highest and best value, without regard to the presence of endangered species on the land.

What is wrong with that? It simply fulfills the requirements of the fifth amendment to the Constitution that requires that private property not be taken by the Federal Government without just compensation for the owners.

Why is the Rules Committee afraid of making this legislation consistent with a basic tenet of the Bill of Rights?

The refusal to make the Pombo amendment in order is yet another example of how the majority in this Congress has nothing but contempt for the rights of private property owners.

We may lose on this rule today, but I predict we're coming to the end of the period when the imperial Congress runs roughshod over the American people. D-day for the embattled American citizen will be November 8.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I thank the gentleman for yielding 2 minutes. I wish I had a little longer. But the gentleman in the well that just spoke, I am a little disappointed. As one who has traveled to his district and worked with him for several years on the spotted owl problem in northern California and has been very helpful I think in working with the gentleman on that issue out there, I am a little disappointed, not only that the gentleman no longer is on the Committee on Agriculture to work with us, but also that he does not work with us on this issue.

You know, folks, as one who is former chairman of the Subcommittee on Forests, Family Farms, and Energy of the Committee on Agriculture, I have wrestled with this problem for about 6 years. This is the first time in that time frame we have even been able to move the bill to the floor because of the problems connected with it and the problems of negotiations and how big should the area be, how much should be paid for it, whether they should have condemnation, and all these other questions.

I want to commend not only the gentleman from California who is now the sponsor of this legislation for being willing to compromise and being willing to work with us on this issue and many other parts of it to bring it to the floor, I also wish to commend the present chairman of the Subcommittee on Specialty Crops and Natural Resources, the gentleman from North Carolina [Mr. ROSE] and the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA], and the chairman of the Committee on Natural Resources, the gentleman from California [Mr. MILLER], because it has taken a lot of time and effort in order to reach this point.

What we have here is not what I am sure the gentleman from California would like as his bill, if he could write it by himself and send it up here to the floor. This is not the bill he wanted. But, folks, some of us said, and I am willing to work with the gentleman from California [Mr. DOOLEY] in committee, out here on the floor, with the gentleman from California [Mr. HAMBURG], to work it out so that it is something that we can eventually hopefully pass, and we can then protect those headwater areas that are willing to be sold by the owner. Pacific Lumber wants to sell it; we should buy it. That is the only way you are going to protect that beautiful area of pristine redwoods.

So I urge all Members to vote for this rule, and vote for the amendments that are agreed to, and vote for the bill at the end.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend the gentleman from Rockland, CA [Mr. DOOLITTLE], the author of several amendments that unfortunately were not made in order.

Mr. DOOLITTLE. Mr. Speaker, I rise to oppose this rule. This should have been an open rule in the first place. Second, as important as private property rights are, and many of these amendments deal with private property rights and I strongly support them, this bill is more than private property rights. It is the rights of men and women to earn a living, which is a God-given right of every person in this country, guaranteed by the Constitution and the Declaration of Independence. And if this rule passes and this bill passes, you are going to put those people out of work.

Why else, for example, would the city councils of Fortuna and Rio Dell, the two most directly affected communities, unanimously oppose this bill? Why else would the Humboldt County Board of Supervisors oppose this bill, adopt a resolution in opposition to it? Why else would such traditional Democrat constituencies as the lumber producers and industrial workers oppose this bill? The Woodworker Lodge W-98, affiliated with International Machinists, AFL-CIO, why are they opposed to this bill? Because their jobs are going to be eliminated if this passes. I do not care how many protections are put in this bill.

I offered an amendment which was rejected in both the Committee on Agriculture and rejected by the author and rejected yesterday by the Committee on Rules that would have shrunk down the acreage to be acquired by the Government to 4,500 acres. We could live with that. These men and women could still have their jobs if that is all we were talking about. But this bill is 44,000 acres. We should not be passing this rule or this bill.

I thank the gentleman from California [Mr. DREIER], for making this time available to me. I urge your opposition to the rule so that we vote "no" on the previous question, so we can offer our amendments and put this bill in decent shape before we kill jobs in a recession-plagued State.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Speaker, I rise in support of the rule. The rule allows for technical cleanup of this bill, to tighten it, and with that rule, everything in this bill ought to be supported by all Members on both sides of the aisle.

First of all, the issue here is preservation of old growth redwood. These are living things that are over 1,000 sometimes 2,000 years old. Only Members of Congress, this body, can save those trees and put them in a national forest.

That has all kinds of future economic opportunity for tourism and for visiting these forests. That is an economic asset, and Congress is the only one that can do it.

We have shown that we are able to save mountains, even though they have mining value and potential. But you do not mine the Mount Whitneys and Mount Rushmores, and so on, because Congress has decided they are unique to this United States and they need saving, just as these redwoods need saving.

The issue of private property rights. The owners of the property support the bill. The local government that opposed the bill did that before the owners showed their support. Obviously, if

you were the biggest business in the district, local city councils and boards of supervisors would go on record in opposition. But are they still in opposition knowing that the owner of the property supports it?

The issue on price, it is a bargain for consideration. Our colleague, the gentleman from Louisiana [Mr. TAUZIN], pointed out exactly how that works out. There is also a provision in here for protecting the Federal tax dollar by allowing an exchange of land. It does not all have to be for price. It can be for exchange of land.

This rule allows for the amendments to be adopted that are necessary for final passage. I would think that with the kind of support that the landowner has, and all of those property rights issues that have been addressed here today, that both the rule and the bill ought to be adopted unanimously.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Youngstown, OH [Mr. TRAFICANT].

Mr. TRAFICANT. I am not from California. I support the bill. I think the gentleman from California [Mr. HAMBURG] did a good job. I was impressed by the statements made by the Democrats, and I was impressed by the statements made by the Republicans. Taxpayers from my district, though, are going to come up with the money to help buy this property in question out in California.

But here is what troubles me as a Member of Congress. I think the purpose and role of Congress is to have all people's views debated and voted on. We have a significant impasse. I am inclined to agree with the gentleman from Louisiana [Mr. TAUZIN], and have followed his lead on property rights.

□ 1300

But the gentleman from California [Mr. POMBO] brings forward, as a Californian, an issue and a question that I think deserves an answer. As a Democrat, I think one of the problems in the House is, we suppress some of this opportunity by individuals who are affected by the votes that come around here.

The worst thing we can do is vote without considering the interests of all concerned. I am not necessarily going to vote for the gentleman from California [Mr. POMBO]. I am going to listen to the debate. But I believe that the gentleman from California [Mr. POMBO] should have an opportunity, because of the passion involved and the issues of California, to have his issue heard.

I support the Committee on Rules. I think they have a tough job. But I think after looking at this, we have come to one impasse. It involves an issue that has been intelligently brought forward by the gentleman from California [Mr. POMBO], and as a Democrat, I think the Democrats should allow for the gentleman from California [Mr. POMBO] to have his vote. If it is defeated, so be it. But I think he should have that right.

That is the purpose and the function of our Congress, my colleagues, that we do not exclude, we include. I think Democrats should heed that. I support the bill. I will vote for the bill. I support the rule, but I am going to vote with the gentleman from California [Mr. POMBO] in opposing the previous question, even though that may cause me some discomfort over here, because I think out of fairness, the gentleman from California [Mr. POMBO] deserves his chance.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I want to get away for just a moment from the politics of this issue and just speak to the ultimate aim of the legislation. Of course, the ultimate aim is the salvation, the salvation of approximately 5,000 acres of ancient forest.

I come from the Southeast and down in South Carolina, where we only have a pitiful remnant of ancient forest left. I really had never seen an ancient forest until I went to the Northwest to take a look for myself.

Down in South Carolina, in the little tiny bit of ancient forest that we have left, you get a loblolly pine, which is 100 feet tall, and everybody stands around in just amazement and just says, "Look, gosh, this tree is 200, 300 years old. It is 100 feet tall."

Then I have gone out into the Northwest, and I have gone into these ancient forest groves, only about 4 percent of them left, and one looks up and they go 300 feet in the air. And the diversity of those forests is just absolutely amazing to observe.

That is why I am going to vote ultimately for the legislation, vote for the rule and vote for the legislation.

I have described it thus previously and I will do so again, one of my sons has the Downs syndrome. He has an IQ of only about 17. And we have a grove of about 3,500 acres of bald cypress down there in South Carolina. It has been preserved by the Audubon Society.

I took him out to visit it and walked down the boardwalk on a cold New Year's day one day. And we walked to the end of the boardwalk, about a mile down in the swamp, observing these magnificent, beautiful trees, of which only a pitiful remnant remains.

And I said to him, I said, "William," imagine now, this guy has an IQ of only 17, I said, "William, where are you?" And this little old guy said, "Church." Church, to him it was a religious experience. And to those of my colleagues who have never observed an ancient forest, if they go there and see for themselves, it is a religious experience. It is something that should be preserved not just for those folks there in California but for all Americans to have and to hold and to enjoy on into the future.

That is why I am going to vote for the rule and ultimately for the bill.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Redlands, CA [Mr. LEWIS], who led the charge against another major land grab, the California Desert Protection Act.

Mr. LEWIS of California. Mr. Speaker, I thank the gentleman for yielding time to me.

Responding to my colleague, the gentleman from South Carolina [Mr. RAVENEL], for just a moment, he talked about 5,000 acres as being saved. I must say that if there were only 5,000 acres involved in this bill, I am sure that the bill would go forward without any opposition in terms of this rule. A proposal was made for 4,500 acres; this bill includes 44,000 acres.

Addressing myself, on the other hand, to my colleague, the gentleman from California [Mr. FARR], who suggests the rule is designed to allow for some minor technical adjustment, that is not what our rules ought to be about around here.

The gentleman from Ohio [Mr. TRAFICANT] made the point. Open rules allow the House to work its will on the floor and all of the people to be heard. This bill is a very controversial item. The amendment of the gentleman from California [Mr. POMBO] was an amendment that addressed itself to our desert bill as well. We spent endless numbers of hours on that bill and yet we are spending just a short time here. Indeed, we are not allowing Members to be heard thoroughly. No question, endangered species applied to land values can distort the process. It is crazy to apply it to this circumstance.

The gentleman from California [Mr. POMBO] is trying to correct that situation in order to make sure that appropriate values are applied to these properties. Indeed, his amendment should be heard by the floor. We should debate these issues on the floor and allow the people's will to take place right here on the floor of the House where it was meant to take place in the first place.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, speaking in favor of the rule, this is why we have a Committee on Rules. Reference has been made to the fact that the legislation is convoluted. Of course, it is convoluted. That is what legislation is all about. It has to deal with the Committee on Agriculture. It has to deal with the Committee on Natural Resources. It has merchant marine implications.

Reference has been made to business and to workers. I understand why some of the Members in opposition have had

difficulty in actually naming the unions involved because they are not used to saying those names. There are some crocodile tears being shed for workers here.

Nobody has mentioned the coho salmon. What about that industry? The fact of the matter is, that this legislation is going to help protect what is remaining, speaking of remnants, of the salmon industry. The fact is that we are dealing here, with the Headwaters Forest Act, with something that precedes and predates all of these questions about condemnation.

I happen to be somebody who does believe that there is a capacity, in fact, an obligation to the government to pass condemnation. Because there are private interests, special interests, if you will, that put their profit ahead of the public good. That has to be debated. That has been debated. Some of the amendments that have been mentioned by some of the previous speakers here have been debated at length.

If Members want to have an open committee, a single committee and do not devolve any of the legislation down to subject matter committees, we can handle it that way. The fact of the matter is, some of these amendments would be offered and Members would not know of all the discussion that has taken place previously in the Committee on Natural Resources and elsewhere.

The bottom line is, this rule needs to be passed because the gentleman from California [Mr. HAMBURG] and those who support this bill have been through a process of compromise. It is a little disconcerting when someone like myself and others who support my position about condemnation work do compromise, we get through all of the compromises, we accommodate the individuals who have brought up the items that they have with respect to private property rights, and then in the end it still is not good enough. We have to give them 100 percent of everything that they want or legislation cannot proceed.

That is why we need to pass this rule and the bill.

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

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. Mr. Speaker, I rise in support of this bill and in support of the rule.

I represent a timber state, the state of Oregon, as well as a timber district. I think that too many nonwesterners have this idea that we westerners have not met a tree that should not feel the biting teeth of a chain saw. Nothing could be further from the truth.

We care very much about our trees, our forests, and our environment. If this was not the case, we would not have so many nonwestern tourists visiting our State each year, visiting in such numbers that tourism is now the third leading industry in Oregon. These tourists spend a lot of money, not just on food and gas, but also on camping, hiking equipment, fishing and hunting equipment, guides, packers. Tourists get the benefit of the outdoor experience and our economy has prospered.

□ 1310

We also care deeply about the timber industry, both the product, the highest quality building material in the world, and the high-paying jobs the resource provides. The bill before us aids greatly both the tourism and the timber industry. It does this because it resolves a dispute. It fixes the problem. It ends gridlock.

It protects 5,300 acres of prime redwood old growth forest. Why is so much acreage necessary? It goes to the science of a forest. The science dictates that you need significant acreage, not 10 or 20 acres, to ensure the survivability of the forest ecosystem.

Mr. Speaker, I believe Americans want a significant stand of giant, magnificent redwood forests to view, to enjoy today. I believe Americans also want to leave such a forest as a legacy from our generation to the next; for our children today, and for generations 500 years from now.

The bill helps the timber industry because it resolves the dispute. It allows nearly 39,000 acres of forest lands to be managed on a substainable yield basis for years to come. This means lumber product today, as well as jobs today.

Mr. Speaker, what do Americans get out of this bill today? They get two items. First, Americans get a fair debate under the rule, with all the important and relevant issues debated and voted upon. The rule ends gridlock, allows debate, allows votes.

Second, Americans get a legacy of a redwood forest. I compliment the gentleman from California [Mr. HAMBURG] for his willingess to compromise and his due diligence with this legislation.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. HALL] has 2 minutes remaining.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I rise in strong support of the rule on H.R. 2866, the Headwaters Forest Act.

H.R. 2866 provides for public acquisition of the largest privately owned stands of old growth redwood in the world, lands located within the headwaters forest in Congressman HAMBURG's district. The rule on H.R. 2866 is fair and has broad support from Republicans and Democrats.

The rule makes in order three amendments to guarantee private property rights, including a willing seller amendment, which gives property owners an absolute voto over any proposed exchange or sale of land.

In addition, the rules makes in order an amendment which will require the Forest Service to pursue alternatives to cash payments when acquiring lands under the bill whenever possible.

Further, under the rule, an amendment will be offered which sets a cap on the amount of funds authorized for land acquisition under the bill.

Mr. Speaker, my colleagues, who believe that we must preserve our precious environment and the rights of local land owners, should support this rule.

I strongly urge my colleagues to vote "yes" on the rule.

Mr. DREIER. Mr. Speaker, to close the debate on our side, I yield the balance of our time to the gentleman from California [Mr. DOOLITTLE], the valiant warrior for property rights.

Mr. DOOLITTLE. Mr. Speaker, I have checked, and the affected communities of Rio Dell and Fortuna remain opposed to this bill, unanimously so. The county of Humboldt, its board of supervisors, is strongly opposed. It remains opposed to this bill. These are the local governments that represent the area affected.

Mr. Speaker, I said before that the only labor unions in the timber industry in Humboldt county are unanimously opposed to this legislation. It has been represented, Mr. Speaker, that this bill is a compromise. Well, it is an interesting compromise that leaves out of the loop completely the men and women who work in the forests and who are going to lose their jobs. Some compromise.

It may be a compromise between the author and between the mega corporation that acquired this lumber company, but let me tell the Members, yes, if it sounds ironic that Republicans are defending working men and women, let me assure you, it is not an irony that is lost on Americans across this country.

Mr. Speaker, I find it remarkable, with a $4.5 trillion deficit, that this bill proposes to spend money we do not have to acquire land we do not need to eliminate jobs that presently exist.

Mr. Speaker, this rule should have been an open rule. It should have allowed for the gentleman from California [Mr. POMBO], his very worthwhile amendment, an amendment that was adopted on the desert bill by an overwhelming majority of this House, 281 to 148. All of a sudden what was good for the desert apparently is not good for the forests. I would like to know why.

Mr. Speaker, I urge a no vote on the previous question, so the Pombo amendment can be brought up and passed, so that my acreage reduction amendment can be brought up and passed. Those amendments would allow an acceptable, genuine compromise. A no vote on the previous question is a vote for jobs. A no vote is a vote for

private property rights. A no vote is a vote for the taxpayers of this great country.

Mr. HALL of Ohio. I yield the final minute of our time to the gentleman from California [Mr. HAMBURG], the sponsor of the legislation, who has worked very hard to put an important piece of legislation together.

Mr. HAMBURG. Mr. Speaker, I rise in strong support of the rule. I urge my colleagues to vote yes on the previous question and vote yes on the rule.

Some of the issues that have been brought up by my colleagues over the last hour or so of this debate will be discussed during general debate. I do not have time now to refute all those arguments, but indeed, they are refutable. We will be discussing them during the general debate, so stay tuned for that.

I want to take my last few seconds here to very strongly thank the chairmen of the two committees that have heard this bill, the gentleman from California [Mr. MILLER], of the Committee on Natural Resources, and the gentleman from Texas [Mr. DE LA GARZA] of the Committee on Agriculture.

This rule is a good rule because it encompasses all of the relevant issues that need to be discussed, that are germane to this bill. Once we have completed the amendment process, and heard these amendments and accepted the majority of these amendments, we will have a very strong bill indeed which provides a flexible framework for negotiations, for resolving a very longstanding dispute in the communities within my congressional district.

Mr. HALL of Ohio. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. KLECZKA). The question is on ordering the previous question.

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

Mr. DREIER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5, rule XV, 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 question of the adoption of the rule.

The vote was taken by electronic device, and there were—yeas 245, nays 175, not voting 14, as follows:

[Roll No. 429]

YEAS—245

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (TN)
Frank (MA)
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Ravenel
Reed
Reynolds
Richardson
Roemer
Rose
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Tanner
Tauzin
Taylor (MS)
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—175

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cox
Crane
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Jacobs
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Machtley
Manzullo
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—14

Applegate
Bacchus (FL)
Bliley
Cardin
Ford (MI)
Frost
Gallo
Istook
Rostenkowski
Slattery
Sundquist
Synar
Thompson
Washington

□ 1337

Mr. WILSON changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. KLECZKA). The question is on the resolution.

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

Mr. DREIER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 246, nays 174, not voting 14, as follows:

[Roll No. 430]

YEAS—246

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement

Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Ravenel
Reed
Reynolds
Richardson
Roemer
Rose
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Tanner
Tauzin
Taylor (MS)
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—174

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cox
Crane
Crapo
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Machtley
Manzullo
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Oxley
Packard
Paxon
Petri
Pombo
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—14

Bacchus (FL)
Bliley
Costello
Cunningham
Frost
Gallo
Kaptur
Nussle
Rostenkowski
Slattery
Sundquist
Synar
Thompson
Washington

□ 1345

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. KLECZKA). Pursuant to House Resolution 536 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2866.

□ 1346

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2866) to provide for the sound management and protection of redwood forest areas in Humboldt County, CA, by adding certain lands and waters to the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system, with Mr. LANCASTER in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 15 minutes, the gentleman from Florida [Mr. LEWIS] will be recognized for 15 minutes, the gentleman from California [Mr. MILLER] will be recognized for 15 minutes, and the gentleman from Utah [Mr. HANSEN] will be recognized for 15 minutes.

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

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

Mr. Chairman, first, let me say that I would like the Members to know that I dissociate myself entirely from any personalities which may crop up during the debate of this legislation. I want to dissociate myself from any partisan endeavor that may come up during the course of this legislation. I want to dissociate myself from any provincial attitude.

My responsibility is to bring to the floor this legislation, so instructed by the members of the Committee on Agriculture, and hopefully we might discuss it purely with its technical aspects and what I believe will be a great asset provided to the people of the United States of America.

Let me say that the bill has been amply discussed. All of the amendments have been discussed, and I do not see any need for us to take the membership's time and repeat what has been discussed during the consideration of the rule.

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

Mr. LEWIS of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in strong opposition to H.R. 2866, the Headwaters Forest Protection Act.

As the ranking minority member of the Specialty Crops and Natural Resources Subcommittee of the Agriculture Committee, I must oppose this bill because I believe it is unnecessary and carries an extremely heavy price tag of $1.5 billion.

This bill states that its purpose is to protect the old growth coastal redwood forests in the area. Yet only 20 percent of the forests under consideration in the bill is truly old growth.

Furthermore, Mr. Chairman, the coastal redwood is already the most protected commercial tree species in the world, with 250,000 acres already protected in Federal, State, and local lands. Acquisition of these entire 44,000 acres is unnecessary.

Mr. Chairman, Forest Service and Congressional Budget Office cost estimates put the price tag of land acquisition in this bill at between $1 and $1.5 billion. Without any type of appropriation it is a rape on the American taxpayer who will pay this bill. This cost is outrageous, Mr. Chairman, in a time of $200 billion budget deficits and $4.5 trillion public debts. It is fiscally irresponsible for the House to consider an open-ended authorization which is 23 times the Forest Service's land acquisition budget of $64 million.

Finally, Mr. Chairman, these costs will extend beyond the Federal Treasury. Through its excessive reach, this bill will ultimately rob workers of

their jobs and cause great harm to the local economy.

I urge all my colleagues to oppose this legislation, it is an inappropriate and irresponsible bill.

□ 1350

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

Mr. DE LA GARZA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, the amendment that Mr. VOLKMER and I are offering today is identical to an amendment that we offered during full Agriculture Committee consideration of this bill. I am disappointed that the compromise bill that was reported out by the Agriculture Committee is not being considered on the floor today. However, I am pleased that Mr. HAMBURG, the sponsor of the bill, is supporting our amendment. I hope that my colleagues will follow his lead.

I am very concerned about the scope of H.R. 2866. The Headwaters Forest encompasses less than 4500 acres of the 44,000 affected by the bill. The U.S. Forest Service has appraised the value of the 4,500 acres, including the Headwaters Forest and a buffer zone, to be $500 million. The appraisal took into account the impact of the Endangered Species Act and similar State laws on the timber volume that could be harvested on this land. Obviously, the cost of acquiring 44,000 acres would vastly exceed half a billion dollars. It is unrealistic to think that the Federal Government will ever have the funding available to make the entire purchase.

During committee consideration of this bill I voiced my strong concerns and opposition to the legislation as introduced. In fact, during the Natural Resources Committee markup I offered an amendment to decrease the number of acres affected by the bill from 44,000 to 7,009. While my amendment was rejected, I had planned to offer it again when the Agriculture Committee considered the bill. I am pleased that Mr. HAMBURG was willing to work with me and other members of the Agriculture Committee in an effort to meet our concerns with his legislation.

Our amendment does three important things. First, it allows for the extension of the Six Rivers National Forest boundary if and when any of the 44,000 acres is actually acquired by the Forest Service and only allows a management plan to be developed for lands that have been acquired. This provision ensures that privately held land will continue to be available to the owner to use in the any way consistent with State and Federal law.

Second, the amendment creates a system under which the acquisition of land will have to be approved by the Congress. This provision is important because of the serious budget impacts that a large land acquisition would have.

Finally, the amendment sunsets the authorization for acquisition of the 44,000 acres 10-years after enactment of the bill. I believe that this time period is sufficient for any acquisition that will take place. It would be unlikely that any land not acquired during this time period would ever be acquired.

Mr. Chairman, let me say that my colleague, Mr. HAMBURG, has done a superb job in moving this legislation through the House and in compromising on the important areas I have described. I think that this legislation provides the opportunity for the acquisition of the virgin old growth redwoods in the Headwaters Forest and any other surrounding lands of significance without curbing the rights of the current private landowner. I urge my colleagues to support this amendment.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. I thank the chairman for yielding this time to me.

Mr. Chairman, I was not really ready to come up here for 2 minutes, but I do want to make a comment about this bill and some of the issues that are important to many of the Members on the floor.

We do have many Members that are concerned about the economy, we do have many Members concerned about property rights protection, and I think to a large extent the amendments that have been offered en bloc and amendments will be offered later will deal with these economic issues, property rights issues.

But I come to the floor to make a suggestion about a different frame of reference for this type of legislation, and that is the term that is used in this legislation called biodiversity.

Mr. Chairman, my portion of this bill emphasizes the vital connection between the quality of life for human beings and the importance for preserving biodiversity in our environment; creative alternatives. Now, if we as Members of Congress will just take a couple of extra seconds to take a look at the issues a little bit deeper and find creative alternatives, which, in my opinion, are essential to protect the ecological significance of our ecosystems, which in effect means protect our resources, protection of these irreplaceable ecosystems will benefit because we are a part of this ecosystem. We human beings are a part of biodiversity. If we want to protect the quality of life of human beings, we finally have to fine-tune the process of understanding our niche in biodiversity. If we are going to do that, we will benefit human beings, which is us, which is our constituents, which is our great grandchildren, for generations to come.

So all I would is ask the Members to do at this particular point as we debate these issues, and I know we feel strongly about property rights, feel strongly about the timber industry, feel strongly about family values, protecting jobs, we also have to understand some aspect of biodiversity of the ecosystems.

Simply put, where human beings fit into this niche of our environment.

Mr. HANSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to H.R. 2866.

Mr. Chairman, we will hear several myths today trying to explain that this bill's price tag will be far below the Forest Service estimate of $1.5 billion. Let us explore these myths;

Myth No. 1—"Much of this land will be acquired through equal value land exchanges thus eliminating the need for costly purchases."

Response—Even if there was a diligent exchange effort, we should not forget that several weeks ago we passed the California Desert Protection Act where we were promised land exchanges would be used to acquire 750,000 acres of private lands. Federal agencies tell us that task is virtually impossible because many Federal lands have endangered species, riparian habitat and wetlands values. Consequently, the agencies are effectively prohibited from trading them and the burden of finding 1.5 billion dollars worth of more Federal lands for exchange purposes is unrealistic.

Myth No. 2—"Because endangered species restrictions will reduce the owners ability to harvest timber, land values will be reduced and the Federal Government will save money."

Response—The landowner has indicated it will fight to get the best price for its land. Also, because this bill does not allow the Government to acquire lands from an unwilling seller, the landowner is not forced to sell for a low price. Consequently, this effort to drive down land prices will likely prevent this land from ever being acquired. Moreover, recent Federal court decisions have reduced the regulatory impact of the Endangered Species Act on private property.

Myth No. 3—"This is merely an authorization and contains no money. Money can only be spent after the Appropriations Committee authorizes it."

Response—This is one the lamest excuses I have ever heard in this body. This bill creates a future obligation for the Federal Government to meet. Mr. HAMBURG has been extremely aggressive in collecting over 140 cosponsors and getting the Agriculture and Natural Resources Committees to report this bill to the floor despite great protests. He certainly will use his skills and the clout of California's 52 Member delegation to get money appropriated.

Mr. Chairman, let us also remember the Federal Government has a history of grossly underestimating the value of redwood timberlands. In 1978 Interior Secretary Cecil Andrus told Congress that expansion of Redwood National Park would cost $359 million. The actual cost when all landowners were paid has exceeded $1.4 billion. Consequently, Secretary Andrus' estimate was off by 417 percent.

The timber supply crisis has resulted in sharply increased redwood stumpage prices. According to the U.S. Forest Service, stumpage prices of coastal redwoods have been increasing at an annual rate of 15 percent in recent years. Since much of this land would be purchased many years in the future, costs will be significantly greater than today.

Finally, this bill is unnecessary. There are already 265,000 acres of redwoods protected in State and Federal parks in California. 90,000 of these acres are old growth stands making redwoods the most protected commercial tree species in the world.

I urge my colleagues to oppose H.R. 2866.

□ 1400

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I congratulate the chairman for his work, and the work of the Committee on Agriculture on this measure, and the gentleman from California [Mr. HAMBURG]. Mr. HAMBURG has been very diligent in his work concerning responding to the questions that have been raised, regarding this proposal Mr. Chairman, concerning this important matter, and in fact of course the economics of this are all important to his district.

I have heard many Members comment about the size of this headwaters area, this redwood stand of about 5,300 acres. The fact is one cannot simply in isolation preserve of that type of area. One needs to have additional areas around it that are managed in a way that is compatible with this 5,300 acres in order to achieve the preservation of the biological diversity that makes up this unique area, hence the 44,000 acre proposal before the House.

There are, of course, several threatened and endangered species in this old growth stand and related forest. There are, of course, the magnificent giant redwoods that are in this area, nearly 2,000 years in age this old growth, this ancient timber, and the fact is of course these are magnificent, as I note my colleague and friend from South Carolina pointed out, the very cathedrals of nature that stand in the California coasts. As Congressman Udall, our revered colleague and former chairman of the Commission on Natural Resources often pointed out, these are areas of the Earth that are the way that they left the hand of the Creator, and indeed we have the responsibility to preserve this legacy for future generations.

Unfortunately, Mr. Chairman, too often we miss the point here that we had a compact, an agreement, through the land water conservation fund which should generate nearly $1 billion and does generate billions of dollars in revenue each year, and we are supposed to take $900 million of it and set it aside to protect our natural resource legacy for future generations. Unfortunately throughout the history of this program we have only used about a third of the funds committed for this, so this Congress, this Federal Government, has reneged on its commitment, and today I think we have an opportunity to restate, and to put in place and to try through other creative means that have been brought to this House, and worked on by the Committees on Agriculture and Natural Resources, to in fact achieve that particular objective and goal, provide and safeguard our natural heritage and I urge my colleagues to support this measure, and not just for the gentleman from California [Mr. HAMBURG] who has worked so hard, but for the constituents we all represent who want this preserved and the legacy of future generations of Americans.

Mr. Chairman, H.R. 2866, which was introduced by the gentleman from California [Mr. HAMBURG], provides for the sound management and protection of redwood forest areas in Humboldt County, CA. Northern California once boasted 2 million acres of old growth redwood forests, but today only 95,000 acres of this old growth remains. Of this remnant, 83,000 are protected in parks and reserves and 12,000 acres are unprotected and in private ownership.

H.R. 2866 would add approximately 44,000 acres to the Six Rivers National Forest in northern California. The land is currently owned by the Pacific Lumber Co. Within this national forest addition, it would designate a 3,000-acre special part of this forest addition as the Headwaters Forest Wilderness.

These lands contain the largest remaining stands of unprotected old growth redwoods left in the Nation. Some of these ancient giants are up to 300 feet tall, 15 feet in diameter and 2,000 years old. Furthermore, these lands provide one of only three remaining nesting habitats in California for the marbled murrelett which the U.S. Fish and Wildlife Service has listed as a threatened species. It is also habitat for the northern spotted owl which also is listed as a threatened species. There has been considerable concerns expressed about how these special lands are managed.

Despite its unique characteristics, the old growth redwoods, as well as the old growth Douglas-firs and the associated ecosystems of these forests, are being logged at an unacceptable rate. The Maxxam Corp., the parent today of PLC which today owns this forested area acquired such control in the mid-1980's by a hostile takeover of Pacific Lumber Co. Maxxam financed much of its takeover activities with junk bonds, which has resulted in great pressure to turn this natural heritage of old growth redwoods from a vertical standing to a horizontal harvested position.

The Committee on Natural Resources held hearings on headwaters legislation in the 102d and 103d Congress and in May of this year ordered reported favorably to the House its version of H.R. 2866. Certainly a question before this Nation and the Congress is whether or not it is in our Nation's interest to liquidate a significant portion of America's remaining unprotected ancient redwood giants to fund the financial machinations of junk bonds and corporate raids. Ancient redwoods are without question a unique global heritage found nowhere else in the world. This is a uniquely American legacy that we have within our ability and will to decide to protect as stewards of these resources.

I urge my colleagues to support this bill.

Mr. LEWIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, I thank the gentleman from Florida [Mr. LEWIS] for yielding this time to me.

Mr. Chairman, I rise in opposition to the Headwaters Forest Act. I just think that understanding that this bill could cost the American taxpayer up to $1.5 billion is a lot to ask from the taxpayers to contribute to a campaign, particularly in light of the fact that the local officials in the area are opposed to this bill for many of the same old reasons. Once again Big Brother government is coming in, taking productive timberland to a major degree that is outlined in this bill, which means a loss of revenue to the county and local school districts. It causes increased unemployment in counties that are already having high unemployment problems in levels, and it certainly, because it is putting people out of jobs, is causing all kinds of social and personal family disruptions.

This is outrageous that we are once again spending moneys that we do not have, taking private property that we should not be taking, and for what? I think the Members of this House understand what it is all about.

Mr. MILLER of California. Mr. Chairman, I yield myself 2 minutes.

I rise in strong support of this legislation. I want to thank the chairman of the Committee on Agriculture for bringing this bill to the floor, and I want to commend my colleague, the gentleman from California [Mr. HAMBURG], for his relentless work on behalf of this legislation to provide a vehicle that will, hopefully, end the gridlock in a situation that is neither good for the environment nor good for the company that is involved. Because of his work we now have legislation on the floor of this House that both the company which owns the land supports and which those of us who are concerned about this irreplaceable resource also support.

What this legislation does, in spite of those who have come to the well and tried to pretend and to represent that it does something other than this, what this does is authorize the Forest Service to enter into negotiations with the owners of these lands to see whether or not an arrangement could be worked out so that some of these lands may be acquired by exchange purchase or otherwise for the purposes of preserving some irreplaceable old growth forests in the redwood stand of California's forest.

□ 1410

It does nothing more than that. If it is not done by willing seller-willing buyer, it will not be done. What we have here are two very sophisticated parties. We have the Forest Service that engages in many of these kinds of negotiations around the country, and we have a very sophisticated company, a very large company, a very well-endowed company, with very sophisticated people who manage both their resources, their properties, their books, and their assets. And they will make a decision about whether or not they should go forward with this effort.

We ought to allow them to do that. We ought to authorize this. That is what they are asking for. They have been unsuccessful in trying to proceed down other avenues to do something with this land. If for some reason these negotiations break down, they do not agree to it, it will not happen. It will not happen, because this bill preserves both the rights of the company and authorizes the Forest Service to engage in this negotiation.

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

Mr. HANSEN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. POMBO], a member of the Committee on Natural Resources.

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise today in opposition to this bill. I do know that this bill has been around for a number of years and a lot of work has been done to try to bring this to the floor. But I rise in opposition to this bill because I am against the Federal Government purchasing more property, especially 44,000 acres more in California and further upsetting the balance in northern California, in particular to our economic balance in northern California and the ability to create jobs in the hard times that California has fallen upon.

I think that if you look at what this bill does in adding 44,000 acres to the rolls of the Federal property, what we end up with is 4,500 acres of old growth redwoods. We end up with another 40,000 acres of timberland that is currently being timbered, currently being logged, which is employing people and providing for the food, the fiber, of a number of people in northern California, as well as throughout all of California.

That 40,000 acres is going to be permanently taken off of the economic ability of northern California. I feel that that is a huge mistake, especially in a State where the Federal Government already owns 48 percent of the property, 48 percent of California. If you add in what the local and State governments own, it reaches 56 percent. Over half of California is currently owned by the Government, and we are going to reach out and purchase another 44,000 acres after we create the Desert Protection Act, which increases it by 8 million acres. It is a continuing land grab of the Federal Government, and government in general, to continue to purchase private property and contributes to completely decimate the private property in this country.

This bill is just a small part, but a continuing part, of that movement of doing away with our private property. I do feel very strongly that this is a mistake that we should not make, that we need to strengthen private property and create more private property in this country, because I believe that the backbone of our system in this country is private property and the ability for the individual to get ahead by purchasing property and passing that down to his children and grandchildren. This is a continuing effort that I am horrified that this Congress is continuing in this fashion.

Furthermore, in particular with this bill and this legislation, it has been said that it is a willing buyer-willing seller, which is true. That is going to be included in the bill. It was an amendment that I brought up in both the Committee on Natural Resources and the Committee on Agriculture, and I feel strongly about that amendment.

But if you look at what is going to happen in this instance, you have a company who has a $1 billion asset sitting there that they are going to be limited as to what they can do with it. They are going to be limited by the Federal Government as to what they can do with that piece of property.

That devalues the property. If another timber company were to come in and make an offer on it, they would look at what the return would be on their investment and would offer considerably less because of the actions of the Federal Government. So they are sitting there with a $1 billion investment that has been devalued by the Government. And when the Federal Government comes in and makes an offer for the property, all their accountants, all of their people that are so highly educated and know all about all of this, are going to look at it and say, "Do we cut and run and take one-third of what the property is worth, or half of what the property is worth, and get out and go into something else? Or do we stay and fight?"

It was mentioned earlier today that they can go to court and fight for the value of this property. Well, they cannot, because it would take 10 years in court to hear out this argument, and in the meantime they have got a $1 billion asset that is not producing. So they have to cut and run and take whatever the Government offers. The actions that are happening on this floor are putting a company out of business.

Mr. DE LA GARZA. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, I take this time to address an issue that is so exaggerated, one that we are going to keep hearing throughout the afternoon, that this bill costs $1.5 billion. The odds are that it will not. Even the CBO says that it may, but there will be an exchange of lands. It will not be appropriated funds. There will be an amendment to limit that. I do not know how that will go.

But the dissertation we just heard about protecting rights and acquiring rights, where I come from, I agree with that. But I am not talking about adding to major corporate owners. What we were talking about was an individual with 40 acres, 100 acres, 400 acres.

So the preservation of property rights for the individuals, I agree, I submit to you. But protecting major corporate endeavors, that was not what was intended by the Founders of the Constitution or any of the amendments to the Constitution that have been mentioned here earlier. We are talking about an individual having the ability, not major corporate enterprises.

But the main thing is that this bill is here today because the owners of the property want it to be here today. The negotiations will come later. The owners of the property are agreeable to us being here today. So property rights and all of the other things are not at issue here. We would not be here unless the prospective, and I might not even call them sellers, because it is going to be an exchange, if it takes place, wanted it.

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

Mr. DE LA GARZA. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I thank the gentleman for clarifying that important point. I think the other point that should be made with regard to fair market value, there is an implication here that the Forest Service, the Federal Government, would not pay fair market value. But by law, is it not true that the Forest Service and Federal Government are compelled to pay fair market value? They cannot pay less, they cannot pay more, but they must pay fair market value. Is that the chairman's understanding?

Mr. DE LA GARZA. The gentleman is correct. That is my understanding.

Mr. VENTO. Furthermore, if the Federal Government, the National Forest

Service, were to acquire this land, there is in fact to be a plan devised as to how that land will be managed. Is that correct?

Mr. DE LA GARZA. That is correct. There will be a study. There will be a plan in place.

Mr. VENTO. If the gentleman will yield further, part of that is designated wilderness by this, the 4,400 acres, but also, of course, there would be management of that land in terms of some timber harvest or some enhancement of it, which would in fact continue to produce jobs and be an active part of the economic viability of that particular community and those communities in that area. Is that correct, Mr. Chairman?

□ 1420

Mr. DE LA GARZA. Mr. Chairman, that is the case within the direction given to the Forest Service.

Mr. VENTO. I think the implication here is that facts to the contrary or statements to the contrary are not accurate. I thank the gentleman for this opportunity for clarification.

Mr. LEWIS of Florida. Mr. Chairman, I yield myself 30 seconds.

The chairman pointed out that there is exaggeration here. I would like to point out that the bill within itself says that we will appropriate such sums as necessary, authorizing the Secretary to acquire these lands and also the appraised value of these lands, the 44,000 acres, is $1.5 billion. So there is no exaggeration that I have heard.

If it is market value, as the gentleman from Minnesota points out, then the taxpayer will be paying $1.5 billion.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, I rise in strong opposition to H.R. 2866, the Headquarters Forest Act, which proposes to take 44,000 acres of private lands and add them to the Six Rivers National Forest.

One point that seems to have gone unnoticed is the fact that California already has the strongest forest protection laws for private lands in the world, including restrictions on clearcutting, buffer zones for watersheds and mandated reforestation and of the land growing coastal redwoods, over 80 percent is already preserved in Federal, State, and county parks.

Why on Earth would this Congress accept this bill, which will throw 4,000 more men and women onto the unemployment lines in a county that is already experiencing double-digit unemployment?

Equally important, H.R. 2866 will cost the American taxpayer $1.5 billion. And there is no guarantee that the Federal Government, with its already overburdened land and conservation fund, can maintain the beauty of these lands.

Finally, this bill is a clear violation of private property rights. While Pacific Lumber is no longer opposing this bill, they are by no means a willing seller. Because the company has been forced to go to court every single time it prepares a timber sale, it has finally given up hope on a reasonable settlement and therefore reached the conclusion that their land is not longer worth the fight.

Mr. Chairman, I believe those of us who back private property rights in this Chamber should stand up and fight for private property owners and their employees and soundly reject H.R. 2866.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, I rise in full support of this legislation. I tell my colleagues that this bill will affect my constituents in the most beneficial ways a number of ways.

Oregonians travel to this beautiful area. They look to see these last magnificent trees. Salmon, salmon, which are vital to the economy of Oregon, to the tribal, commercial and sports fishery which relies upon the salmon, they spawn in the headwaters protected by this bill.

I have heard Members talk about the cost of this bill. Well, let me tell my colleagues the cost to the economy of my State, when habitat is destroyed and salmon no longer spawn.

Our fishery on the coast was a $3 billion fishery. That is reduced every year as habitat disappears.

I want to congratulate the author of this bill. What he has done is something that we do not see very often. He has worked with all the constituencies. He has brought them together to produce a bill that has such widespread support. I would like to see that that affects Oregon, too. We, too, can learn from the way that this bill was authored.

We also have problems with our forestry. We need to know how to work together with private property owners and with the public interest.

As a new Member, a freshman Member, I want to say, Mr. Chairman, that it is very difficult to get such a comprehensive piece of legislation to the House floor. I think the gentleman from California [Mr. HAMBURG] is to be congratulated for the fact that as a new Member he listened, he listened to all his constituents and he created a bill that is so beneficial, not just to the area that it specifically protects but to my State, the State of Oregon.

We need this habitat protected. We need to know how we can work together with all interests. I am in full support of this bill, and I urge my colleagues to support it.

Mr. HANSEN. Mr. Chairman, I yield 6 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, I rise to strongly oppose this bill. I keep hearing about how there has been such a compromise and how reasonable it is. I just want to reemphasize that the local government, all the affected local governments are strongly opposed to this bill.

I have before me a letter, dated September 21, 1994, from the county of Humboldt. In that letter it indicates that:

> Our reasons for opposition remain the same. Loss of productive timber land to the degree indicated in H.R. 2866 means loss of tax revenue to the county and local schools, increased unemployment in a county with already high unemployment levels, social and personal family disruption. Our board has supported the concept of a 4,500 acre headwaters forest proposal but remain adamantly opposed to the Hamburg proposal of 44,000 acres. Signed, Stan Dixon, First District Supervisor.

It indicates in the letter that they opposed this by a four-to-one vote of the board of supervisors.

Mr. Chairman, I think the point needs to be made that the land in this 44,000 acres is already zoned for timber production under the Humboldt County land use guidelines.

Furthermore, the point needs to be made that 90 percent of the property in this 44,000 acres has already been harvested at least once and in some instances twice. So they have gone through it. They have cut the trees once. They have grown back. They have cut them again. And they have grown.

So let us not delude ourselves into thinking that we are protecting ancient redwoods in all of these 44,000 acres. It just is not true. The Headwaters Forest itself is about 3,900 acres. In order to go the extra 10 miles, in my opinion, and provide buffer around that, they threw in approximately an extra 600 acres, just to make sure that everything would be nice. And the county, the Maxxam, has said they would be willing to entertain the idea of transferring the 3,900 acres of old growth redwoods with the 600 acre buffer for a total of approximately 4,500 acres.

They would be willing to sell that at market value to the U.S. Government.

That is something that would allow logging to go on in Humboldt County. This is the largest county in the First Congressional District. The people of that district are overwhelmingly opposed to this bill.

When we speak of old growth redwoods, I think it is worth noting, all of these red areas here show where we have protected timber lands. And it is 265,000 acres of protected redwoods in the State of California; the Federal Government presently owns 46 percent of our State, not counting the California Desert bill, and not counting this bill, 46 percent of the State. Of this 265,000 acres of protected redwoods, 91,000–some acres are old growth redwoods already.

How much more public land do we have to have? How can we hear impassioned speeches from the President and from Members of this Congress about getting the deficit under control and asking us to sacrifice by hiking our taxes, and then come before us with proposals like this, which are going to be proposing to spend money we do not have to buy land we do not need in order to eliminate jobs that presently exist?

I find it unbelievable that a compromise can be talked about when the men and women who work in the forests, who depend upon those jobs, have not even been brought into the equation. The two timber unions are strongly opposed to this particular bill, because they will not have any jobs. It is a job-killing measure.

It is wrong for that reason to enact this legislation. This is a bad bill, and I would like just to urge all of the Members, please, vote no on this bill.

If we want to talk about preserving ancient redwoods, then maybe we can talk, if you would have allowed the amendment which I sought to offer before the Committee on Rules. I was denied that permission yesterday. I was denied permission by adopting the previous question today. We would have reduced the acreage to the 4,500 acres.

Why should the taxpayers pay $1.5 billion? We have a $4.5 trillion debt. How much more public land do we need in the State of California? We cannot manage what we have.

Maxxam has been referred to have been a party to a compromise. It does not include the men and women who work, who are strongly and unitedly opposed to this particular bill.

Maxxam bought Pacific Lumber Co., I think it was 1986. They bought it and all of its assets, all of its land, its capital assets, et cetera, for $900 million, approximately. Now we have a bill that basically proposes to spend $1.5 billion to buy 4,400 acres. Maxxam maybe thinks that is not so bad, $1.5 billion, and they paid $900 million.

The men and women who are going to be out of work do not think that is a good compromise. We should not think it is a good compromise. Vote "No."

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in very strong support of this bill. I recognize that there are elements of controversy surrounding this. I applaud the fact that efforts have been made in the rule to make in order amendments which will correct some of these problems.

However, Mr. Chairman, the overall thrust of this bill is absolutely on target. This bill will seek to protect an additional acreage of old growth redwoods which is badly in need of protection. Why is it in need of protection? The previous speaker has just indicated a little something about the history of this tract. I imagine other speakers have previously addressed this.

This was acquired, this land was acquired, in a transaction that cost, as I understand it, $900 million dollars. The entrepreneur who secured this apparently financed it with a high interest-bearing loan of some sort which has forced him to vastly accelerate the rate of cutting in order to pay the interest, the service on the debt that he acquired.

The previous owner, as I understand it, was managing this property in a much better fashion to protect the long-term interests of the people of California, but the present situation actually threatens the total destruction of this irreplaceable stand of redwood.

Mr. Chairman, the issue of jobs is addressed here. Obviously, Mr. Chairman, when we have an acceleration of the cutting rate, a lot of logs being cut, there is a lot of lumbering being done. How long would this last? The fact is, at the rate you were cutting you would have a very short lifetime for the employment of those forest workers in that particular area. They would be out of jobs anyway, regardless, at the rate of cutting which was going on there, within a very short period of time.

Mr. Chairman, the purpose of sound Forest Service management is perpetual yield and protection of the jobs on a steady-state basis for a long time into the future. This is what we will get through the proper management of these forests. I encourage support for this bill, Mr. Chairman.

Mr. LEWIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. Chairman, I rise in opposition to this bill. Mr. Chairman, no Member of this Congress who stands for fiscal responsibility can make that claim while voting for this bill. No Member of this Congress who claims to be concerned about our $4.5 trillion national debt can make that claim while voting for this bill, and no Member who claims to want to balance the budget of this Federal Government can make that claim while voting for this bill.

Mr. Chairman, advocates of this bill want to spend $1.5 billion to acquire 44,000 acres of land. That is $35,000 an acre. That exceeds the Forest Service's total fiscal year 1995 request for land acquisition by almost $1 billion. It is three times as much to be spent in one county in California as what is proposed to be spent in the entire country. Redwood trees are already afforded the highest level of protection through Federal, State, and local government designations in the world. I urge opposition to this bill.

Mr. MILLER of California. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, I represent a district in New York. This is a bill that protects a very important resource in California. We are a continent apart. However, the fact of the matter is that this is a national resource. People all across the country want these redwoods protected.

This bill is an intelligent approach to that protection. It establishes a flexible framework for public acquisition of the largest privately owned old-growth redwoods in the world. It does so in a unique and unusual way, because it works with the owner to ensure that this is done on a willing seller-willing buyer basis.

Mr. Chairman, less than 4 percent of the old-growth redwoods that historically covered coastal northern California remain. They are not a renewable resource. With the amendments being considered today, the bill is supported by the owner, as I mentioned.

This is an unusual bill because it also is supported by numerous regional and national fishery and environmental organizations. It establishes a balanced and reasonable transition process, from the old-growth-dependent timber industry to a sustainable harvest forest products industry.

Mr. Chairman, what this bill does, it ensures that this industry remains viable, and that the people in it continue to have jobs. These forests are about to be wiped out, Mr. Chairman. If we do not move to a sustainable timber industry, rather than one that simply goes in and just eliminates the forests entirely, there are not going to be jobs in this industry any longer.

Mr. Chairman, furthermore, the ecosystem that is protected here is critically important to the coho salmon. The coho salmon is also an industry and a resource that is important to California and to people up and down the west coast, as it is to people all across the country.

This bill takes an intelligent approach. It ought to be passed. I support it, and hope everyone else will.

Mr. MILLER of Florida. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas [Mr. ROBERTS], the ranking minority member on the Committee on Agriculture.

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

Mr. Chairman, I rise in opposition to this bill. My reasons are many. They have been discussed on the floor. They range from the bill itself to the rule that was adopted that did not permit many, many needed improving amendments.

Mr. Chairman, let us talk about the cost. The gentleman from Virginia [Mr. GOODLATTE] has already mentioned this problem. The Forest Service estimates the acquisition of the headwaters lands will cost taxpayers $1.5 billion. That is billion, that is a B, not M; that is $1.5 billion.

I know what will be said: "This is not appropriations, only authorizing. We are only going up to the bank, we are not going to withdraw any money. It is only authorized."

Mr. Chairman, let us say that we cannot find another way to pay for this, and I will talk about that in just a minute, and that we have to appropriate. What would happen?

□ 1440

The land and water conservation fund has been created for 30 years. Over the 30-year period, we have spent roughly $950 million. That is M, million, not billion. This particular tract would cost taxpayers $1.5 billion to acquire 44,000 more acres. That is more than we have spent during the entire 30-year period of the whole program.

Second, the Forest Service annual budget for land acquisition is around $64 million a year. That is the normal acquisition process. If we funded no other projects, the current pace of appropriations for the land and water conservation fund would require 23 years to complete the acquisition of the headwaters tract.

According to my information, there is a backlog of over 500 projects, other States, 39 States and Puerto Rico, that would require $660 million, again, million, in funding. Again, the headwaters proposal, one project, more than doubles the Forest Service projected backlog. If you are from one of these 39 States, wake up, there are not many people on the floor, 39 States and Puerto Rico, $1.5 billion if in fact we cannot find other ways to pay for headwaters.

How are we going to pay for it if we do not appropriate? Oh, there are several alternatives here. As a matter of fact, this bill is a little unique in regards to opportunities. In the chairman's en bloc amendment, we say "may be acquired by the Secretary only by donation, by purchase, with donated or appropriated funds or by exchange." And there is about 6 more lines about special administrative jurisdiction of the Secretary if the Secretary identifies the lands as suitable for use in making an exchange. What kind of an exchange?

Then the gentleman from California, the sponsor of the bill, is going to have an amendment to make use of all practical alternatives in regards to paying for this. How are we going to pay for it?

Let us see. We could have land acquisition funds from the State of California, except they are not forthcoming. We could have some kind of land exchange. That is done on occasion, but that is not forthcoming. So what are we going to do? What is this exchange? How are we going to pay for this if we are not going to expend the $1.5 billion and put a backlog of 500 other projects at risk?

Well, the gentleman from Florida [Mr. LEWIS] and I shared that concern. So the gentleman from Florida [Mr. LEWIS] and I wrote the acting chairman of the Federal Deposit Insurance Corporation last month and we said there have been numerous reports regarding the possibility of a land-for-debt exchange occurring between the Pacific Lumber Co., owners of the Headwaters Forest and owned by Maxxam, and the FDIC, due to an outstanding liability of Maxxam to the FDIC in connection with the failure of United Savings of Texas, some $1.6 billion.

Is this what we are going to do? So we wrote that letter and they wrote back and they indicated, and I am sure the chairman will point this out: "Potential claims arising from the failure of United Savings Association of Texas is neither complete nor public." So they say, "We really don't have any idea about this. We can also inform you there's no direct relationship between United Savings and the Headwaters Forest currently owned by Pacific Lumber Company."

Then the last line is this. Listen to this because this situation and possible unique arrangement has been reported in Time, Business Week, Newsweek, and the Wall Street Journal. They were talking about an RTC loss and hard-earned taxpayers dollars trying to resolve that. The letter from FDIC states: "We would consider it as one alternative and would conscientiously strive to resolve any pertinent issues."

Now, if we cannot get the money from State acquisitions sharing from California, if we cannot get it with a land exchange and we are not, we are going to have some kind of land-for-debt exchange with the FDIC, what kind of precedent is this? When this proposal sees the light of day and public scrutiny, I can tell you then we will be back with these $1.5 billion appropriations. I am telling you, folks, this is dangerous territory that we are treading on here and I warn Members in regards to their vote.

Finally, in consideration of this package, we excluded the proposed amendments by the gentleman from California, both gentlemen from California. It was a bad rule. It is a very questionable bill more especially in regards to financing. We do not want to give this authority to the Secretary, and as I say again, tread on very, very dangerous ground. I urge a "no" vote.

Mr. MILLER of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I rise today as an original cosponsor and a strong supporter of the Headwaters Forest Act.

Mr. Chairman, our Nation's natural resources are an important part of our heritage. We have the sacred responsibility of ensuring that those resources endure so that future generations can enjoy and appreciate their beauty.

Our Nation's forests are vital parts of our ecological systems. They provide critical habitat for thousands of species including some that are threatened and endangered.

For these reasons, it is essential that logging be done in a sound and sustainable manner. By logging trees selectively and responsibly we can maintain a balance between conservation and economic development.

Regrettably, the Maxxam Corp. has not been logging the Headwaters Forest area in a responsible way. It has accelerated timber logging to the point where the ecological balance of the area is threatened and has placed in danger the old-growth redwoods that remain.

Mr. Chairman, this legislation will authorize the Department of Agriculture to acquire up to 44,000 acres of lands for addition to the Six Rivers National Forest. It will stop the irresponsible logging and provide protection for this precious area.

The Headwaters Forest Act is an important piece of legislation and I strongly urge my colleagues to support it.

Mr. HANSEN. Mr. Chairman, I reserve the balance of my time.

Mr. LEWIS of Florida. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, in closing I just want to point out a couple of things. I have a letter from the supervisor of the county of Humboldt, CA, that the supervisors, a majority, are opposed to this bill. I would like to submit that for the RECORD, Mr. Chairman, and again reiterate the cost of this bill, which is $1.5 billion. It does not make any difference whether you exchange land, whether you trade boot or whether you use dollars, it still adds up to $1.5 billion that the American taxpayer is going to have to pay, and that is 23 times the Forest Service acquisition budget. This bill will not only cost the American taxpayer money but as pointed out, it will also cost jobs.

The bill is unnecessary, I think it is inappropriate, I believe this bill is irresponsible. We already have as mentioned 265,000 acres of protected redwood which is the most protected commercial species that we have in the world.

I would also like to point out, Mr. Chairman, it was pointed out by the ranking member of the Committee on Agriculture the possibility of Maxxam trading land in this particular operation and I would like to point out that the author of the bill, though people

have said that this is not going to be used for debt retirement, I would like to point out that this author of the bill pointed out 2 weeks ago on a MacNeil/Lehrer report that should the Federal Government successfully act against Mr. Horwitz of Maxxam Corp., there could be a debt to the Federal Government which might be satisfied by a trade of these lands. I wanted that part in the record, Mr. Chairman, because there is concern about that.

Mr. Chairman, I include for the RECORD the letter referred to, as follows:

BOARD OF SUPERVISORS,
COUNTY OF HUMBOLDT,
Eureka, CA, September 21, 1994.

Hon. JOHN T. DOOLITTLE,
House of Representatives, Longworth Building, Washington, DC.

DEAR CONGRESSMAN DOOLITTLE: I have been informed that Congressman Hamburg's H.R. 2866 will be heard on the floor of the House of Representatives today. This letter is to reiterate the Humboldt County Board of Supervisors official position on that piece of legislation. Our Board has consistently opposed H.R. 2866. The vote was four to one and this position has been re-confirmed on several occasions.

As I testified before Congressional committees last October the preponderance of local elected officials on the North Coast of California are opposed to H.R. 2866.

Our reasons for opposition remain the same. Loss of productive timberland to the degree indicated in H.R. 2866 means loss of tax revenue to the county and local schools; increased unemployment in a county with already high unemployment levels; social and personal family disruption.

Our Board has supported the concept of a 4,500 acre Headwaters Forest proposal but remain adamantly opposed to the Hamburg proposal of 44,000 acres.

Sincerely,

STAN DIXON,
First District Supervisor.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I commend the gentleman from Texas [Mr. DE LA GARZA] and the gentleman from California [Mr. MILLER] for bringing this legislation to the floor today. Most of all I want to praise our colleague, the gentleman from northern California [Mr. HAMBURG] for his leadership in putting this legislation together and rallying support around it.

□ 1450

Others of our colleagues have referred to what this very important piece of legislation does. I would like to reference why it is needed.

Of the 2 million acres of ancient redwood forest that once stood on the Nation's Pacific coast, Mr. Chairman, less than 5 percent remain today. The Headwaters Forest in northern California is the largest privately owned stand of old growth redwoods left in the world.

I want to point out very strongly, Mr. Chairman, that of the 44,000 acres that are covered by this bill, only 5,200 would not have lumber harvested on them. Those acres are of the very old growth timber. For the most part, nearly 40,000 of the 44,000 acres will still be job producing in terms of lumber, and the entire 44,000 acres will be job producing because of the fishing that will be encouraged and protected there.

The gentleman from California [Mr. HAMBURG] has brought together environmentalists and workers, the company and the community. His leadership has served us well. I urge our colleagues to support this legislation to protect jobs and protect the environment.

Mr. MILLER of California. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HAMBURG].

Mr. HAMBURG. Mr. Chairman, first I would like to include for the RECORD a press release from Pacific Lumber Co. in which they assert that H.R. 2866, as modified by the House Committee on Agriculture contains amendments that fully protect the company's rights as a private property owner. I will include that for the RECORD at the end of my remarks.

Also I submit for the RECORD a series of letters of support for this legislation. I think as Members read the names of these groups they will see how broad the support is not only among environmental organizations throughout the country, but markedly among fishery groups, among groups that are very concerned about the crashing of stocks of fish in the Pacific Northwest and over the coast of California. I will read some of the supporters. Save the Redwoods League, the National Audubon Society, the Western Ancient Forest Campaign, the Sierra Club, the Wilderness Society, Greenpeace, the Environmental Defense Fund, Pacific States Marine Fisheries Commission, Trout Unlimited, B.A.S.S., Inc., Bass Anglers Sportsmen Society, Mendocino Environmental Center, Columbiana Bioregional Education Project, Klamath Forest Alliance, and on and on.

Referring, if I may, to this map on the right, there has been a lot of discussion about how much redwood forest is currently protected, and a lot of talk to the effect that there is plenty of this already locked up, and they are protected by State and Federal Government. This map to my right indicates the original redwood forests. What we see here in red is the original redwood forests. In green is what remained as of 1992 of the virgin redwood forests of Humboldt and Del Norte Counties.

Several Members have referred to the fact that there are less than 5 percent of this ancient forest remaining. In fact, just about 100 years ago there were over 2 million acres of these forests stretching from Santa Cruz County to southern Oregon. Today there are less than 80,000 acres remaining.

This tract, the Headwaters Forest tract, represents the largest privately owned remaining tract of ancient redwood trees left in the world. Many speakers have referred to how this is an irreplaceable resource. This is not something that will happen again. These are trees which have grown since the time of Christ. They are 300 feet to 350 feet in height, they are 18 feet in diameter. They should not be cut down to make porch furniture or decking. These are our heritage for the future.

Second, I would like to refer to this map which shows the extent of the 44,000 acres. I think it illustrates why this bill has taken in this much acreage. A lot of speakers have said OK, let us save the 5,400 acres of ancient forest, but the rest maybe is not all that important.

This map outlines the 44,000-acre tract and shows that those boundaries have been drawn so that the remaining important tracts of virgin redwood forests can be included. The brown part here, which is approximately 3,000 acres, is what is commonly called the Headwaters Forest. The other tracts, which are in green, are also very significant stands of virgin redwood. Together they make up about 5,300 acres of land which this bill seeks to protect. The remaining acreage, 88 percent of this land, about 39,000 acres is second- and third-growth forests.

This forest under this bill will continue to be harvested on a sustained yield basis. However, it is not enough merely to preserve the stands of virgin old growth and leave the rest to be clearcut. We need to treat this unit as one ecosystem and manage it as one ecosystem. Otherwise we are going to have the same kinds of situation happen in northern California that we have already experienced with the northern spotted owl.

Secretary Babbitt often speaks in terms of environmental train wrecks, and the kind of train wreck we had in the Pacific Northwest when the northern spotted owl was listed as an endangered species and 11 million acres was tied up when that occurred. We cannot allow that to happen again, and unless we protect these stands of old growth ancient redwood forests, we will have more environmental train wrecks, we will have more people thrown out of work because lands are tied up, we will have less salmon in our streams for our fishermen to catch, and overall we will hurt our regional economy.

The material referred to previously is as follows:

[Press release from the Pacific Lumber Co.]
(By David W. Galitz)

The Pacific Lumber Company said today that H.R. 2866 (as modified by the House Committee on Agriculture) now contains significant amendments that fully protect the company's rights as a private property owner.

John A. Campbell, president and chief executive officer of the Pacific Lumber Company, said, "Although the legislation still

authorizes the acquisition of up to 44,000 acres, the bill now clearly says that no acquisition can occur without our consent. In essence, the 44,000 acres is not at risk. That's good news for us because, in fact, we continue to be opposed to the sale of 44,000 acres. Despite that unwillingness to sell 44,000 acres and our disagreement with the way in which the oil characterizes our forest management practices, we have decided to support H.R. 2866, with its important amendments, in the House of Representatives because the bill appears to be a vehicle for resolving the issue of government acquisition of the much smaller 'Headwater Forest.'" Pacific Lumber's "Headwaters Forest" is approximately 3,000 acres.

The bill is on the U.S. House of Representatives suspension calendar for August 16. Legislation on the suspension calendar requires a two-thirds vote to pass and ordinarily cannot be amended by the full House.

H.R. 2866 was originally introduced by Congressman Dan Hamburg (D-CA). The bill's important amendments were sponsored separately by Representatives Dooley (D-CA), Doolittle (R-CA), and Pombo (R-CA). Key amendments include:

A provision that states the landowner's consent is required for any acquisition.

A provision granting Pacific Lumber the full lawful use and enjoyment of its lands and confirming that enactment of the bill is not to be construed as imposing any new limitations upon the implementation of any timber harvest plans.

A provision clarifying that the government has no right under the legislation to develop a so-called "management plan" for any portion of the 44,000 acres that it does not acquire.

A provision stating that the government's authority under the legislation to acquire any lands, even with Pacific Lumber's consent, expires after ten years.

A provision that requires the Secretary of Agriculture to come up with a plan within six months for acquiring specific lands within the 44,000 acres that the government wishes to acquire. A related provision requires the Secretary to identify specific federal properties that would be suitable to swap for these lands.

A provision that states the boundaries of the Six Rivers National Forest will not be extended to include any portion of Pacific Lumber's timberland unless and until that land is actually acquired by the government with Pacific Lumber's consent.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, August 15, 1994.

Re support H.R. 2866, the Headwaters Forest Act (Hamburg, D-CA).

House of Representatives
Washington, DC.

DEAR REPRESENTATIVE: Since 1970, the League of Conservation Voters (LCV) has served as the bipartisan political arm of the environmental community. Each year LCV publishes the National Environmental Scoreboard which details the voting records of members of Congress on environmental legislation. The Scorecard is distributed to LCV members and concerned voters nationwide.

H.R. 2866, the Headwaters Forest Act, will soon come before the House for your consideration. LCV urges you to support H.R. 2866 which was introduced by Rep. Dan Hamburg, cosponsored by 142 of your colleagues, and reported out of the Agriculture and Natural Resources Committees.

Rep. Hamburg's bill will authorize the acquisition of the largest remaining unprotected virgin redwood forest in the world, currently owned by the Pacific Lumber Co. The Pacific Lumber Co. supports H.R. 2866, opening the door to resolution of the debate over the future of the Headwaters Forest which has polarized communities in Northern California for almost a decade. In addition to its recent endorsement by the Pacific Lumber Co., the Headwaters Forest Act is supported by a broad spectrum of local, regional, and national environmental groups.

If H.R. 2866 is enacted, the Forest Service will be authorized to acquire the Headwaters Forest from a willing seller. The unique ancient redwood groves, which provide critical habitat for wildlife and fish stocks threatened with extinction, will be acquired by the agency over a period of time using a wide range of acquisition policies, including land exchange.

If you need more information please call LCV's Political Director, Betsy Loyless, at 202-785-8683.

Sincerely,

JIM MADDY,
President.

PACIFIC STATES MARINE FISHERIES COMMISSION,
Gladstone, OR, September 2, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: The Pacific States Marine Fisheries Commission was established in 1947 to represent the interest and needs of the West Coast marine fisheries, both recreational and commercial, and those of its member states of Oregon, Washington, Idaho, Alaska, and California. The goal of the Commission is to promote and support policies and actions directed at the conservation, development and management of fishery resources through coordinated regional research, monitoring, and utilization.

We would like to be on record supporting H.R. 2866, legislation protecting the area known as the Headwaters Forest. Our support derives from the purported benefits that this legislation will confer on the maintenance of anadromous salmon coho and steelhead spawning and rearing habitat. As you are aware, numerous stocks of coho and steelhead are at all time record lows, making protection of healthy spawning and rearing habitats vital to any recovery efforts.

Please feel free to contact me if I may be of any further assistance.

Sincerely yours,

RANDY FISHER,
Executive Director.

THE PACIFIC RIVERS COUNCIL,
Alexandria, VA, August 25, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HAMBURG: The Pacific Rivers Council would like to offer our continuing support for H.R. 2866, the Headwaters Forest Act. We recognize the current constraints on the Federal budget and therefore support the land exchange concept as a means of acquiring this important acreage.

This magnificent forest is one of the few remaining, intact stands of ancient redwoods that once stretched along the coast of northern California and southern Oregon. This functioning old growth ecosystem provides a sanctuary for a number of rare plants and animals. In addition, the Headwaters Forest has some of the last remaining, good spawning and rearing habitat for the coho salmon in California; a species that is at risk throughout its range. Protection of this forest will be a legacy for future generations to enjoy.

We wish you well in this endeavor.

Sincerely,

JUDY R. GUSE-NORITAKE,
National Policy Director.

NATURAL RESOURCES DEFENSE COUNCIL,
San Francisco, CA, August 22, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

Re Headwaters Forest Act (H.R. 2866).

DEAR REPRESENTATIVE HAMBURG: I am writing on behalf of the 170,000 members of the Natural Resources Defense Council (NRDC) to express our strong support of the Headwaters Forest Act, H.R. 2866. We appreciate your leadership in this important legislative effort.

The Headwaters Forest and its associated old growth redwood ecosystem is a unique natural resource worthy of public acquisition. Only by the adequate protection and proper management provided by H.R. 2866 can we be certain that this ecosystem will persist over time and that future generations of Americans will be able to visit and enjoy this priceless treasure.

Thank you again for your commitment to sound stewardship and environmental protection demonstrated by the introduction of this important piece of legislation. The NRDC looks forward to working with you to secure passage of H.R. 2866 in this Congress.

Very truly yours,

SAMI YASSA,
Senior Project Scientist.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, August 22, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: I am writing to express the National Wildlife Federation's support for bringing H.R. 2866, the Headwaters Forest Act, to a vote on the House floor.

As you know, the Headwaters Forest, located in Northern California, is the largest remaining unprotected redwood forest in the world. It is valuable not only for its size and beauty, but also because it provides habitat for the coho salmon, a species whose decline has cost the state of California approximately $100 million a year in lost revenue since the 1970's. In fact, the plight of coho salmon is so serious that the species has been petitioned for listing as "threatened" under the Endangered Species Act.

The Headwaters Forest Act enjoys the support of local, regional and national environmental groups as well as that of many sport and commercial fishing organizations. Most importantly, the acquisition H.R. 2866 authorizes is acceptable to Headwater's current owners, the Maxxam Corporation and the Pacific Lumber Company. With such broad backing and 142 cosponsors of the bill, we see no reason why the Headwaters Forest Act should not move ahead and urge that it be brought to a House vote soon.

The passage and enactment of H.R. 2866 will finally resolve a longstanding regional issue and provide the affected communities with a sustainable ecosystem management strategy that incorporates both watershed restoration and private property rights protection. The time to save the Headwaters Forest is now, before it's too late.

We look forward to continuing to work with you to receive passage of H.R. 2866.

Thank you for your consideration of this important issue.

Sincerely,

JAY D. HAIR,
President.

LIGHTHAWK,
Santa Fe, NM, August 18, 1994.

Rep. DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: I am writing to let you know that LightHawk strongly supports efforts to protect Headwaters forest in northern California. Your work in combination with Rep. Pete Stark and a host of California-based and national organizations and individuals is a valuable example of teamwork to accomplish ecosystem preservation.

As you know, Headwaters contains the largest remaining unprotected stand of ancient redwood trees in the world. The array of biological diversity supported in the Headwaters forest complex is both unique and threatened. We at LightHawk have an ongoing conservation program interest in protecting the remnants of the temperate rain forest ecosystem—stretching from Alaska to Chile—of which Headwaters forest is a critical component.

Respectfully yours,

ROBERT W. HARRILL, Ph.D.,
Executive Director.

B.A.S.S., INC.,
Montgomery, AL, August 18, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: The Bass Anglers Sportsman Society (B.A.S.S., Inc.) and its membership approaching some 600,000 is fully supportive of H.R. 2866, the "Headwaters Forest Act," sponsored by Representative Hamburg et al. Although B.A.S.S. members are primarily interested in angling for and supporting the future well being of black bass, we all have an understanding and respect for healthy watersheds and the role they play in the future of our fisheries resources. Healthy streams and watersheds are particularly important where migratory (anadromous) species like coho salmon are involved.

We have a powerful testimony for the economic involved and the importance of protecting habitat for the future of our fisheries resources. Gamefish species like salmon and black bass are particularly sensitive. The public readily identifies with them and their "indicator role" in alerting us to the health of our watersheds and public waters. The fact that increasing numbers of species are threatened with extinction, or are often so contaminated with chemicals they can not be safely consumed by the public, is a national embarrassment.

We are beginning to comprehend the long term costs the public will bear when species appear on endangered and threatened lists in the numbers we are beginning to see. H.R. 2866 provides an unusual opportunity to begin reversing the trend of mortgaging our future for the extremely short sighted motives so evident in timber and fisheries resource decisions we have witnessed over the past century.

Best regards,

DON CORKRAN,
Federation National Director.

SAVE AMERICA'S FORESTS,
Washington, DC, August 19, 1994.

Rep. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: We are writing to thank you again for your courageous effort to save the last remaining privately owned Ancient Redwood groves still threatened with logging. We are honored to be working with you to pass your historic legislation, H.R. 2866, the Headwaters Forest Act.

This bill now supported by the Administration and has broad backing in the U.S. Congress. The Headwaters grove is a world treasure. Our coalition of over 500 environmental groups and responsible businesses nationwide will continue to work for your bill until these glorious forests are protected forever.

Sincerely,

CARL ROSS,
MARK WINSTEIN,
Co-Directors.

AUDUBON SOCIETY OF PORTLAND,
Portland, OR, August 17, 1994.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HAMBURG: Portland Audubon Society, with 7000 members in Oregon, strongly supports H.R. 2866, the Headwaters Forest Act, introduced by you and cosponsored by 142 House members.

What is at stake is the largest remaining unprotected virgin redwood forest in the world. We support your efforts to protect this priceless forest and threatened coho salmon and marbled murrelet, and other wildlife species which depend on this forest for their survival.

H.R. 2866 authorizes the Forest Service to acquire the Headwaters from a willing seller by means of direct payment, land exchange and other acquisition means. Pacific Lumber Co., the current owner, endorses H.R. 2866.

Please continue your stalwart efforts to gain passage of the Headwater Forest Act and to protect this irreplaceable virgin redwood forest. Your unfaltering support of H.R. 2866 is a critical vote for the hope of species and economies which depend on healthy ecosystems.

Sincerely,

PAUL KETCHAM,
Conservation Director.

SIERRA CLUB,
Washington, DC, August 15, 1994.

DEAR REPRESENTATIVE: I am writing on behalf of the Sierra Club's half-million members to urge you to support H.R. 2866, the Headwaters Forest Act, when it comes to the House floor. We expect the bill to come up for a vote this week.

This legislation offers critical protection for over 44,000 acres of redwood forest, including approximately 5,000 acres of old-growth. The old-growth in the Headwaters Forest is in urgent need of preservation, as it faces imminent logging if not protected by this bill. The Headwaters forest area also contains habitat for several threatened and endangered species including the peregrine falcon and marbled murrelet.

In the past eight years, more than 40,000 acres of residual old growth and almost 10,000 acres of virgin redwood trees have been logged by the Maxxam Corporation. The Headwaters Forest Act will put an end to this tragedy by balancing the need for timber production with the need for conservation. H.R. 2866 will also provide long-term job stability by shifting logging practices toward sustainable use and promoting regeneration. This legislation will create jobs in the restoration of watersheds and habitat critically damaged by previous timber harvests.

H.R. 2866 has passed both the Natural Resources and Agriculture committees by substantial margins, and it currently possesses over 130 cosponsors from both parties. Your support of this legislation is necessary to protect one of the last remaining ancient redwood forests. Thank you for your attention to this matter.

Sincerely,

DEBBIE SEASE,
Legislative Director.

TROUT UNLIMITED,
Washington, DC, August 26, 1994.

Re: Our Continuing Support for H.R. 2866, The Headwaters Forest Act of 1993

Hon. DAN HAMBURG,
House of Representatives, Cannon Building, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: On behalf of Trout Unlimited's (TU) 75,000 members nationwide, I am writing to let you know that we continue to support H.R. 2866, the Headwaters Forest Act of 1993, and urge you to continue your strong push to enact this legislation. We commend you for your leadership in pressing for enactment.

TU is committed to protecting and restoring west coast Pacific salmon resources. These runs were once the finest salmon resources in the world. Now, according to the Clinton Administration's Forest Ecosystem Management Assessment Team (FEMAT) Report, over 100 stocks have been extirpated and 314 are at risk of extinction. Despite dramatic declines in Pacific salmon stocks, these fish still support a one billion dollar annual sport and commercial fishing industry. These valuable industries are threatened directly by continuing loss of salmon habitat. Conversely, if the region takes strong actions now, the entire nation stands to gain tremendous new ecological and economic benefits from restored salmon runs.

In that light, your bill is an important element in the foundation of Pacific salmon recovery. If enacted and implemented, it will protect some of the best remaining salmon habitat in California, and in the case of coho salmon, some of the most critical habitat on the entire west coast. Dr. Peter Moyle, renowned salmon scientist from University of California at Davis, has testified before two House Committees that H.R. 2666 would protect 5 to 10% of the remaining coho spawning habitat in California. Such a management action is essential in view of the 97% decline in wild coho in California.

Again, we commend you for your work on this bill, and we look forward to its early enactment.

Sincerely,

STEVEN N. MOYER.

WORLD WILDLIFE FUND,
Washington, DC, October 25, 1993.

Hon. DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN HAMBURG: On behalf of World Wildlife Fund (WWF) and our 1.25 million members nationwide, I am writing in support of H.R. 2866, the Headwaters Forest Act.

As you may know, during the past decade WWF has invested a great deal of effort protecting forest ecosystems throughout the world. Here in the United States, our old-growth redwood forest ecosystems have been

reduced to 5 percent of their original acreage, and we strongly support protection of the remaining fractions of these truly unique forests. We support the provisions of H.R. 2866 which designate 44,000 acres as an addition to the Six Rivers National Forest. This acreage is vital to the maintenance of intact watersheds in the Humboldt region. Given that, at present, most redwood forests have been substantially fragmented, maintaining the integrity of the remaining intact redwood ecosystems needs to become a priority for U.S. forest policy.

The proposed addition of redwood forest to the Six Rivers National forest contains critical intact watersheds for threatened salmonids, marbled murrelets, and northern spotted owls. The dire status of these species is a reflection of the health of many of our northern temperate forests, which we need to take strong steps to improve. Old-growth redwood forests also generate millions of dollars for local tourism industries yearly in California, hence these systems are vital to the economic health of the state.

It is clear that the long-term costs outweigh the short-term profits generated by current timber practices in the U.S. H.R. 2866 will protect vital redwood forest habitat, which we can no longer afford to degrade and squander. I congratulate you on this important piece of legislation and look forward to working with you in the future.

Sincerely,

MICHAEL SUTTON,
Acting Vice President,
U.S. Land and Wildlife Program.

MENDOCINO ENVIRONMENTAL CENTER,
Ukiah, CA, August 25, 1994.

Hon. DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR DAN: The Mendocino Environmental Center enthusiastically supports the Headwaters Forest Act H.R. 2866. We are most appreciative of your fine work in introducing and sponsoring this very important piece of legislation. This legislation will authorize acquisition by the federal government of approximately 44,000 acres of remaining old-growth redwood groves and the second growth forests that connect them. Because of the serious over cutting of the redwood forests, it is crucial that this bill pass, in order to insure the ability of the forest to regenerate.

In addition the Headwaters Forest is critical habitat for the Northern Spotted Owl, the Marbled Murrelet, several native stocks of salmon, and several other old-growth dependent species. We are losing these species at an alarming rate, due mainly to loss of habitat. If we are to keep these species from extinction, it is crucial that we maintain enough of their habitat to insure perpetuation of viable populations. Acquiring the 44,000 acres Headwaters Complex would be a significant step in this direction.

We are thrilled that the Headwaters Bill has passed so many hurdles, and that it is now ready to go to the House Floor. We send our support and best wishes. Please be assured that we are ready to assist in any efforts that may be needed to ensure the passage of this bill.

Sincerely yours,

GARY AND BETTY BALL.

GREENPEACE,
San Francisco, CA, August 18, 1994.

Congressman DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN HAMBURG: Greenpeace U.S.A. would like to announce our continued support for H.R. 2866 and S. 2866, The Headwaters Forest Act. Greenpeace believes this Act to be one of the most important pieces of legislation facing Congress that will help protect the remaining U.S. ancient forests. The Act is critical to the protection of the Headwaters Forest, one of the last remaining unprotected stands of redwoods, a natural heritage of California.

Greenpeace is actively campaigning to stop the destructive logging of ancient forests worldwide, with a particular emphasis on stopping clearcut practices in the temperate forests. We believe the Hamburg bill is an important global contribution to the protection of old-growth forests.

Sincerely yours,

PAMELA WELLNER,
Forest Campaigner.

COLUMBIANA,
BIOREGIONAL EDUCATION PROJECT,
Oroville, WA, August 26, 1994.

Re: Headwaters Forest Bill HB 2866

Congressman DAN HAMBURG,
Cannon HOB, Washington, DC.

DEAR MR. HAMBURG: We want to add our voices in support of your bill which authorizes acquisition of the Headwaters Redwood Forest.

Before moving to Washington State, we lived in northern California, and were appalled at the wanton destruction of the incomparable heritage of the old growth redwood ecosystem. Whatever can be set aside as a living legacy of this splendid species, should be done so, without hesitation.

Thank you for your efforts on behalf of the redwoods.

Most Sincerely,

GERALDINE PAYTON,
President.

KETTLE RANGE CONSERVATION GROUP,
Republic, WA, August 18, 1994.

Representative DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN: I wish to express the unequivocal support of the Kettle Range Conservation Group for the Headwaters Forest Act, H.R. 2866.

As you are aware, the majority of the once expansive ancient redwood forest has been logged. It is of key importance both to the new emerging economy of the Northern California coastal region, and to the multitude of plant and animal species that rely on this finite resource, that the Headwaters Forest grove of ancient redwoods be preserved.

The Kettle Range Conservation Group greatly appreciates your attention given to this important national issue. We thank you for your kind consideration.

Sincerely,

TIMOTHY J. COLEMAN,
President.

THE WILDERNESS SOCIETY,
San Francisco, CA, August 5, 1993.

Hon. DAN HAMBURG,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: I am writing on behalf of the 300,000 members of The Wilderness Society (TWS) to express our strong support for the Headwaters Forest Act of 1993, H.R. 2866. TWS would also like to thank you for your leadership in this important legislative effort.

As you are well aware, the Headwaters Forest and its associated old growth redwood ecosystem is an unique natural resource worthy of public acquisition. Only by the adequate protection and proper management provided by H.R. 2866 can we be certain that this ecosystem will persist over time and that future generations of Americans will be able to visit and enjoy this priceless treasure.

In addition, TWS is especially happy to support the addition of the Headwaters Forest into the National Wilderness Preservation System as Section Four of your bill provides. This addition will bestow the ultimate level of protection on this irreplaceable tract.

Congressman, thank you again for your commitment to sound stewardship and environmental protection demonstrated by the introduction of this important piece of legislation. The Wilderness Society looks forward to working with you and Mr. Stark to secure passage of H.R. 2866 in this Congress.

Very truly yours,

LOUIS BLUMBERG,
Assistant Regional Director.

SIERRA CLUB,
Washington, DC, August 31, 1994.

Hon. DAN HAMBURG,
House of Representative, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: I am writing on behalf of the Sierra Club's half-million members to offer our strong support and to express our gratitude for your leadership on the Headwaters Forest issue.

As you know, this legislation offers critical protection for over 44,000 acres of redwood forest, including approximately 5,000 acres of old-growth. The old-growth in the Headwaters Forest is in urgent need of preservation, as it faces imminent logging if not protected by this bill. The Headwaters Forest area also certain habitat for several threatened and endangered species including the peregrine falcon and marbled murrelet.

In the past eight years, more than 40,000 acres of residual old growth and almost 10,000 acres of virgin redwood trees have been logged by the Maxxam Corporation. The Headwaters Forest Act will put an end to this tragedy by balancing the need for timber production with the need for conservation. H.R. 2866 will also provide long-term job stability by shifting logging practices toward sustainable use and promoting regeneration. This legislation will create jobs in the restoration of watersheds and habitat critically damaged by previous timber harvests.

By introducing H.R. 2866, you have taken the lead in conserving the last unprotected old-growth redwood forest in the world. We hope to continue to work with you in protecting our ancient forests.

Sincerely,

DEBBIE SEASE,
Legislative Director.

ROBIN LAWRENCE SCHAEFFER, PH.D.,
HELENE SCHAEFFER, PH.D.,
Modesto, CA, August 18, 1994.

Congressman DAN HAMBURG,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN HAMBURG: I am writing on behalf of our grassroots group S.A.F.E. (Save Our Ancient Forest Ecology), to thank you for introducing a most essential bill, H.R. 2866, The Headwaters Forest Act. I cannot tell you how important this is to all of us. I am delighted to hear that your bill has gained the support of both the environmental community and the timber company involved; since it is therefore quite non-controversial, we look forward to it's speedy

passage on the floor of the House. Our children thank you for your efforts to preserve such a vital part of their heritage.

Sincerely,

DR. ROBIN L. SCHAEFFER,
S.A.F.E. *(Save our Ancient Forest Ecology).*

WASHINGTON WILDERNESS COALITION,
Seattle, WA, August 24, 1994.

Representative DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: The Washington Wilderness Coalition is writing in support of your efforts to pass the Headwaters Forest Act (H.R. 2866). We advocate the acquisition of this 44,400 tract of unprotected redwood forest and are particulary pleased that Pacific Lumber is not opposed to the bill's passage.

We are concerned about the possibility of weakening amendments being added to this act. Amendments that do not allow a holistic management approach for all lands (both those acquired and those with acquisition pending) should be avoided at all costs.

At this crucial time when the remnant stands of redwood forests have suffered from the onslaught of whole-sale harvesting, it is of critical national importance that the Headwaters Forest be saved!

The Washington Wilderness Coalition represents forty grassroots and statewide conservation organizations and over one thousand individual members who are dedicated to protecting public lands in Washington State. Protection of ancient forest of Washington and the Pacific Northwest is a special priority to our members.

Thanks for your ongoing support.

Sincerely,

BARB MIRANDA,
Wilderness Project Coordinator.

SIERRA CLUB LEGAL
DEFENSE FUND, INC.,
Washington, DC, August 23, 1994.

Hon. DAN HAMBURG,
Cannon House Office Building,
Washington, DC.

DEAR REPRESENTATIVE HAMBURG: On behalf of the Sierra Club Legal Defense Fund, I am writing to express our support for H.R. 2866, the Headwaters Forest Act. The bill authorizes the purchase, from a willing seller, of the largest remaining tract of unprotected redwood forest.

As you well know, the Headwaters Forest—along with the people, fish, and wildlife that depend on it—are paying the price for the leveraged buy-out bonanza of the 1980s. Maxxam Corporation has more than doubled logging rates of this magnificent redwood forest in order to pay off junk bonds used to finance its hostile takeover of Pacific Lumber in 1985.

In so doing, Maxxam has jeopardized not only coho salmon and other species of fish and wildlife for which the Headwaters provides habitat, but the jobs of fishers and others who depend on healthy populations of those species as well. In addition, by rapidly liquidating the forest, Maxxam has effectively signed the termination papers for the workers who had logged Pacific Lumber's lands in a more conservative, sustainable manner for generations.

We appreciate your leadership in moving this bill through the Congress and look forward to working with you toward its enactment.

Sincerely,

KEVIN KIRCHNER.

NATIONAL AUDUBON SOCIETY,
Washington, DC, August 24, 1994.

Hon. DAN HAMBURG,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: The National Audubon Society would like to express its support of H.R. 2866, the Headwaters Forest Act of 1994.

The Headwaters Forest is a priceless remnant of an environment nearly lost. Only fragments remain of the great redwood stands that once blanketed much of the northwestern coast of your state. These virgin stands of redwood forest are more than just trees. They are complex ecosystems of hundreds of species, including the endangered northern spotted owl and marbled murrelet. The forest also protects the watersheds that support the coho salmon, which may be soon listed as a threatened species. Saving these remaining islands of old growth and the surrounding second growth forests is critical to protecting the species that depend on them.

The timing of this legislation is also critical. The Headwaters Forest Act would take advantage of a unique opportunity to rescue this last unprotected remnant of a virgin redwood forest ecosystem. Maxxam Corporation is a "willing seller", having endorsed H.R. 2866. But without government acquisition, Maxxam will log the area to service its debt. The moment for action to save the Headwaters Forest has arrived.

The National Audubon Society supports H.R. 2866 and thanks you for your efforts to protect this natural treasure. We look forward to working with you in every way possible to secure passage of H.R. 2866 and the permanent protection of the Headwaters Forest.

Sincerely,

BROCK EVANS,
Vice President for National Issues.

ANCIENT FOREST ALLIANCE
August 15, 1994.

House of Representatives,
Washington, DC.

DEAR MEMBER OF CONGRESS: The Ancient Forest Alliance, whose member groups represent citizens across the nation, strongly urges you to support H.R. 2866, the Headwaters Forest Act, when it comes before the House later this week. H.R. 2866 was introduced by Rep. Dan Hamburg D-CA) and cosponsored by 142 of your colleagues; it was recently passed out of both the Agriculture and Natural Resource Committees.

The Headwaters Forest Act would authorize the acquisition by the U.S. Forest Service of the largest remaining unprotected redwood forest in the world. These virgin redwood groves are currently owned by the Maxxam Corporation, which acquired them along with the Pacific Lumber Company in 1986. The Maxxam Corporation will not oppose the Headwaters bill, which is supported by local, regional and national environmental groups, along with the American Fishing Tackle Manufacturers Association and representatives of sport and commercial fishing organizations.

The Headwaters Forest is significant not only because of its size, and its virgin redwood forest ecosystem, but also because it is home to the coho salmon, which has been petitioned for listing as a threatened species under the Endangered Species Act. The protection of the coho salmon habitat is especially critical to northern California, where the decline of the coho salmon fishing industry since the 1970's has cost the state about $100 million a year in reduced economic activity.

The passage and ultimate enactment of H.R. 2866 would take a troubling land management issue affecting private lands and threatened species out of the courts and resolve a dispute which has polarized the people of northern California for almost a decade.

Please support the Headwater Forest Act. Your vote for H.R. 2866 can provide the community, and the remaining Headwaters Forest, with a sustainable ecosystem management strategy based upon watershed restoration and the protection of private property rights.

Sincerely,

BROCK EVANS,
National Audubon Society.
JUDY GUSE-NORITAKE,
Pacific Rivers Council.
JIM OWENS,
Western Ancient Forest Campaign.
DOUG INKLEY,
National Wildlife Federation.
KEVIN KIRCHNER,
Sierra Club Legal Defense Fund.
MICHAEL FRANCIS,
The Wilderness Society.

ETNA, CA,
August 18, 1994.

Re support for H.R. 2866, the Headwaters Forest Act.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HAMBURG: The directors and members of Marble Mountain Audubon Society wish to express their strong support for H.R. 2866 and our appreciation for the leadership you have demonstrated in bringing this bill through committee and, hopefully, to the floor of the House.

The best scientific information indicates that we need the Headwaters Forest protected if we are to have a chance of retaining viable populations of Marbled Murrelets in California. The Headwaters Forest is also a legacy for our children a place where we hope that, because of your efforts and the action of the US Congress, future generations will be able to experience the majesty of the Ancient Forests which dominated the landscape when European Americans first arrived on the North Coast.

Please let us know if there is any way we can help to achieve passage of H.R. 2866.

Sincerely yours,

FELICE PACE,
Conservation Chair.

KLAMATH FOREST ALLIANCE,
Etna, CA, August 18, 1994.

Subject: Support for H.R. 2866, the Headwaters Forest Act.

Hon. DAN HAMBURG,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN HAMBURG: The board, activists and staff of Klamath Forest Alliance wish to express their strong support for H.R. 2866 and our appreciation for the leadership you have demonstrated in bringing this Bill through committee and, hopefully, to the floor of the House. It is abundantly clear that we need the Headwaters Forest protected if we are to have a chance of retaining viable populations of Marbled Murrelets in California. Furthermore, the Headwaters Forest is a legacy for our children—a place where we hope that, because of your efforts and the action of the U.S. Congress, future generations will be able to experience the

forests which dominated the landscape when European Americans first arrived on the North Coast.

Please let us know if there is any way we can assist you in achieving passage of H.R. 2866.

Sincerely yours,

FELICE PACE,
Program Coordinator.

SAVE-THE-REDWOODS LEAGUE,
San Francisco, CA, September 2, 1994.

Hon. DAN HAMBURG,
Cannon Building, House of Representatives, Washington, DC.

DEAR CONGRESSMAN HAMBURG: The Save-the-Redwoods League supports the protection of the old growth Redwood Forest in H.R. 2866, the Headwaters Forest Act. Protecting the Headwaters Forest is a key to the long term regional protection of the remaining coastal old growth ecosystem.

We are encouraged that the Pacific Lumber Co. now supports the bill. We are committed to working with you to see that H.R. 2866 and Senator Boxer's companion legislation are enacted in this session of Congress.

The debate over the fate of the Headwaters Forest is of national importance. We feel that H.R. 2866 is an effective means for resolving this long-standing dispute to protect the remaining old growth Redwoods owned by Pacific Lumber Co. and its parent company Maxxam Corp.

Sincerely,

JOHN B. DEWITT,
Executive Director.

ENVIRONMENTAL DEFENSE FUND,
Washington, DC, August 29, 1994.

Hon. DAN HAMBURG,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN HAMBURG: This letter is to offer my strong support for H.R. 2866, the Headwaters Forest Act. The Environmental Defense Fund welcomes the long overdue protection of the largest remaining stands of old-growth coastal redwoods on private property, and applauds the sale by willing owners to the federal government.

The old-growth redwoods of northern California are of inestimable value not only to Californians, but to all Americans. The transfer of this property to federal ownership would ensure permanent protection for these magnificent giants. In addition, through the broad-based protection of habitat in the Headwaters Forest, H.R. 2866 offers new hope for other imperilled species as coho and other salmon.

Sincerely,

MICHAEL J. BEAN,
Chairman, Wildlife Program.

RAINIER AUDUBON SOCIETY,
Auburn, WA, August 19, 1994.

Re H.R. 2866 Headwaters Forest Act.

Representative DAN HAMBURG,
Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE HAMBURG: The members of Rainier Audubon Society in Washington State would like you to know that we whole-heartedly support the Headwaters Forest Act that you have introduced in Congress.

The redwood forests in California are a National treasure. A treasure to man and wildlife to be protected and preserved forever. Who can think of the Redwood Forests without singing a few lines of "This Land Is My Land". This land is OUR land, and the US Forest Service has the chance to acquire 44,000 acres of forest and 7,000 acres of natural (never managed by man) late successional old growth forest. This wonderful part of the earth has for too long been abused and now needs good stewardship.

This bill is critical to not only saving trees, but we're also talking about essential habitat for threatened coho salmon. Salmon only live in cold water. The need for thick cover over rivers and streams means life or death. Salmon also need clear rivers and streams to lay eggs, too much silt from the land when trees are cut, suffocates the eggs.

Economically, this bill will help to keep the fishing industry alive along the coast and rivers of California. The Number 1 money maker in the world is tourism. When these lands are restored from past logging and brought back to their natural state, some of it can be used for tourism.

H.R. 2866 will designate as a wilderness area, The Headwaters Grove, the largest of the virgin stands in this acquisition. This is an area that can never be re-produced. It should be an area preserved for scientific and natural study as well as for its aestetic value.

The Maxxam Corporation has dropped its opposition to this bill and even the timber industry is supporting this bill. NOW is the time to act and turn over this land to the stewardship of the US Forest Service.

Please feel free to use any parts of this letter to help securing the passage of your bill.

Sincerely,

BEVERLY BLINN,
Rainier Audubon Society.

Mr. HANSEN. Mr. Chairman, I yield my remaining 2 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, I yield to the gentleman from California [Mr. POMBO].

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding. If the author of the bill would not mind, I would like to ask a question about the map he has put up.

In particular, the gentleman has down there the irregular borders of what would be included in the 44,000 acres in this tract. Are there any other property owners, private property owners included in that 44,000 acres?

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

Mr. DOOLITTLE. I yield to the gentleman from California.

Mr. HAMBURG. Mr. Chairman, the vast majority is owned by the Pacific Lumber Co. There are some small owners. I believe Sierra Pacific, and I believe Simpson owns about a thousand acres in there, and I think that is it.

Mr. POMBO. If the gentleman will continue to yield, are there any areas outside of that 44,000 acres that are old growth redwood that should be protected in the gentleman's opinion?

Mr. HAMBURG. If the gentleman will yield further, I believe that on the 190,000-acre ownership of Pacific Lumber there are other stands of residual old growth.

□ 1500

Pacific Lumber has been logging that old growth. In fact, when they took over the company in 1985, there were about 16,000 acres of ancient redwoods on the property, and this 5,300 acres represents just about all that is left. I am sure there are some small residual stands which they continue to log.

Mr. POMBO. I thank the gentleman.

Mr. DOOLITTLE. Mr. Chairman, reclaiming my time, I would strongly urge opposition to this bill. It kills jobs. It burdens the taxpayers. It is totally unnecessary and is opposed by hundreds of workers who work for Palco who signed these petitions. Let us bring them into the equation, because it is their jobs that are going to be lost.

The CHAIRMAN. The gentleman from California [Mr. MILLER] has 30 seconds remaining, and the gentleman from Texas [Mr. DE LA GARZA] has 3½ minutes remaining.

Mr. MILLER of California. Mr. Chairman, I urge support for the legislation.

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

Mr. DE LA GARZA. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, in open debate, any statement that is made by one person can be refuted by another person, and that is where we find ourselves with a billion and a half and 1 billion, bringing in the RTC and all of the other areas of concern. I submit to you that we have an answer, a logical, appropriate answer, to every one of those statements made.

What I would like to finally say is that, and as I said in the beginning, I dissociated myself from any provincial, from any partisan, from any personal; I want to deal solely with the legislation that we have here before us and to state that these proposed acres to be acquired by whatever manner will belong to us, to all of us.

I have youngsters in my congressional district that have never seen a redwood. Iowa has youngsters that may not ever have seen a national seashore which we acquired, the Federal Government, some in my area, some in the Carolinas, some on the Pacific coast.

We are talking about the future of this country. We are talking about youngsters that may never have seen a redwood or a salmon in the river or a trout in the river or a deer in the wild. This is what this bill is all about. It is not about acquiring more property for the Government of the United States of America. It is so that we preserve for the future generations some of that which could be lost and never be again.

Time rolls on. The weather, the climate change. I have seen clearcutting and do not approve of it, and we have tried to temper that, these two committees that are here sponsoring, handling this bill. We do not want the clearcutting. We do not want to clear the countryside.

We want every American youngster to be able to see a pine tree, a redwood

tree, the ocean, to wet his feet in the ocean waters. The only pearls many of the youngsters in my district would be able to see would be seashells.

Finally, I want to quote the gentleman from South Carolina [Mr. RAVENEL], one of our colleagues, who mentioned that his son, when he saw the spread of trees and the light shining through, he asked him, "What is this?" And he said, "a church." Oddity of all oddities, I was at Mount Hood under some gigantic trees, old growth, and I told the forester who was my guide, when only a little bit of sun would shine through the trees, I says, "You know, I feel as if I were in a national cathedral somewhere in Europe." How odd that the chairman of the Committee on Agriculture, the Congressman from Texas, would say that at Mount Hood, and a little boy would say that in South Carolina. That is what this bill is all about.

Everything else can be compromised. Everything else can be adjusted. But the availability of the resources and the bounty of this country to future generations should be protected, and that is what this bill is all about.

Mr. ROEMER. Mr. Chairman, I rise today to support not only the Headwaters Forest Act, but the process that will be used to carry out the measures that comprise this legislation.

There were at one time 2 million acres of ancient redwood forests on our Nation's Pacific coast. Less than 5 percent of these remain. The Headwaters Forest now remains the largest private owned stand of old-growth forest in the world, and this bill is designed to protect this parcel of critical land and habitat.

But the unique thing about this bill, Mr. Chairman, is that it has enlisted the support of the owners of this private property as well as environmental and other groups.

The process spelled out in the bill seeks to avoid direct taxpayer expenditures whenever possible, using instead land transfers. This respect for both the environment and for the rights of private property owners is an important model for us to use in future endeavors, and I want to strongly compliment Representative DAN HAMBURG of California for carefully crafting this measure.

Mr. Chairman, we throw the word "leadership" around in this Chamber quite freely, but I want to say that this is an example of leadership. Congressman HAMBURG has provided a quality answer to a difficult problem, and I urge my colleagues to support this bill today.

Mr. BARLOW. Mr. Chairman, I rise today to urge my colleagues to support the Headwaters Forest Act, H.R. 2866. The trees in Headwaters Forest are the last and largest stand of unprotected giant redwoods. This stand of old growth trees is the anchor for an entire regional ecosystem of immense scientific and economic importance.

The Headwaters Forest Act will authorize Federal acquisition of 44,000 acres of redwood forest in northern California. The act will not only protect a 160-million-year-old species but will sustain the logging industry of Northern California, by allowing 80 percent of the acquisition to be managed for a sustainable level of logging in second growth forests.

By supporting the Headwaters Forest Act you are protecting our children's right to experience an unique ecosystem that exists nowhere else in the world.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the original bill shall be considered under the 5-minute rule and, without objection, is considered as read.

There was no objection.

The text of H.R. 2866 is as follows:

H.R. 2866

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Headwaters Forest Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) Redwoods are a significant national symbol and a defining symbol of the State of California.

(2) Old growth redwood trees are a unique and irreplaceable natural resource.

(3) Most of the Nation's old growth forests have been cut. Less than 5 percent of the original 2,000,000 acre Coast redwoods remain standing. The groves that are left are crucial to maintain habitat needed for survival of old-growth dependent species. The Headwaters Forest, for example, is home to one of California's three largest population of marbled murrelets, rare sea birds that nest only in coastal old growth trees; the Northern Spotted Owl; and native salmon stocks that spawn in the Forest's creeks.

(4) The remaining unprotected stands of old growth forests and old growth redwoods are under immediate threat of being harvested without regard to their ecological importance and without following Federal timber harvest guidelines.

(5) Significant amounts of old growth redwoods in the proposed National Forest additions are being cut at a pace that is based on paying high interest rates on poor quality bonds and not at a pace that is based on sound forest management practices.

(b) PURPOSE.—The purpose of this Act is to provide for the sound management and protection of old growth Redwood forest areas in Humboldt County, California, and to preserve and enhance habitat for the marbled murrelet, Northern Spotted owl, native salmon stocks, and other old growth forest dependent species, by adding certain lands and waters to the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system.

SEC. 3. ADDITION TO SIX RIVERS NATIONAL FOREST.

(a) EXTENSION OF BOUNDARIES.—The exterior boundaries of the Six Rivers National Forest in the State of California are hereby extended to include the area comprising approximately 44,000 acres, as generally depicted on the map entitled "Six Rivers National Forest Addition proposed", dated June 1993. Such area shall hereinafter in this Act be referred to as the Six Rivers National Forest Addition. The map shall be on file and available for public inspection in the offices of the Forest Supervisor, Six Rivers National Forest, and in the offices of the Chief of the Forest Service, Department of Agriculture.

(b) ACQUISITION OF LAND.—(1) The Secretary shall acquire lands or interests in land within the exterior boundaries of the Six Rivers National Forest Addition by donation, by purchase with donated or appropriated funds, or by exchange for other lands owned by any department, agency, or instrumentality of the United States. When any tract of land is only partly within such boundaries, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries, and any land so acquired and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949 (63 Stat. 377). Lands, and interests in lands, within the boundaries of the Headwaters Forest which are owned by the State of California or any political subdivision thereof, may be acquired only by donation or exchange.

(2) The Secretary is authorized to accept from the State of California funds to cover the cost of acquiring lands within the Headwaters Forest, and notwithstanding any other provision of law, the Secretary may retain and expend such funds for purposes of such acquisition. Such funds shall be available for such purposes without further appropriation and without fiscal year limitation.

(c) LAND ACQUISITION PLAN.—The Secretary shall develop and implement, within 6 months after the enactment of this Act, a land acquisition plan which contains specific provisions addressing how and when lands will be acquired under subsection (b). The plan shall give priority first to the acquisition of lands within the boundaries of the Headwaters Forest Wilderness identified on the map referred to in section 3(a). The Secretary shall submit copies of such plan to the Committee on Natural Resources, the Committee on Agriculture, and the Committee on Appropriations of the United States House of Representatives and to the Committee on Energy and Commerce, the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations of the United States Senate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 4. WILDERNESS AREAS.

(a) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131–1136), lands in the State of California acquired under section 3 of this Act which are within the areas generally depicted on the map referred to in section 3 as the "Headwaters Forest Wilderness (Proposed)" shall be designated as wilderness and therefore as a component of the National Wilderness Preservation System, effective upon acquisition under section 3. Such lands shall be known as the Headwaters Forest Wilderness.

(b) MAP AND DESCRIPTION.—As soon as practicable after the inclusion of any lands in the Headwaters Forest Wilderness, the Secretary shall file a map and a boundary description of the area so included with the Committee on Natural Resources of the House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. The Secretary may correct clerical and typographical errors in such boundary description and such map. Each such map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, United States Department of Agriculture.

(c) BUFFER ZONES NOT INTENDED.—The Congress does not intend that designation of any area as wilderness under this section

lead to the creation of protective perimeters or buffer zones around the wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(d) STATE AUTHORITY OVER FISH AND WILDLIFE.—As provided in section 4(d)(8) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of California with respect to wildlife and fish in any areas designated by this Act as wilderness.

SEC. 5. ADMINISTRATION.

(a) MANAGEMENT PLAN.—The Secretary shall develop, within 1 year after the enactment of this Act, a comprehensive management plan detailing measures for the preservation of the existing old growth redwood ecosystems in the Six Rivers National Forest Addition, including but not limited to each of the following:

(1) Prohibition of sale of timber from lands within the old growth redwood groves as depicted generally on the map referred to in section 3(a). Timber sales in other areas shall be allowed consistent with the purposes of this Act and other applicable Federal laws and regulations.

(2) Measures to restore lands affected by previous timber harvests to mitigate watershed degradation and impairment of habitat for the marbled murrelet, spotted owl, native salmon stocks, and other old-growth forest dependent species ("Restoration Measures").

The Management Plan shall be reviewed and revised every time the Six Rivers National Forest Land and Resource Management plan is revised or more frequently as necessary to meet the purposes of this Act.

(b) APPLICABLE LAWS AND POLICIES.—(1) The Secretary, acting through the Chief of the Forest Service, shall administer the lands acquired under section 3(b) in accordance with the Management Plan, this Act, and with the other laws, rules, and regulations applicable to such national forest. In addition, subject to valid existing rights, any lands acquired and designated as wilderness under section 4(a) shall also be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of acquisition of such lands under section 3 of this Act.

(2) To the maximum extent practicable, all work to implement the management plan's Restoration Measures shall be performed by unemployed forest and timber workers, unemployed commercial fishermen, or other unemployed persons whose livelihood depends on fishery and timber resources.

(3) In order to facilitate management, the Secretary, acting through the Chief of the Forest Service may enter into agreements with the State of California for the management of lands owned by the State or purchased with State assistance.

SEC. 6. PAYMENTS TO LOCAL GOVERNMENT.

(a) PILT.—Solely for purposes of payments made pursuant to chapter 69 of title 31 of the United States Code, all lands added to the Six Rivers National Forest by this Act shall be deemed to have been acquired for the purposes specified in section 6904(a) of such title 31.

(b) 10-YEAR PAYMENT.—(1) Subject to annual appropriations and the provisions of subsection (c), for a period of 10 years after acquisition by the United States of lands added to the Six Rivers National Forest by this Act, the Secretary, with respect to such acquired lands, shall make annual payments to Humboldt County in the State of California in an amount equal to the State of California Timber Yield Tax revenues payable under the California Revenue and Taxation Code (sec. 38101 et seq.) in effect as of the date of enactment of this Act that would have been paid with respect to such lands if the lands had not been acquired by the United States, as determined by the Secretary pursuant to this subsection.

(2) The Secretary shall determine the amounts to be paid pursuant to paragraph (1) of this subsection based on an assessment of a variety of factors including, but not limited to—

(A) timber actually sold in the subject year from comparable commercial forest lands of similar soil type, slope and such determination of appropriate timber harvest levels,

(B) comparable timber size class, age, and quality,

(C) market conditions,

(D) all applicable Federal, State, and local laws and regulations, and

(E) the goal of sustainable, even-flow harvest or renewable timber resources.

(c) CALIFORNIA TIMBER YIELD TAX.—The amount of State of California Timber Yield Tax payments paid to Humboldt County in any year pursuant to the laws of California for timber sold from lands acquired under this Act shall be deducted from the sums to be paid to Humboldt County in that year under subsection (b).

(d) 25-PERCENT FUND.—Amounts paid under subsection (b) with respect to any land in any year shall be reduced by any amounts paid under the Act of May 23, 1908 (16 U.S.C. 500) which are attributable to sales from the same lands in that year.

SEC. 7. FOREST STUDY.

The Secretary shall study the lands within the area comprising approximately 13,620 acres and generally depicted as "Study Area" on the map referred to in section 3(a). The study shall analyze the area's potential to be added to the Headwaters Forest and shall identify the natural resources of the area including the location of old growth forests, old growth redwood stands, threatened and endangered species habitat and populations including the northern spotted owl and marbled murrelet, commercial timber volume, recreational opportunities, wildlife and fish, watershed management, and the cost of acquiring the land. Within one year of the date of enactment of this Act, the Secretary shall submit a report with the findings of the study to the Committees on Natural Resources, and Agriculture of the United States House of Representatives and the Committees on Energy and Natural Resources, and Agriculture, Nutrition, and Forestry of the United States Senate.

The CHAIRMAN. No amendment to the bill shall be in order except the amendments printed in House Report 103-732. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question.

Debate time on each amendment will be equally divided and controlled by the proponent and an opponent of the amendment.

It shall be in order at any time for the chairman of the Committee on Agriculture or a designee to offer amendments en bloc consisting of amendments printed in the report or germane modifications of any such amendment. Amendments en bloc shall be considered as read, except that modifications shall be reported, shall be debatable for 10 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, shall not be subject to amendment, and shall not be subject to a demand for a division of the question.

The original proponent of an amendment included in amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before disposition of the amendments en bloc.

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, pursuant to section 2 of House Resolution 536, I offer amendments en bloc, as modified.

The CHAIRMAN. The Clerk will designate the amendments en bloc, as modified.

The text of the amendments en bloc, as modified, is as follows:

Amendments en bloc, as modified, offered by Mr. DE LA GARZA:

Amendment offered by Mr. DOOLEY, as modified: Strike section 3 and insert the following:

(c) DEFINITIONS.—For purposes of this Act:

(1) The terms "Six Rivers National Forest Addition" and "Headwaters Forest" mean the area authorized for land acquisition activities under section 3, as depicted on the map described in section 3(b)(1).

(2) The term "Secretary" means the Secretary of Agriculture.

SEC. 3. ADDITION TO SIX RIVERS NATIONAL FOREST.

(a) MODIFICATION OF BOUNDARIES.—Effective upon the consummation of a land acquisition conducted as provided in subsection (b), the Secretary of Agriculture shall modify the exterior boundaries of the Six Rivers National Forest in the State of California to include the acquired lands.

(b) ACQUISITION OF LAND.—

(1) AREA FOR ACQUISITION ACTIVITIES.—The Secretary may acquire lands and interests in land within the boundaries of an area comprising approximately 44,000 acres, as generally depicted on the map entitled "Six Rivers National Forest Addition proposed" and dated June 1993, for inclusion in the Six Rivers National Forest under subsection (a). The map shall be on file and available for public inspection in the offices of the Forest Supervisor, Six Rivers National Forest, and in the offices of the Chief of the Forest Service, Department of Agriculture.

(2) MANNER OF CONDUCTING ACQUISITION.—Lands and interests in lands within the Six Rivers National Forest Addition may be acquired by the Secretary only by donation, by purchase with donated or appropriated funds, or by exchange.

(3) SPECIAL RULE FOR FEDERAL TRANSFERS.—For purposes of making an exchange under paragraph (2), excess or surplus lands under the jurisdiction of any other department, agency, or instrumentality of the United States may be transferred, subject to

the advance approval of the transfer by law, to the administrative jurisdiction of the Secretary if the Secretary identifies the lands as suitable for use in making an exchange. To facilitate the approval of a transfer of lands under this paragraph, the Secretary shall submit to the Committee on Agriculture and the Committee on Natural Resources of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate proposed legislation in connection with the proposed transfer. The transfer of lands under this paragraph shall be made without compensation to the transferring department, agency, or instrumentality.

(4) ACQUISITION OF CERTAIN LANDS OUTSIDE ADDITION.—When a tract of land proposed to be acquired is only partly within the Six Rivers National Forest Addition, the Secretary may acquire all or any portion of the land outside of the Six Rivers National Forest Addition to minimize the payment of severance costs. Land acquired outside of the boundaries may be exchanged by the Secretary for nonFederal lands within the boundaries. Land acquired outside of the boundaries of the Six Rivers National Forest Addition under this paragraph and not used for exchange shall be reported to the Administrator of the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(5) SPECIAL RULE FOR STATE OR LOCAL GOVERNMENT LANDS.—Lands and interests in lands within the boundaries of the Six Rivers National Forest Addition that are owned by the State of California or any political subdivision thereof, may be acquired only by donation or exchanges.

(6) ACCEPTANCE AND USE OF FUNDS.—The Secretary may accept from the State of California funds to cover the cost of acquiring lands within the Six Rivers National Forest Addition. Notwithstanding any other provision of law, the Secretary may retain and expend such funds for purposes of such acquisition. Such funds shall be available for such purposes without further appropriation and without fiscal year limitation.

(c) LAND ACQUISITION PLAN.—The Secretary shall develop and implement, within 6 months after the date of the enactment of this Act, a land acquisition plan that contains specific provisions addressing how and when lands will be acquired under subsection (b). The plan shall give priority first to the acquisition of lands within the Six Rivers National Forest Addition proposed for inclusion in the National Wilderness Preservation System. The plan shall include an analysis of the possibilities for acquisition through means other than the expenditure of funds, including the use of excess and surplus Federal properties. The Secretary shall identify and list these properties. The Secretary shall submit copies of the plan to the Committee on Natural Resources, the Committee on Agriculture, and the Committee on Appropriations of the House of Representatives and to the Committee on Energy and Natural Resources, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Appropriations of the Senate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(e) TERMINATION OF ACQUISITION AUTHORITY.—Notwithstanding any other provision of this section, the Secretary may not acquire lands under the authority of this section after the end of the 10-year period beginning on the date of the enactment of this Act.

In section 4 of the bill, strike subsection (b) and insert the following new subsection:

(b) MAP AND DESCRIPTION.—As soon as practicable after the inclusion of any lands in the Headwaters Forest Wilderness, the Secretary shall file a map and a legal description of the area so included with the Committee on Natural Resources of the House of Representatives and with the Committee on Energy and Natural Resources of the Senate. The Secretary may correct clerical and typographical errors in such legal description and such map. Each such map and legal description shall be on file and available for public inspection in the offices of the Forest Supervisor, Six Rivers National Forest, and in the offices of the Chief of the Forest Service, Department of Agriculture.

In section 5 of the bill, strike subsection (a) and insert the following new subsection:

(a) MANAGEMENT PLAN.—Within 1 year after acquiring all or part of the lands identified to be acquired in section 3, the Secretary shall develop a comprehensive management plan for the acquired lands detailing measures for the preservation of the existing old growth redwood ecosystems. The management plan shall include each of the following with respect to the lands so acquired:

(1) Prohibition of the sale of timber from lands within the old growth redwood groves as depicted generally on the map referred to in section 3(b)(1). Timber sales in other areas within the Six Rivers National Forest Addition shall be allowed consistent with the purposes of this Act and other applicable Federal laws and regulations.

(2) Measures to restore lands affected by previous timber harvests to mitigate watershed degradation and impairment of habitat for the marbled murrelet, northern spotted owl, native salmon stocks, and other old-growth forest dependent species.

The management plan shall be reviewed and revised each time the land and resource management plan for the Six Rivers National Forest is revised or more frequently as necessary to meet the purposes of this Act.

Amendment offered by Mr. DOOLITTLE:

Add at the end the following new section:

SEC. 8. NO ADVERSE EFFECT ON LANDS UNTIL ACQUIRED.

(A) IN GENERAL.—Until the lands in the Six River National Forest Addition are acquired under section 3, the owners of the lands and their designees shall be entitled to the full and lawful use and enjoyment of the lands. Nothing in this Act may be—

(1) construed to impose any limitations upon any otherwise lawful use of the lands by the owners of the lands or their designees;

(2) construed as authority to defer the submission, review, approval, or implementation of any timber harvest or similar plan with respect to any portion of the lands; or

(3) construed to grant a cause of action against the owner of the lands or their designees.

(b) VOLUNTARY DEFERMENT OF USE.—The owners of lands described in section 3 or their designees may agree of their own accord to defer some or all lawful enjoyment and use of the land for a certain period of time.

Amendment offered by Mr. POMBO, as modified:

Add at the end of section 3 of the bill the following new subsection:

(e) CONSENT OF OWNER REQUIRED FOR ACQUISITION.—Lands and interests in lands within the Six Rivers National Forest Addition may not be acquired by the Secretary for purposes of this Act without the consent of the owner of the lands.

The Secretary may not acquire lands or interests in land within the Six Rivers National Forest Addition by condemnation.

Amendment offered by Mr. GILCHREST: Add at the end of subsection (a) of section 2 of the bill the following new paragraph:

(6) The continued fragmentation and loss of irreplaceable ecosystems creates an urgent need to develop creative solutions to achieve the long-term benefits of permanent protection and preservation.

Amendment offered by Mr. SCHIFF: Add at the end the following new section:

SEC. . SEARCH AND RESCUE OPERATIONS IN SIX RIVERS NATIONAL FOREST.

As provided in section 4(c) of the Wilderness Act (16 U.S.C. 1133(c)), mechanical transport (including motor vehicles, motorized equipment, and the landing of fixed-wing and rotary aircraft) shall be permitted anywhere within the boundaries of the Six Rivers National Forest with respect to any emergency involving the health or safety of an individual within the national forests.

Amendment offered by Mr. TRAFICANT: Add at the end of the bill the following new section:

SEC. 8. PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing payments under section 6 or other financial assistance to, or entering into any contract with, any entity using funds made available under this Act, the Secretary, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

The CHAIRMAN. The Clerk will report the modifications to the amendments en bloc.

The Clerk read as follows:

Modifications to amendments en bloc offered by Mr. DE LA GARZA:

Amendment No. 1 offered by Mr. DOOLEY of California is modified by striking "Committee on Energy and Commerce" and inserting "Committee on Energy and Natural Resources".

Amendment No. 3 offered by Mr. POMBO is modified by adding at the end the following: "The Secretary may not acquire lands or interests in lands within the Six Rivers National Forest addition by condemnation."

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

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

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 5 minutes, and the gentleman from Florida [Mr. LEWIS] will be recognized for 5 minutes.

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

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

Mr. Chairman, the amendments en bloc include one offered by the gentleman from California [Mr. DOOLEY] and the gentleman from Missouri [Mr. VOLKMER].

In addition, the amendment requires the land and interest in lands within the Six Rivers National Forest addition may be acquired only by donation, by purchasing with donated or appropriated funds, or by exchange; also, the amendment assures that privately held lands will continue to be available to the owners to use in any way consistent with State and Federal law.

Finally, the amendment sunsets authorization for the acquisition of the 44,000 acres 10 years after enactment of the bill, and as a result of the acquisition language in this amendment, CBO estimates that the pay-as-you-go impacts of the bill are negligible or basically zero.

We also have the so-called Doolittle amendments which were accepted by the full committee, and guarantee landowners full and lawful use and enjoyment of their lands until they are acquired by the Federal Government. The purpose of the amendment is, in part, to prevent restrictions on use as a result of the Federal Government's examination of this land for inclusion in the Six Rivers National Forest. This amendment is supported by the gentleman from California [Mr. HAMBURG] and the Maxxam Corp. This amendment was offered during the Natural Resources Committee markup, but not adopted. However, report language was included to reflect the intent of the amendment.

Then we have the Pombo amendment. This amendment was approved by the full committee and requires consent of the landowner as a condition of the acquisition of lands in the Six Rivers National Forest addition. This amendment is supported by the gentleman from California [Mr. HAMBURG] and the Maxxam Corp. This amendment was offered during the Natural Resources Committee markup but not adopted.

Then we have a Gilchrest amendment. This amendment provides that the continued fragmentation and loss of irreplaceable ecosystems creates an urgent need to develop creative solutions, which was explained by the gentleman from Maryland [Mr. GILCHREST].

Then we have an amendment offered by the gentleman from New Mexico [Mr. SCHIFF]. This amendment would permit the mechanical transport within the Six Rivers Forest addition, and that sometimes you legislate and it does not work out in real life. That is the reason for this amendment, in that if there be an injury or something like that that you can use mechanical transport to move the injured person, or in any other similar need.

Then there is the Traficant amendment, which applies to Buy American provisions of the bill.

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

Mr. LEWIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. SCHIFF].

Mr. SCHIFF. Mr. Chairman, I thank the gentleman from Florida for yielding me this time.

Madam Chairman, I want to thank the chairman of the Committee on Agriculture for including my proposed amendment in the proposed en bloc amendments.

I want to explain, as the chairman said, sometimes we legislate in certain ways, but it does not work out well practically.

We had a situation in New Mexico a couple of months ago where, in brief, a 14-year-old was lost, and the State police helicopter located him but was denied permission to land by the U.S. Forest Service based upon their understanding of the Wilderness Act. The boy remained lost another night until the Forest Service made a special exception and called the State police helicopter back. This time they found him again and picked him up the second time.

This should not happen another time. I think that wilderness areas have their purpose. I support that purpose. But when someone is lost, when someone is injured, when there is any other kind of emergency involving life or health, that is a reason to allow a mechanical device, in this case it was a helicopter, to land and make a rescue. That is what this amendment says.

□ 1510

That is what this amendment says. This same language has been adopted in the Santa Fe Forest-related bill passed by this House in recent weeks.

Madam Chairman, I thank the gentleman from California [Mr. HAMBURG] for agreeing to this.

Mr. LEWIS of Florida. Madam Chairman, we have no objection to the amendment.

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

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

Madam Chairman, this amendment was offered by us to accommodate legitimate, valid concerns of many Members. Madam Chairman, I urge an "aye" vote.

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

The CHAIRMAN pro tempore (Ms. PELOSI). The question is on the amendments en bloc, as modified, offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendments en bloc, as modified, were agreed to.

The CHAIRMAN pro tempore. The Chair is advised that amendment numbered 5 in House Report 103–732 will not be offered.

It is now in order to consider amendment No. 6, printed in House Report 103–732.

AMENDMENT OFFERED BY MR. DOOLITTLE

Mr. DOOLITTLE. Madam Chairman, I offer amendment No. 6.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DOOLITTLE: Strike subsection (d) of section 3 of the bill and insert the following new subsection.

(d) AUTHORIZATION OF APPROPRIATIONS; LIMITATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this Act; except that the total amount obligated or expended to acquire lands or interests in lands in the Six Rivers Forest Addition shall not exceed $200,000,000.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from California [Mr. DOOLITTLE] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, this amendment is quite straightforward. It merely replaces the bill's unlimited authorization with a cap of $200 million for land acquisition.

Many of the bill's proponents claim that most of the 44,000 acres will be acquired through land exchanges rather than costly direct purchases. Consequently, my amendment should not hamstring the Forest Service's efforts to acquire this land through the exchange process. In fact, the Lands Division of the U.S. Forest Service has advised me that last year it spent about $7 million in administration costs to acquire 60,000 acres through the exchange process.

Madam Chairman, my amendment is an insurance policy for the taxpayer against the Federal Government's past history of grossly underestimating the value of redwood timber lands, which underestimation has resulted in exorbitant land acquisition costs. For example, Interior Secretary Cecil Andrus told Congress in 1978 that expansion of the Redwood National Park would cost an estimated $359 million. The final costs for that land acquisition were $1.4 billion. In other words, it ended up costing more than 400 percent what had been estimated.

By the way, this is one of the least visited national parks in the entire National Park System.

Mr. DE LA GARZA. Madam Chairman, will the gentleman yield?

Mr. DOOLITTLE. I yield to the chairman of the committee.

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Mr. DE LA GARZA. I thank the gentleman for yielding.

Madam Chairman, I wanted to clarify something. My understanding is that the gentleman's so-called cap includes only prospective appropriated funds. Am I correct? It does not include donated or exchange properties?

Mr. DOOLITTLE. It is prospective, yes, that is my understanding.

Mr. DE LA GARZA. Of only appropriated funds.

Mr. DOOLITTLE. And prospective appropriated funds, that is correct.

Mr. DE LA GARZA. It does not include donated lands?

Mr. DOOLITTLE. Does not include donated lands.

Mr. DE LA GARZA. Or exchanged lands.

I thank the gentleman for helping us clarify the situation.

Mr. DOOLITTLE. Right. It only applies to appropriated money. That is why if the lands are going to be acquired through exchange, that is outside the $200 million.

Mr. DE LA GARZA. I appreciate the gentleman's clarification.

Mr. DOOLITTLE. If I may continue here: The Forest Service's official appraisal of a 4,488-acre tract, which included the Headwaters Forest and a buffer zone, conducted almost 2 years ago, found that tract valued $499 million. Since Redwood stumpage prices have risen about 15 percent annually since then, this tract now has a value exceeding $650 million. Moreover, the chief appraiser of the Forest Service told the Subcommittee on National Parks at a hearing on October 12, 1993, that the additional 40,000 acres in this bill had an estimated value of $1 billion. This would bring the entire price tag to $1.5 billion.

Let us remember the Congress in recent years has appropriated an average of $64 million per year for Forest Service land acquisition in the entire country. As a result, if there were no inflation and if the Forest Service used this money only for this particular property, it would take them 23 years to complete the purchase, to complete the purchase.

It is also important to remember that the Forest Service has a backlog of $750 million of high-priority land acquisitions. H.R. 2866 without the cap would only make this situation worse. Without my amendment, this bill appropriates "such sums as may be necessary," which history shows can be astronomical. In the case of the Redwood National Park, the expansion there in 1978, over 400 percent over what has been estimated. For that reason, Madam Chairman, I bring this amendment to the House, before the committee, just to provide some level of certainty as to what the costs are actually going to be. I request that the Members support the amendment.

The CHAIRMAN pro tempore. Does any Member rise in opposition?

Mr. DE LA GARZA. Madam Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 5 minutes.

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

Mr. DE LA GARZA. Madam Chairman and my colleagues, the scenario presented by our distinguished colleague who immediately preceded me explains the reason why the concern. If there are 7,000-some projects and this goes to the bottom of the line, if it would take 23 years, when the bill already has a limitation of 10 years. So what is the problem? So it seems to me that there is something beyond the legislation, because if there are only $63 million per year appropriated, it may be years before there is a penny appropriated, and maybe never. It will be done by the land exchanges, by donations from California, or other interested groups.

So I think the excellent presentation made by my colleague just before me negates any major concern that we will be appropriating money, unless the Forest Service would negate all of its prior work and put this at the top of the list, which I am sure that all of the other prospective recipients would object to strenuously.

So I do not see any need at all for this amendment because the explanation by the author of the amendment dictates that it is not needed.

Mr. Chairman, I urge a "no" vote.

The CHAIRMAN. All time having expired, the question is on the amendment offered by the gentleman from California [Mr. DOOLITTLE].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LEWIS of Florida. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman demands a recorded vote and makes the point of order that a quorum is not present.

The Chair will count for a quorum.

Mr. LEWIS of Florida. Mr. Chairman, I withdraw my point of order——

The CHAIRMAN. The Chair will count for a quorum for the moment.

Mr. LEWIS of Florida. Mr. Chairman, I withdrew my point of order on a quorum.

The CHAIRMAN. The gentleman withdraws his point of order.

The gentleman requests a recorded vote.

A sufficient number having risen, a recorded vote is ordered.

Mr. DE LA GARZA. Mr. Chairman, I ask unanimous consent that I be allowed to make a motion at this point if it is permissible, or if the gentleman would withdraw his request for a recorded vote.

Mr. LEWIS of Florida. Mr. Chairman, I reserve the right to object, but I will not withdraw my request for a vote.

The CHAIRMAN. Will the gentleman from Texas please state the reason he has risen.

Mr. DE LA GARZA. Mr. Chairman, I would ask unanimous consent to vacate the proceedings up to this point if the gentleman is in agreement. The purpose for doing this is that the author of the legislation feels that he would be agreeable to accepting the amendment.

□ 1520

Mr. LEWIS of Florida. I have no objection, Mr. Chairman.

The CHAIRMAN. Is there objection to vacating the proceedings by which a recorded vote was ordered and the proceedings by voice vote on the amendment?

Mr. DOOLITTLE. Yes, Mr. Chairman, I object. I would like a recorded vote. I would like the recorded vote because the chairman, the gentleman from Texas [Mr. DE LA GARZA], testified it was a useless amendment. So, let us get the recorded vote.

The CHAIRMAN. Objection is heard. A recorded vote is ordered.

RECORDED VOTE

The vote was taken by electronic device, and there were—ayes 240, noes 188, not voting 11, as follows:

[Roll No. 431]

AYES—240

Ackerman	DeFazio	Hoke
Allard	DeLay	Holden
Archer	Derrick	Horn
Armey	Diaz-Balart	Houghton
Bachus (AL)	Dickey	Huffington
Baker (CA)	Doolittle	Hunter
Baker (LA)	Dornan	Hutchinson
Ballenger	Dreier	Hutto
Barca	Duncan	Hyde
Barrett (NE)	Dunn	Inglis
Barrett (WI)	Edwards (TX)	Inslee
Bartlett	Ehlers	Istook
Barton	Emerson	Jacobs
Bateman	English	Johnson (CT)
Bentley	Everett	Johnson, Sam
Bereuter	Ewing	Johnston
Bilirakis	Fawell	Kaptur
Bliley	Fields (TX)	Kasich
Blute	Fish	Kim
Boehlert	Fowler	King
Boehner	Franks (CT)	Kingston
Bonilla	Franks (NJ)	Klein
Browder	Furse	Klug
Bunning	Gallegly	Knollenberg
Burton	Gekas	Kolbe
Buyer	Geren	Kyl
Callahan	Gilchrest	Lambert
Calvert	Gillmor	Lancaster
Camp	Gilman	Lazio
Canady	Glickman	Leach
Cantwell	Goodlatte	Lehman
Cardin	Goodling	Levin
Castle	Goss	Levy
Chapman	Grams	Lewis (CA)
Clement	Grandy	Lewis (FL)
Clinger	Green	Lewis (KY)
Coble	Greenwood	Lightfoot
Collins (GA)	Gunderson	Linder
Combest	Hall (OH)	Lipinski
Condit	Hall (TX)	Livingston
Cooper	Hamilton	Lloyd
Coppersmith	Hancock	Long
Costello	Hansen	Lucas
Cox	Harman	Machtley
Cramer	Hastert	Manzullo
Crane	Hefley	McCandless
Crapo	Herger	McCloskey
Cunningham	Hobson	McCollum
Darden	Hochbrueckner	McCrery
Deal	Hoekstra	McDade

McHugh
McInnis
McKeon
McMillan
Meyers
Mfume
Mica
Michel
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Nussle
Orton
Owens
Oxley
Packard
Paxon
Payne (VA)
Penny
Peterson (FL)
Petri
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Rowland
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shepherd
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Swett
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—188

Abercrombie
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barcia
Barlow
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Bonior
Borski
Boucher
Brewster
Brooks
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Carr
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
Danner
de la Garza
de Lugo (VI)
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Engel
Eshoo
Evans
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Gutierrez
Hamburg
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hoyer
Hughes
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Klink
Kopetski
Kreidler
LaFalce
Lantos
LaRocco
Laughlin
Lewis (GA)
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Norton (DC)
Oberstar
Obey
Olver
Ortiz
Pallone
Parker
Pastor
Payne (NJ)
Pelosi
Peterson (MN)
Rahall
Rangel
Ravenel
Reed
Reynolds
Richardson
Romero-Barcelo (PR)
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Skaggs
Skelton
Slaughter
Smith (IA)
Stark
Stokes
Studds
Swift
Synar
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—11

Blackwell
Frost
Gallo
Gingrich
Inhofe
Ros-Lehtinen
Rostenkowski
Slattery
Sundquist
Thompson
Washington

□ 1543

Messrs. BERMAN, KREIDLER, FINGERHUT, MOAKLEY, WATT, BISHOP, and DINGELL changed their vote from "aye" to "no."

Messrs. SAXTON, HOLDEN, TAYLOR of Mississippi, PAYNE of Virginia, MFUME, LEVIN, PETERSON of Florida, LANCASTER, BROWDER, GLICKMAN, JACOBS, RIDGE, POMEROY, Ms. FURSE, and Mr. DEAL changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 103-732.

AMENDMENT OFFERED BY MR. POMBO

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. POMBO: Strike section 7 of the bill relating to a forest study by the Secretary of Agriculture.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. POMBO] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. POMBO].

Mr. POMBO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, section 7 of the bill requires that a study be conducted to look into the possible expansion of this bill from 44,000 acres and adding an additional 13,260 acres.

As I have stated previously in the debate over the bill, I feel that the 44,000 acres that are already included in the bill are unneeded. I do believe that there are arguments over the old growth, the virgin old growth redwood forest and that that is the way the bill should have been brought up to begin with and should not have been expanded to include a 40,000 acres buffer zone around a 4,500 acre old redwood forest.

What this section of the bill attempts to do is add an additional 13,260 acres for possible acquisition under the bill. We currently have—and Members, this is important—we currently have an estimated cost of $1.5 billion on this bill. And what section 7 would authorize is an additional 13,260 acres.

I would like to state that again for those who did not hear. We have 4,500 acres of old redwood forest in the center of this bill at an approximate cost of $500 million.

□ 1550

We have the further acquisition of another 40,000 acres with an approximate cost of $1 billion. What section 7 of this bill attempts to do is add an additional 13,620 acres, or the possibility of adding 13,620 acres to the bill for acquisition and for study.

Mr. Chairman, I feel that, because of the current fiscal situation that the Federal Government is in, it is totally irresponsible, first of all, to buy the 40,000 acres, but even more so, to expand that by an additional 13,620 acres. I think it is unconscionable to include this provision in this bill at this time for a number of reasons, including the fiscal reasons that I have said.

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

The CHAIRMAN. Does the gentleman from California [Mr. HAMBURG] seek recognition in opposition to the amendment?

Mr. HAMBURG. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from California [Mr. HAMBURG] is recognized for 5 minutes in opposition to the amendment.

Mr. HAMBURG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to stress that in section 7 there is no authorization for acquisition of this land. This is a study area only. In my statement earlier I talked about one of the key importances of this acreage being its importance for the restoration of the salmon fisheries of northern California and the Pacific Northwest. Nearly 8,400 full-time jobs in the region depend on this particular resource; $70 million in annual revenue to the State of California from the salmon fisheries; $150 million from the salmon resource for the Pacific Northwest.

Mr. Chairman, the coho fishery in and of itself, and this is one of the remaining last areas, this Elk River area, for the spawning of coho salmon, has historically generated $60 million a year in revenues.

Mr. Chairman, the drainages which are contained in the 44,000 acres and contained within the study area, Salmon Creek, Elk River, and Yager Creek, contain significant populations of coho salmon, chinook salmon, cutthroat trout, and steelhead, which are of primary importance, not only to the commercial fisheries, but to sport fishery as well.

The drainages within this study area and within the 44,000 acres block of the Headwaters Forest contain the spawning grounds for up to 10 percent of the remaining wild salmon population in the State of California.

Mr. Chairman, during the hearings on this bill, Dr. Peter Moyle, who is a renowned fisheries biologist from the University of California at Davis, discussed the importance of this acreage,

of the 44,000 acres, and of the remaining acreage, as a protector for the future health of the spawning populations of coho salmon.

Mr. Chairman, this particular drainage is one of the very few remaining on the west coast which has a genetic pool for coho salmon which has not been contaminated by hatchery fish. There have been no hatcheries built on this river which have in any way compromised the health of this coho population.

Again, Mr. Chairman, what this amendment does is it takes out of the bill the possibility of a study of this area for its overall importance for the coho salmon fishery.

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

Mr. HAMBURG. I yield to the gentleman from Minnesota.

Mr. VENTO. I rise in opposition to this amendment. Mr. Chairman, we have to operate on a base of information. What this amendment does, it says, "We are not going to study it. We are not going to look at it." That is the entire type of attitude that has gotten us into so many environmental crises.

Mr. Chairman, all that is being asked here is to study these essential 12,000 acres, 13,000 acres, so that the House, so that the Congress, so others can have the basis of that information to make sound decisions. This amendment really should be soundly defeated.

I do not know why it is being offered. Any product that comes out of this has to come back to Congress to be acted on. It has to be appropriated in terms of the major underlying bill. It would have to be authorized or designated in terms of being brought into the forest, if that is the decision.

Mr. Chairman, Members may disagree or agree with that, but Members ought to agree that it ought to be done on the basis of having the information. This amendment says, "We do not want to know. We do not care." That is exactly the type of head-in-the-sand point of view that has delivered the problems to us in terms of the Pacific Northwest. We need to move forward. We need to defeat this amendment and pass this bill.

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

Mr. HAMBURG. Mr. Chairman, I just want to thank my colleague, the gentleman from Minnesota, and urge my colleagues to vote against this amendment. This area should be studied. It is essential to the future of the salmon industry of northern California and the Pacific Northwest. I urge all my colleagues to vote in opposition to this amendment and for the bill.

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

Mr. HAMBURG. I yield the balance of my time to the gentleman from Missouri, Mr. Chairman.

Mr. VOLKMER. Mr. Chairman, I wish to join with the gentleman from California in alerting the Members to the fact that this amendment really is nothing more than a gutting amendment to the bill. If Members want to vote against the bill, vote against the bill at the end. However, I would recommend that they do not vote for this amendment.

The CHAIRMAN. The gentleman from California [Mr. POMBO] has 2 minutes remaining.

Mr. POMBO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I take offense at the last statement made on the floor that this is a gutting amendment. It is not a gutting amendment. It has nothing to do with the backbone of this bill, which is the acquiring of 4,000 acres. It has to do with the acquisition of an additional 13,620 acres. That is what we are talking about in this bill.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to point out that the author of the bill was specifically saying that "We shall identify the natural resources in the area," talking about the various fishes. However, we just put a $200,000 cap on this bill, and this study is looking to add this additional 13,000 and some acres to the Six Rivers National Forest.

Mr. Chairman, I want to make sure that the record shows that, that we are looking to put more acreage in, not only looking at the natural resources.

Mr. POMBO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just, in closing, say that I believe that the Federal Government is too big and it spends too much; and that this bill in its entirety is part of that problem, that ever-growing Federal Government. The addition of 13,620 to the 44,000 acres that are already included in this bill is a mistake. It is a mistake for a number of reasons. The fiscal reasons are just part of that.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. POMBO].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. POMBO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 170, noes 253, not voting 16, as follows:

[Roll No. 432]

AYES—170

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bilirakis
Bliley
Blute
Boehner
Bonilla
Brewster
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Condit
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards (TX)
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Gallegly
Gekas
Geren
Goodlatte
Goodling
Gordon
Goss
Grandy
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hefley
Herger
Hobson
Hoekstra
Hoke
Holden
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Johnson, Sam
Kasich
Kim
King
Kingston
Knollenberg
Kolbe
Kyl
Lambert
Laughlin
Lehman
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Machtley
Manzullo
McCandless
McCollum
McCrery
McCurdy
McDade
McHugh
McInnis
McKeon
McMillan
Mica
Michel
Miller (FL)
Molinari
Moorhead
Myers
Nussle
Orton
Oxley
Packard
Paxon
Petri
Pombo
Pomeroy
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Regula
Ridge
Roberts
Rogers
Rohrabacher
Roth
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stenholm
Strickland
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Wolf
Young (AK)
Young (FL)
Zeliff

NOES—253

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bishop
Boehlert
Bonior
Borski
Boucher
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
de Lugo (VI)
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Durbin
Edwards (CA)
Ehlers
Engel
English
Eshoo
Evans
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Green
Greenwood
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hefner
Hilliard

Hinchey
Hoagland
Hochbrueckner
Hoyer
Hughes
Hutto
Inslee
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Klug
Kopetski
Kreidler
LaFalce
Lancaster
Lantos
LaRocco
Lazio
Leach
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Mazzoli
McCloskey
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price (NC)
Rahall
Ravenel
Reed
Reynolds
Richardson
Roemer
Romero-Barcelo (PR)
Rose
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shays
Shepherd
Sisisky
Skaggs
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Spratt
Stark
Studds
Swett
Swift
Synar
Taylor (MS)
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Zimmer

NOT VOTING—16

Blackwell
Frost
Gallo
Gingrich
Grams
Matsui
Norton (DC)
Pelosi
Rangel
Ros-Lehtinen
Rostenkowski
Slattery
Stokes
Sundquist
Thompson
Washington

□ 1616

The Clerk announced the following pair:

On this vote:

Mr. Grams for, with Mr. Rangel against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. NORTON. Mr. Chairman, I rise to indicate that I was unavoidably detained at the Federal District Court here where a new Federal District Court judge was being sworn in while Amendment No. 4, the Pombo amendment, was being voted on. Had I been here, I would have voted "no."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCNULTY) having assumed the chair, Mr. LANCASTER, Chairman 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. 2866) to provide for the sound management and protection of Redwood forest areas in Humboldt County, CA, by adding certain lands and waters to the Six Rivers National Forest and by including a portion of such lands in the national wilderness preservation system, pursuant to House Resolution 536, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. LEWIS of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 288, noes 133, not voting 13, as follows:

[Roll No. 433]

AYES—288

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Bateman
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bishop
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Ehlers
Engel
English
Eshoo
Evans
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Glickman
Gonzalez
Gordon
Goss
Grandy
Green
Greenwood
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastert
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Horn
Hoyer
Hughes
Hutto
Inslee
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kingston
Kleczka
Klein
Klink
Klug
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Lazio
Leach
Levin
Lewis (GA)
Lipinski
Long
Lowey
Machtley
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roemer
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schenk
Schiff
Schroeder
Schumer
Scott
Serrano
Sharp
Shaw
Shays
Shepherd
Sisisky
Skaggs
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Spence
Spratt
Stark
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Tejeda
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Walsh
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zimmer

NOES—133

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bentley
Bilirakis
Bliley
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cox
Crane
Crapo
Cunningham
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Emerson
Everett
Fowler
Gallegly
Gekas
Goodlatte
Goodling
Grams
Gunderson
Hall (TX)
Hancock
Hansen
Hefley
Herger
Hobson
Hoekstra
Hoke
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Johnson, Sam
Kasich
Kim
King
Knollenberg
Kolbe
Kyl
Laughlin
Lehman
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Livingston
Lloyd
Lucas
Manzullo
McCandless
McCollum
McCrery
McHugh
McInnis
McKeon
McMillan
Mica
Michel
Miller (FL)
Molinari
Moorhead
Myers
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Roberts
Rogers
Rohrabacher
Roth
Royce
Schaefer
Sensenbrenner
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Solomon
Stearns
Stenholm
Stump
Talent
Taylor (NC)
Thomas (CA)

Thomas (WY)	Walker	Zeliff
Upton	Wolf	
Vucanovich	Young (AK)	

NOT VOTING—13

Blackwell	Rangel	Sundquist
Frost	Ros-Lehtinen	Thompson
Gallo	Rose	Washington
Gilman	Rostenkowski	
Gingrich	Slattery	

□ 1638

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 2866, HEADWATERS FOREST ACT

MR. DE LA GARZA. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 2866, the Clerk be authorized to correct the table of contents, section numbers, punctuation, citations, and cross references and to make such other technical and conforming changes as may be necessary to reflect to reflect the actions of the House in amending the bill.

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

There was no objection.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2866, the bill just passed.

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

There was no objection.

PERMISSION TO FILE SUPPLEMENTAL REPORT TO H.R. 3171, DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may be permitted to file a supplemental report to the bill (H.R. 3171) to authorize the Secretary of Agriculture to reorganize the Department of Agriculture, and for other purposes.

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

There was no objection.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4539, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1995

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103–736) on the resolution (H.Res. 537) waiving points of order against the conference report to accompany the bill (H.R. 4539) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1995, and for other purposes, which was referred to the House Calendar and ordered to be printed.

VACATING OF SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent to vacate the 5-minute special order for today granted to the gentleman from Indiana [Mr. BURTON].

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

There was no objection.

MINORITY WHIP BLACKMAILING PRESIDENT

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

Mr. DEFAZIO. Mr. Speaker, today, page A21, Washington Post, "Clinton Warned on Trade Measure." "House Minority Whip Gingrich said he told Clinton, you have a chance to get GATT, you have no chance to get health care, you need to choose what you want to get done."

So now we have lowered ourselves, or the minority, to blackmailing the President of the United States and saying if you go forward with health care, we will kill GATT.

Now, either you think GATT is good, or you do not. I do not. I think it is a big loser for the American economy, for working people in America, and for American sovereignty, and I am against it. And I think we need to improve the system of health care in this country. But it is pretty hard for me to see how the minority whip can say, "I am going to kill GATT if you try and do something on health care."

Now, either he believes in GATT, or he does not. One or the other. Or is he using it to blackmail the President of the United States for his own gain?

Mr. Speaker, the Washington Post article is included for the RECORD.

[From the Washington Post, Sept. 21, 1994]

CLINTON WARNED ON TRADE MEASURE

(By Dana Priest)

Republican House and Senate leaders told President Clinton yesterday that trying to pass a last-minute health care bill would create what one called "a partisan reaction" in Congress and kill Republican support for the General Agreement on Tariffs and Trade (GATT) legislation.

"I suggested strongly they could not pass a health bill in the House, but [they] have the opportunity to pass GATT. If they pursued health care much longer, they would kill both," House Minority Whip Newt Gingrich (R-Ga.) said he told Clinton at a White House meeting with congressional leaders.

The Gingrich remarks came as 45 groups and other prominent supporters of comprehensive health care reform asked Senate Majority Leader George J. Mitchell (D-Maine) to abandon efforts to pass a modest reform bill this year because it "represents a step backwards for our members."

Mitchell said he would begin polling members to "evaluate the impact" of the Republican statements and the letter on any bill's prospects. "They make an already difficult task even more difficult," Mitchell said.

But even the authors of the modest bill being written by a "mainstream" bipartisan Senate group says it has virtually no chance of passing the Senate and House before this session's scheduled mid-October adjournment.

Rep. John D. Dingell (D-Mich.), chairman of the House Energy and Commerce Committee, wrote to Clinton urging him to "give health care a decent burial. . . . It is time for us to accept the fact that the health insurance industry, an assortment of small and large freeloaders, ideologues and their allies in the Congress have succeeded in their goal: preserving a status quo in which they prosper while millions of Americans suffer."

The 45 groups that signed the letter to Mitchell said "it would be a grave mistake to bow to last minute pressure to pass any 'mainstream' health care legislation that is both unworkable and destined to cause real harm to millions of Americans."

The letter was signed by several unions, consumer groups, medical associations, senior citizen and church organizations including Citizen Action, Consumer Unions, the American Association of Retired Persons and the Unitarian Universalist Association.

At the White House meeting with leaders of both parties, Gingrich said, he told Clinton, "You have a chance to get GATT, you have no chance to get health care, you need to choose what you want to get done." Trying to pass health care "would create a partisan reaction" in the House that would spill over to GATT, he said.

Asked whether his party would consider supporting even a modest health bill, Gingrich responded: "They are not going to get [Republican] cooperation. We don't want to participate in writing a 1,100-page bill at the last minute."

House Majority Whip David E. Bonior (D-Mich.), who has supported the administration's push for comprehensive health care reform and also attended the White House meeting, said Gingrich and Senate Minority Leader Robert J. Dole (R-Kan.) told Clinton, "That's the choice you have, health care or this GATT agreement. . . . I was taken aback by the fact they were so blatant about it."

Bonior said Vice President Gore then "expressed the need to do GATT, why it was so important." Gore, he added, "spoke in defense of GATT, as opposed to health care."

Mitchell, who took himself out of contention for the Supreme Court to help Clinton pass an insurance-for-all health care bill, has been trying to reach agreement with the mainstream group on a package of insurance market reforms and insurance subsidies for low-income people.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, and

under a previous order of the House, the following Members will be recognized for 5 minutes each.

DAY THREE OF THE UNITED STATES OCCUPATION OF HAITI

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

Mr. GOSS. Mr. Speaker, September 21, 1994, day three of the United States occupation of Haiti. With each day that passes it is becoming clearer that the administration does not know quite what to do with the country they have occupied and none of the parties involved know what to do with the agreement that was signed on their behalf by Emile Jonassaint and Jimmy Carter on Sunday. Aristide will not publicly support the agreement because the military leadership does not have to physically leave Haiti. The Haitian military leaders will not leave their country period and have said they won't step down unless the Parliament passes an amnesty law. The Parliament hopes to pass an amnesty law but fears that they cannot get it past the Aristide supporters in the Haitian Senate. Haitians are beginning to wonder if the agreement meant anything at all because the United States has not acted to lift the embargo and sanctions, ostensibly because of the United Nations position. While all of the involved parties go about the business of trying to figure out what it all means to them, American soldiers are still on the ground in Haiti with no orders to intervene in Haitian-to-Haitian unrest, no mission objective and no idea of when they will be allowed to go home.

Someone down at the White House better start thinking about the question so many of us asked over the last few months before events move too far to capitalize on the agreement made this past Sunday:

How do you move from intervention in Haiti to democracy in Haiti?

This noon I had a phone conversation with several members of the Haitian Chamber of Deputies in Haiti that I believe offers some hope for the future of Haiti. There is a group of 48 members in the Chamber of Deputies who months ago issued an invitation to both the House and the Senate to exchange delegations for discussion about a peaceful resolution to the situation in Haiti. They are still there and are still hard at work trying to right what's wrong with their country. If I were to offer any advice for the White House, I would say: Start talking to these people now. The parliamentarians are on the right track and have begun drawing together different segments of Haitians society—members of the Haitian Parliament, the churches and the business sector to build what they call the "the grand national consensus." Their aim is to balance the factions in Haiti concentrating on the center rather than on the two extremes of the military junta and the Aristide camp. Their efforts are based on the assumption that if there is to be any lasting change in Haiti, no one faction can have it all their own way. As Lawrence Pezzullo, former special adviser on Haiti, wrote today in a column in the New York Times:

> The Haitian constitution of 1987, which balances executive power with parliament's—essential in a country with a long history of abusive strongment—requires that the President build a working majority in the legislature. It was precisely father Aristide's estrangement from the elected Parliament, coupled with his chilly relationship with business leaders and the military that led to his overthrow in 1991 without a broader governing coalition and an operating majority in the Parliament, Father Aristide could face a repetition of the conflict that turned violent in 1991.

Only this time, American soldiers will be right in the thick of it. While American policy has tended to deal purely with the good guy-bad guy, Aristide-Cedras comparison, the time has come to examine what lies between these two extremes—a group of Haitians who simply want to bring long-term peace and prosperity to their beleaguered nation and are asking for our help in doing so.

As we have long said, there is a better way than the Clinton administration's policy in Haiti, and it is long overdue, but it is not too late to pursue it. We need to stop the embargo, as we have now promised we will do. We need to bring home the troops that are down there in an extra-hazardous situation for no apparent gain, or certainly for no justification, of the national security of our country. And we need to follow up on the gains that former President Carter, General Powell, and Senator NUNN meant by opening the door with negotiations.

When the President of the United States told the people of the United States last Thursday night that all efforts, all options, all possibilities, had been exhausted, that the only chance was invasion, he was clearly wrong. It is now time to admit it and get on with the negotiating with the people in an atmosphere that has been fighting us to do that. It is the right way. It is not too late yet, but we need to do it now.

□ 1650

ASK CONGRESSMAN LONG

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, it is with sadness that I report to this body the death of my predecessor in the Maryland's 2d Congressional District seat, former Congressman Clarence Long. For 22 years, he served the people of Maryland's second district with respect and with dignity. When I ran for Doc Long's seat, my first promise was to continue the remarkable record of constituent service he had established.

This was not an easy task. After all, this was the man with the slogan, "If anything goes wrong, call Congressman Long."

This was the man who promised to "See anybody who is sober and not carrying a gun twice a day, at 11:45 a.m. or 4:45 p.m." And Congressman Long's office on wheels was a familiar sight in the district on Saturdays.

Even though I have held this seat for 10 years, my Towson office to this day receives an occasional call from constituents who remind us that Congressman Long helped them with a Social Security problem, or fixed a pothole on their street.

One of my more colorful encounters with a Doc Long constituent occurred during a phone call from a gentleman who insisted that my office track down the name of a company in Wyoming that sold buffalo jerky—beef jerky just wouldn't do—after all he said, when he was hunting for special radishes, he called Congressman Long, and the Congressman not only ordered the radishes for him, but even came over to his house to help him plant them when they came in. With the help from the Wyoming Congressman, we found the man's buffalo jerky. However, I did not offer to hunt the buffalo.

Congressman Long was a veteran of World War II, serving as a Lieutenant in the Navy. It was at the end of his service that he and his wife, Susanna, moved to Baltimore.

Clarence Long was an economics professor at Johns Hopkins University when he first won his seat in the House of Representatives in 1962. It was his Ph.D. that earned him the nickname of Doc Long.

Congressman Long rose to the chairmanship of the Foreign Appropriations Subcommittee of the House Appropriations Committee. He was proud of his stance against the Vietnam War and against committing American troops to El Salvador.

He was a man who had a reputation of voting his conscience. Questioned by one of his colleagues about whether or not a certain vote may hurt him politically, Congressman Long replied, "If you can't do what you believe in, you don't belong in Congress."

As one of my fellow Members of the Maryland delegation has commented, Doc Long, "came riding into politics as a white knight riding on his Ph.D., challenging the machine." He rarely suffered from any delusions of grandeur.

When asked about the stardom that accompanies the office, Clarence Long said:

Take a watch in one hand and dip the other in water. Withdraw your hand from the water and count the number of seconds until the place it occupied disappears. That's how long you will be missed after you leave public office.

Clarence Long underestimated his service.

Congressman Long will be remembered by those he represented and I am proud to have succeeded him.

My promise to my constituents in Maryland's second district is that their next congressman will have the foundation to continue the excellent constituent service that 32 years of a Long-Bentley tradition has provided.

The family will receive visitors at 6 p.m. Thursday at the Towson Presbyterian Church with a memorial service following at 7 p.m.

PLO-ISRAEL PEACE ACCORD: ONE YEAR LATER

The SPEAKER pro tempore (Mr. STUPAK). Under the Speaker's announced policy of February 11 and June 10, 1994, the gentleman from California [Mr. BERMAN] will be recognized for 60 minutes as the designee of the majority leader.

Mr. BERMAN. Mr. Speaker, I rise today to commemorate the first anniversary of the signing of the Israel-PLO Peace Accord last September 13 on the White House lawn.

This has been a dramatic, difficult, but on the whole, very positive year. The peace process between Israel and her Arab neighbors, especially Palestinians, has become institutionalized in a way that I believe is all but irreversible. There has been an historic sea change in the way in which the two peoples regard each other and the nature of the conflict.

I also want to point out that this has been an equally dramatic and historic year for the diaspora communities—Jewish and Arab—who have worked together to demonstrate and build support for the peace process.

Organizations such as the American Israel Public Affairs Committee, Americans for Peace Now, the National Association of Arab Americans, and the American Muslim Public Affairs Council are ensuring that the constituency for peace and reconciliation strengthens and grows. At the same time, new organizations—like Builders for Peace—are working to ensure that peace becomes a reality and provides tangible benefits on the ground.

It is truly remarkable to see how quickly that which would have been inconceivable less than 2 years ago has become simply routine.

Two years ago, peace and integration into the Middle East seemed a distant dream for most Israelis. Now, Israelis and Arabs meet all the time, formally and informally, in the region and around the world.

Two years ago it was a crime for any Israeli to meet the PLO officials. Now Israeli Ministers' meetings with Chairman Arafat rate one paragraph articles on page seven of Israeli newspapers.

Two years ago the notion of Israeli officials landing in official Israeli aircraft in Arab States would have seemed unthinkable; today, Israeli officials travel publicly to Arab States, and no one blinks.

What have we accomplished on the ground in 1 short year?

Israelis and Palestinians have implemented the autonomy agreement in Jericho and Gaza.

A Palestinian authority has been established, a police force trained and put into operation.

Early empowerment has been accomplished for a number of issues in areas outside the autonomous zones.

Methods to assure transparency and accountability in international donations to be given to the Palestinian authority are almost finalized, paving the way for the flow of assistance to begin in earnest.

On the wider peace front, Jordan and Israel have officially ended the state of war between them. Jordanian aircraft now fly over Israeli airspace, the two countries have opened up border crossing points for the free flow of third country tourism, and a final peace treaty is thought to be only months away from completion.

Israel, the Palestinians, and a dozen Arab States meet routinely—and do so in the region—on such regional issues as security and arms control and the environment, adopting joint measures and common regional approaches.

While progress has been slower on the Syrian-Lebanese tracks, even here at least the sides are on the same negotiating field, and the contours of a settlement are taking shape.

In short, for both Israelis and the Palestinians, life in the region is becoming normalized. Perhaps, most encouraging, even though international assistance has flowed more slowly than we might have wished, Palestinians on the ground have not yet lost their sense of optimism and belief in the process.

Arabs and Israelis increasingly regard each other as neighbors and not as adversaries. This accomplishment cannot be overstated; it is of fundamental and overriding importance and underlies both the tremendous progress that has been made already and the optimism we share that the remaining problems are not beyond the scope of settlement.

We should not shy away from the fact that there are some key problems that will require great skill to resolve. These include the willingness and ability of the Palestinian Authority to implement and operate a tax collection system, including property taxes.

At the same time, particularly in Gaza, there is up to 50 percent unemployment, aggravated by the inability of Palestinians to work, in large numbers, in the Gulf States and Israel.

There is still a major problem with the consolidation of democracy, press freedom, and the rule of law. Ultimately, it is for the Palestinians to resolve the tensions that exist between certain elements of the previously Tunis-based PLO leadership and those Palestinians who reside in the territories and who are perhaps more familiar with Israeli style pluralism and democracy. A key goal of U.S. assistance is to assist those many grassroots, civic, human rights, and political organizations working to create an accountable democracy.

I am particularly disturbed by recent curbs on press freedom. Last month Chairman Arafat banned the Al-Nahar newspaper because of his objections to its coverage of the Jordan-Israel pact. The paper was allowed to resume publication only after the publisher agreed to commit himself to the national line and Arafat's media spokesman issued an edict saying the press "should not be against the interests and security of the Palestinian people."

Underlying all of this is the urgent need to develop a constitutional and uniform legal code for the Palestinian Authority. Currently, law enforcement is conducted through a hodgepodge of British mandate, Ottoman, Egyptian, Jordanian, and Israeli military law and regulation. Resolving this problem is particularly important as we meet requests to fund and strengthen the police forces. Investors, too, require an enforceable system of civil and commercial law in order to conduct business transactions.

These, of course, are short-term problems that need immediate attention. Ahead lie the final status issues concerning Jerusalem and the ultimate resolution of Palestinian political identity. Both sides, of course, will be influenced in determining their attitudes to these questions by the actions of the other and the willingness of both to keep to the letter and spirit of their agreements.

I am particularly proud of the role the United States is playing in making the peace process work. We have provided both the essential political and substantive support necessary to permit the progress that has been made so far and to sustain the process over the longer term. On the ground, U.S. funds are already being used to build hundreds of new housing units, conduct health programs, provide small business support, and fund a whole range of private voluntary organizations.

And here at home, Americans of diverse backgrounds, whose previous relations have mirrored the conflict in the Middle East, now join in common cause to support and promote peace.

Mr. Speaker, I am pleased that so many of our colleagues are joining

with us today to commemorate this truly historic event. Let us renew our commitment to work to ensure the success of all that has been achieved this year and signal American readiness to play a constructive and positive role in the pursuit of a comprehensive, secure, and just peace agreement between Israel and all her neighbors.

Mr. WHEAT. Mr. Speaker, I rise to join my colleagues in recognizing the historic accords—the Declaration of Principles [DoP]—signed one year ago by Israel and the Palestine Liberation Organization [PLO].

All of us remember that promising September afternoon on the White House lawn as the groundwork for peace was laid. In an image that many of us believed we would never see, a message of hope for lasting peace in the Middle East was broadcast around the globe.

Over the course of the last year, additional agreements have been reached building upon the framework of the DoP, troops have been withdrawn from the Gaza Strip and Jericho, the Palestinian Authority has been established, and Jordan has finally ended its state of war with Israel and moved down the path of peace.

Much has been achieved in the last year, but much more remains to be done.

Terrorism in the region continues. Israel and Syria have not yet made peace.

And the Arab League boycott continues in defiance of all the progress that has been made. We must continually remind those seeking to make peace with Israel that public talk of partnership and dialogu has a hollow ring as long as those same nations maintain the Arab Boycott.

The boycott remains an affront to the peace process and it must end. And I will continue to work with my colleagues toward that goal.

Mr. Speaker, as we enter the second year of the DoP, it is imperative that the United States remain vigilant in the cause of peace.

We must maintain our role as a facilitator, not an imposer, of peace. Peace, after all, cannot be dictated from the outside, it can only come from the parties themselves. We must also maintain our support to those truly committed to peace.

Mr. Speaker, I represent the congressional district of Harry Truman. It was President Truman who recognized the State of Israel moments after it was established. Since that time, the United States has not wavered in its commitment to the peace and security of the State of Israel.

Israel is our strategic partner in one of the world's most unstable and turbulent regions. And it is our ally in democracy.

As we work with the people of the region to help move the Middle East peace process forward, we must also continue to preserve the United States-Israel alliance and ensure the security of Israel.

A lasting peace in the Middle East is clearly in American strategic and economic interests. As we build upon the foundation laid last year, I will continue to support efforts toward that long-sought goal.

Mr. ACKERMAN. Mr. Speaker, I rise today to honor the 1-year anniversary of the historic signing of the Declarations of Principles by Israel and the Palestinian Liberation Organization.

Based on the Declaration, and despite problems, the Israeli-Palestinian peace has flourished over the past year. Israel and the Palestinians have signed an agreement that has given the Palestinians self-rule in the Gaza Strip and Jericho. Many aspects of daily governance in the West Bank and Gaza have been, or are in the process of being transferred to the Palestinians.

More than just facilitating the peace between Israel and the Palestinians, the Declaration of Principles has led to the normalization of relations between Israel and Jordan. A 46-year-old Jordanian declaration of war on the Israeli State has now assumed its rightful place in the history books. Joint projects between Israel and Jordan are underway—hopefully signalling the beginning of peaceful, neighborly relations.

Mr. Speaker, certainly all is not settled in the Mid-East. The Palestinian authorities have not adequately controlled terrorism. Israel and Syria have not yet reached a peace agreement. The Arab League boycott on Israel is still in place—violating universal principles of free trade. The boycott harms the Israeli economy as well as the fledgling Palestinian economy. Mr. Speaker, all that having been said, I urge all my colleagues to join me as I honor the anniversary of the historic declaration that has changed the course of history in the Middle East forever.

Mr. LANTOS. Mr. Speaker, let me first of all commend my distinguished colleague from my home State of California, Mr. BERMAN, for calling this special order. Congressman BERMAN is one of the finest, most energetic and intelligent Members of the Congress, and his leadership in marking this important anniversary is only one of the examples of his enlightened and far-sighted leadership.

I wish to commend the State of Israel and Prime Minister Rabin and Foreign Minister Peres and the moderate leadership of the Palestine Liberation Organization for the great strides toward peace made in the year since their courageous signing of the Declaration of Principles here in Washington last September. In the past year, the world has witnessed massive fissures in the once solid wall of hatred and mistrust between Arabs and Israelis. Israel and the PLO have reached additional agreements based on the Declaration of Principles, Jordan declared an end to its 46-year state of war with Israel, and the Jewish State has achieved unprecedented levels of international recognition.

Nevertheless, neither the parties to peace nor their friends and allies can rest while several difficult obstacles remain. Chief among the obstacles to peace has been the failure of the Palestinian Authority to halt terror attacks against Israelis by extremist Palestinians within the self-rule areas of Gaza and Jericho. We must call upon Chairman Arafat to carry through on his express promise to stop the terrorism in exchange for further progress in the peace process.

We must stand firm on the principle of a united Jerusalem. Although the Declaration of Principles specifically leaves discussion of the final status of Jerusalem for negotiations to begin in 1996, recent actions by the PLO in Jerusalem have threatened to undermine the delicate formula for negotiations set forth in that document. We must oppose any actions which threaten the peace process or undermine Israel's sovereignty over Jerusalem.

Finally, we must press for an end to the Arab League boycott of Israel. This most tangible and offensive symbol of war has no place in the new environment of peace and negotiation. The boycott, in its secondary and tertiary forms, causes significant hardship to United States and international companies that wish to do business with Israel. This is not only a clear violation of principles of free trade, but it is also unjustified and mean-spirited. I call upon my colleagues to reaffirm the Congress' disgust for this policy and call for its end during the opening of the 49th session of the U.N. General Assembly.

Mr. Speaker, the benefits of peace are too great to be listed. Even the most obvious gains in socio-economic development for Arabs and Israelis promised by peace pale in comparison to the opportunity for children to grow up free of the ever-present danger of terrorism and war. The PLO, Jordan, and Israel all deserve our praise for the great leaps forward taken this past year. We should temper our praise, however, with caution. The PLO must still prove that it can control the extremists in its midst and we must still wait for other hostile states to join the process and make the peace a comprehensive one.

Mr. TAYLOR of North Carolina. Mr. Speaker, I rise to honor the first anniversary of the signing of a Declaration of Principles for the conclusion of the Israeli-Palestinian conflict between Israeli Prime Minister Yitzhak Rabin and Chairman Yasser Arafat of the Palestine Liberation Organization. Since that historic event we have seen a slow growth in structures of stability and peace in the Middle East.

Israel has been recognized by 20 nations and Israeli emissaries have journeyed to such previously forbidden places as Morocco, Tunisia, Oman, and Qatar. Since the signing of the Gaza-Jericho agreement on May 4, 1994, Israeli security forces have departed the Gaza Strip and Jericho and their place has been taken by Palestinian security forces. Relations with Jordan have dramatically improved as the two nations in July 1994 agreed to end their 46-year state of war, an event marked by a joint address to this House by Prime Minister Rabin and King Hussein. Syria has become increasingly isolated and as a result is now seeking, in a more serious way, discussions on resolving its disputes with Israel, particularly the question of the Golan Heights.

A number of problems remain. Palestinian authorities have not always prosecuted individuals accused of terrorist acts with sufficient vigor and have shown an unwillingness to take strong actions against Hamas, which totally rejects the peace process. Syria, despite its weakened influence, has succeeded in holding together the Arab boycott against Israel. Iraq, Iran, and Sudan continue to do all they can to disrupt the peace process. However, among the nations in the vicinity of Israel, there is a new interest in making progress in resolving old conflicts.

In the coming year I hope we can improve the security situation in the areas turned over to Palestinian control. Prime Minister Rabin recently proposed a partial pullback of Israeli forces on the Golan Heights and I hope Syria

will respond in a constructive fashion. The end of the cold war has removed from the scene the superpower sponsor of those in the Arab world who wish to remain intransigent. With this disruptive force removed from the scene it has been possible to make progress which was unthinkable before. I am hopeful that progress toward a stable structure of peace in the Middle East will continue to be made in the coming year.

Mr. SWETT. Mr. Speaker, just over 1 year ago, PLO Chairman Yasser Arafat sent a letter to Israeli Prime Minister Yitzhak Rabin stating that the PLO recognizes the right of Israel to exist in peace and security. Chairman Arafat vowed that the PLO would renounce the use of terrorism and would work with Israel toward a peaceful resolution of conflicts.

This historic PLO recognition of the State of Israel led to the emotional ceremony on the White House lawn when Chairman Arafat and Prime Minister Rabin joined together to sign the Israel-PLO Declaration of Principles. In taking this courageous step, Rabin and Arafat brought hope to the troubled Middle East region. In the months that have followed, Jordan has declared an end to its 46-year state of war with Israel and Syria has entered into broad negotiations with Israel.

As Americans, we have a tremendous national interest in stability in the Middle East. It is my hope that a sustainable environment of peace and economic cooperation in this region rule out the future necessity for U.S. military action in the Middle East, like that our Nation undertook in the gulf war.

The United States must continue to emphasize in words and action our unshakable commitment to the one true democracy in the Middle East—the State of Israel. Over the years, Israel has proven to be a constant and valuable ally. This nation, which was founded almost half a century ago, has maintained essential democratic freedom for its people and has sought economic opportunity for all its citizens.

It is gratifying, indeed, to see Arab States ending decades of hostility against Israel. Peace should bring greater economic cooperation between Arab States and Israel, which should, in turn, bring a better quality of life to the people of these Arab nations.

In order to promote lasting peace in the Middle East, nations must be held accountable for the agreements they sign. I have considerable concern about the PLO's failure over the last year to adequately comply with its pledge to combat terrorism, investigate terrorist incidents, and prosecute those who carry out these acts. Terrorism in the Middle East and around the world is a threat to all Americans. The United States should join with other democratic nations to see that those who commit acts of terrorism are identified and prosecuted.

Mr. Speaker, the United States must also work to end the Arab League economic boycott of Israel that continues to be used as a tool of economic warfare. The related secondary and tertiary boycotts, which act as a barrier to United States exports, have substantially hurt American companies that do business with Israel. A continued boycott undermines peace efforts and contradicts the principle of free trade. Ultimately, the boycott threatens to hurt the citizens of Arab nations who so desperately need expanded economic opportunity.

The United States should withhold most favored nation trade status from those countries that participate or cooperate in the Arab League economic boycott of Israel. True peace in the Middle East can only be established and endure if there is economic cooperation in the region.

The United States can promote sustained peace and economic vitality in the Middle East by supporting those nations that do move forward in the peace process. I, along with many of my colleagues, have urged President Clinton to expand the United States-Israel Free Trade Area Agreement to include countries that reach comprehensive peace agreements with Israel.

Furthermore, the United States must stand by Israel in asserting that Jerusalem is the capital of the State of Israel and of the State of Israel only.

In closing, Mr. Speaker, I urge my colleagues to remember this first anniversary of the PLO-Israel accord. I strongly support the United States' role in fostering peace in the Middle East, and I applaud those leaders who have taken bold steps to accomplish peace in this region.

Mr. GILMAN. Mr. Speaker, I want to take this opportunity to thank Representative BERMAN for arranging today's special order, so that Members may acknowledge the anniversary of the signing of the Declaration of Principles between Israel and the Palestine Liberation Organization. Much has happened since that historic document was signed 1 year ago, and much remains to be agreed to before one can say that peace has been firmly implanted in the region. Despite the difficulties, Israel is to be commended for its perseverance and the many risks it has taken in an effort to achieve peace in the Middle East.

Since the initiation of the Middle East Peace Talks at the Madrid Conference in October 1991, more than 54 countries have established or renewed diplomatic relations with the State of Israel. Of those, 20 have done so since the signing of the Declaration of Principles, most recently, Ghana. Israel now maintains diplomatic relations with 146 countries.

The signing and implementation of the Declaration of Principles also set the stage for an end to the state of war between Israel and the Hashemite Kingdom of Jordan, culminating in the watershed Washington Declaration, which brought both Prime Minister Rabin and King Hussein to this very Chamber. Their heartfelt words were most convincing, and an indicator of the peaceful future bilateral cooperation we all envision. The swift opening of a border crossing station is just the beginning of what we believe will be a most mutually beneficial bilateral relationship.

Yet the Palestinian/Israel track of the peace process is still cause for much concern and consternation. Since the signing of the Declaration of Principles, over 60 innocent Israelis have died at the hands of Palestinian terrorists. The Palestinian police were to investigate terror incidents, combat terrorism, and prosecute terrorists, but to date, that commitment appears to be rather hollow. Illegal weapons remain in the hands of unauthorized individuals throughout the autonomous areas, yet the Palestinian police force has not confiscated them.

PLO Chairman Yasir Arafat committed himself to a great deal a year ago. Regrettably, he has not lived up to most of his commitments. The PLO charter remains in tact, replete with its vitriolic attacks against Israel. Arafat also verbally dedicated himself to a "jihad to liberate Jerusalem". The result is an effort by the Palestinians to expand their sphere of influence in Jerusalem, Israel's eternal capital. Such belligerence does not advance the peace process, and only serves to endanger it.

Mr. Speaker, 1 year ago we were witnesses to a bizarre, yet historic event. One year later I wish to once again commend Prime Minister Rabin and the people of Israel for their courage in the face of adversity, and for their ongoing dedication to peaceful coexistence.

Mr. PALLONE. Mr. Speaker, I would like to join my colleagues in paying tribute to the historic peace accord that was signed by Israel and the PLO 1 year ago today.

Before that day, few people dared to hope that we would celebrate a peace agreement between Israel and the PLO. The image of PLO leader Yassir Arafat shaking hands with the Israeli Prime Minister was one few thought that they would ever see. Since that day, we have been given a reason to believe that a real, lasting peace in the Middle East can be achieved.

During the first year of this new era, the steps toward peace have been significant, but have not come easily. We have witnessed the beginning of Palestinian self-rule in Gaza. Yet, implementing the details of the accord has proven to be a task that requires tremendous patience. We have seen the momentum for peace bring an end to the 46-year state of war between Israel and Jordan. Yet, terrorists greeted this occasion with acts of violence against innocent people on three continents. This year has brought new hope for Israeli-Syrian peace. Yet, progress has been slow and we still do not have an agreement.

In spite of the difficulties that we have seen this year, we have been assured that the course we are on toward peace is certain and sure. The acts of terrorism and tragic killings that have plagued the process have not curbed the resolve of those who want peace. We will see that those who oppose peace will not be able to frustrate the process.

There is much that we can do here to encourage the peace process. We must continue to provide aid to Israel and ensure its security as the process continues. We must continue to condemn terrorism and ensure that no nation gives support to terrorists who seek a return to the days before peace. We must continue to work toward bringing an end to the Arab boycott and help Israel and its neighbors to become economic partners as well as partners in peace.

On the second anniversary of the peace accord I hope to come before this body and talk with pride about a smooth transition on the Palestinian tract, a peace agreement with Syria, and an end to terrorism in the region. I am committed to United States support of the peace process and will continue to help Israel and its neighbors achieve peace.

Mr. WAXMAN. Mr. Speaker, 1 year ago last week, Israeli Prime Minister Yitzhak Rabin and PLO Chairman Yasser Arafat signed the historic Declaration of Principles [DOP] on the White House lawn, thereby creating the foundation for peace in the Middle East. Since that time, the PLO and Israel have moved forward in their peace negotiations, and Jordan has become the second Middle Eastern country to end its state of war with Israel and move towards a peace agreement.

I want to praise President Clinton, Israeli Prime Minister Yitzhak Rabin, and Foreign Minister Shimon Peres for their visionary efforts to extend the PLO-Israeli agreement to other countries in the Middle East. We have made real progress, but only when all countries in the Middle East end their economic and political boycott of Israel, will the Middle East see a real, comprehensive peace.

Mr. Speaker, I hope 1 year from now we will have reached that real, comprehensive peace, and I again commend all who have brought us so far, so quickly.

Ms. MARGOLIES–MEZVINSKY. Mr. Speaker, while the country's and the media's attention remains focused on the United States' Military presence in the Caribbean, I would like to take a moment to remind the Nation that this week marks the 1-year anniversary of the signing of the Declaration of Principles. This contract between the PLO and Israel promises a new era of hope in the Middle East. Since last September, we have witnessed momentous progress, yet we recognize the long road ahead. As we embark on a second year of negotiations, it is imperative that both parties maintain their commitment to peace in compliance with the Declaration of Principles.

Since the September signing, Israel has withdrawn from the Gaza Strip and Jericho in accordance with the spirit of the Declaration of Principles. The Israeli Government and Palestinian Authority are moving towards the transfer of power throughout the West Bank. This unparalleled cooperation between former enemies provided the impetus for a long-awaited peace between Israel and Jordan.

The transition from hope to reality must be closely watched and guided as fundamental problems continue to threaten the negotiations. The Palestinian Authority has not done enough to stop terrorist factions like Hamas in the self-rule areas. Furthermore, the Arab League continues to boycott Israel and the companies that do business with her, serving as one of the last vestiges of the age of conflict in the region.

As negotiations proceed, it is paramount that we maintain our commitment to a united Jerusalem as the eternal capital of Israel. Any premature Palestinian discussion on the ultimate status of Jerusalem, as evidenced in Arafat's recent call for a "jihad to liberate Jerusalem," will not be tolerated.

My blessings and best wishes go out to those who helped make the signing of the Declaration of Principles 1 year ago a reality. I also commend the continued discourse between the Palestinian and Israeli people which seeks to fortify the road to peace. The anniversary of this milestone appropriately falls at the time of the Jewish New Year. As we embark on the Jewish year 5755, I look forward to a year filled with unprecedented progress leading us to our ultimate goal of peaceful coexistence.

Mr. BORSKI. Mr. Speaker, I rise today to commemorate the 1 year anniversary of the Declaration of Principles between Israel and the Palestinian Liberation Organization [PLO].

As you know, Mr. Speaker, on September 13, 1993, Israeli Prime Minister Yitzhak Rabin and PLO Chairman Yasser Arafat made history when they shook hands on the White House lawn and signed the Declaration of Principles. This dramatic day opened a new era of courage and cooperation in the Middle East.

One year later, Israel and the PLO have worked successfully to implement the Declaration of Principles, despite repeated attempts by extremists to derail the peace process. However, many challenges lie ahead between Israel and the PLO, and between Israel and her Arab neighbors. For this reason, it is more important than ever that the United States demonstrate its support for the peace process and those who are taking the risks to make it succeed.

A great deal has happened since that historic handshake last year. On May 4, Israel and the PLO signed a detailed agreement on self-rule in the Gaza Strip and Jericho. On May 18, Israel completed its withdrawal from the two areas. Soon after, the Palestinian police force assumed responsibility for these areas and a new Palestinian Authority was established to administer Palestinian self-government. On August 29, both parties agreed to transfer to the Palestinians the administration of education, tourism, taxation, health, and culture and social welfare in the rest of the West Bank.

In addition, on July 25, Prime Minister Rabin and Jordan's King Hussein signed the Washington Declaration to end Jordan's state of war with Israel and begin the normalization of relations between the two countries. Both countries also agreed to open borders, establish telephone links, and cooperate on crime prevention.

Despite the success and dramatic pace of peace implementation, there have been some setbacks. The PLO has fallen short on its pledge to combat terrorism in the self-rule areas and to investigate and prosecute those suspected of terrorist acts. Chairman Arafat has also made statements claiming PLO sovereignty over Jerusalem—even though he agreed in the Declaration of Principles that its status would not be discussed until 1996. Without the PLO's compliance to prevent the derailment of the peace process, the implementation of these agreements will be significantly difficult to achieve.

Mr. Speaker, some have suggested that peace has been achieved in the Middle East, and that our foreign aid to Israel is therefore no longer needed to maintain security and stability in the region. I believe that now more than ever our foreign aid—and our support for those who seek peace—is critical to keep the peace process moving forward. The Declaration of Principles represents a first step toward lasting peace. But the road ahead will be long and difficult.

While we have many challenges ahead, we must not lose sight of what has been done to achieve the historic breakthrough of September 13, 1993. Few believed we would ever reach this stage in the Middle East. I hope and believe the same breakthrough will be achieved between Israel and her Arab neighbors.

Mr. ZIMMER. Mr. Speaker, I want to thank my colleague, Mr. BERMAN, for arranging this special order today.

The signing of the Declaration of Principles on September 13, 1993, by Israel and the Palestine Liberation Organization was a historic occasion in Israeli-Palestinian relations and in the long quest for peace in the Middle East.

Since that signing, significant developments have occurred. On May 4, Israel and the PLO signed an agreement detailing Palestinian self-rule in the Gaza Strip and Jericho. On May 18, Israel completed its withdrawal from those areas and the Palestinian police force assumed responsibility for guaranteeing internal security and controlling terrorism there. Yasir Arafat then moved to Gaza and established the Palestinian Authority, the civil entity charged with Palestinian self-government. And on August 29, Israel and the PLO signed an agreement outlining the transfer of authority in areas such as education, tourism, taxation, health, and culture to the Palestinians in the rest of the West Bank.

Last year's Israel-PLO accord also set the stage for another historic milestone: On July 25, Jordan ended its 46-year state of war with Israel when the two countries signed the Washington Declaration here. That document has laid the foundation for normalization of relations between Israel and Jordan.

Mr. Speaker, these developments are significant and promising. But even as we recognize them today, we should be deeply mindful that the peace process that began with the 1993 accord remains fraught with peril.

For true peace to be created, the terrorism of Arab extremists must come to an end. The PLO formally pledged to fight terrorism in the self-rule areas and to prosecute those who perpetrate it. But that pledge has not been honored.

For true peace to be created, the Palestinian Covenant must be amended to recognize Israel's right to exist. That is fundamental. Yasir Arafat repeatedly has promised to convene the Palestine National Council so this change can be made. But that promise has not been fulfilled.

For true peace to be created, the Arab League also must end what remains the most tangible symbol of war against Israel—the illegal trade boycott against Israel. The boycott must be lifted, but it has not been.

For true peace to be created, the United States must remain steadfast in its support for Israel, politically, economically, and militarily. Israel's enemies finally agreed to negotiate peace with Israel only because they were convinced that violence would be unavailing. If we waver in our support for Israel, or pressure this ally to make concessions that imperil its security, we could kill the peace process.

Mr. Speaker, I commend the efforts that have been made in pursuit of peace in the Middle East. I strongly support those who have worked tirelessly to achieve peace. And I continue to pray that the commitments that have been made will be honored so that true peace can finally be realized.

Mr. HAMILTON. Mr. Speaker, the awkward handshake on the White House lawn between Israeli Prime Minister Rabin and PLO Chairman Arafat 1 year ago has not only endured—it has prevailed. A psychology of peace in the Middle East is slowly replacing a mindset of war. Israel is becoming an accepted part of the landscape; Israelis and Arabs are becoming partners.

Events unimaginable prior to the September 1993 Israeli-PLO Declaration of Principles are now taking place daily in the Middle East. Consider the following:

For the first time in their history, Palestinians are governing their own affairs. Palestinian police patrol the streets in Jericho and Gaza, where half of all residents in the territories live. The powers of a Palestinian authority are now expanding to include health, education, welfare, taxation, and tourism throughout the West Bank and Gaza. Children in the territories began the new school year in an entirely Palestinian-run education system.

Despite continuing incidents, including acts of terrorism abroad, overall security for Israelis and Palestinians is improving in Israel and the territories. Immediately following the withdrawal of the Israel Defense Forces from Gaza and Jericho last May, the number of terrorist attacks against Israelis declined 75 percent. Palestinians in Gaza and Jericho are free from confrontations with Israeli troops.

Jordan and Israel have achieved their own remarkable breakthrough, also marked by public reconciliation on the White House Lawn The two parties talk of partnership and business deals. A new border crossing between Aqaba and Eilat has opened, and joint economic and environmental projects are underway. Negotiators are pushing ahead on an overall Israeli-Jordanian peace treaty.

With little public fanfare, Arabs and Israelis are engaged in genuine problem-solving discussions on a whole range of issues affecting the region: economic development, water resources, the environment, refugees, and arms control. Israeli delegations have attended talks in countries previously closed to them—including Oman, Qatar, and Tunisa—evidence in itself of a new pattern of regional cooperation.

The peace process has enhanced Israel's international stature and legitimacy. Since last September, an additional 21 states have established diplomatic relations with Israel, including, most recently, Morocco.

The historic events are possible because the Israeli leaders like Yitzhak Rabin and Shimon Peres, and Arab leaders like Yasser Arafat, Jordan's King Hussein, and Morocco's King Hassan, have displayed the courage and vision necessary to break with a decades-long cycle of conflict.

The Clinton administration also has been wise in its energetic pursuit of a comprehensive peace in the Middle East. War in the Middle East is always possible, but each step toward peace makes it more remote. Peace pays its own dividend, and the investment of considerable time, resources, and diplomatic prestige remains in the U.S. national interest.

The job is, of course, unfinished. Continued United States involvement, and a renewed commitment to peace from both Israelis and Arabs is needed to meet the challenges ahead:

Syria and Israel need to begin serious bargaining on a peace treaty that includes normalized relations, Israeli withdrawal from the Golan Heights, and extensive security guarantees. Here the U.S. role is still central; as Secretary Christopher has demonstrated, the United States is the party that makes these talks happen, but it is up to the parties themselves, in direct talks, to take the toughest steps.

Israel and the Palestinians must work quickly to reach agreement on the expansion of Palestinian autonomy, the redeployment of Israeli troops throughout the West Bank, and the convening of Palestinian elections. Only then can they move on to the difficult final status issues of Jerusalem, refugees, and settlements.

The Palestinian Authority, and Chairman Arafat, must demonstrate that they can make the transition from revolution to governance. Security is the first key test. The Palestinian Authority must take all necessary steps to stop terrorism, and reassure the Israeli public of its commitment to prevent further violence. Israel, for its part must do more to reduce tensions between Palestinians and Israeli troops and to prevent settler violence.

Finally, members of the international community must make good on their pledges of assistance to the Palestinians in order to improve economic conditions in the West Bank and Gaza. They must also focus on assisting the Palestinians in building a democratic civil society, and conducting free and fair municipal elections and elections for a Palestinian self-governing council.

One year ago, Israeli and Palestinian leaders declared their intention to put aside decades of conflict and build a new future. The progress achieved since then means it is no longer fanciful to think of the Middle East at peace. A vision of the region's future can realistically include lasting peace, growing commerce, and emerging democracies.

Even through Arabs and Israelis are now talking face to face, the United States role remains crucial. American leadership is still needed to help sustain momentum toward peace. It will be needed to break deadlocks that no doubt occur. Good things are happening today in the Middle East, but if peace talks do not continue to move forward, they will move backward. With continued courage from Arab and Israeli leaders, strong American leadership, and the help of other nations, the Middle East can move closer in the next year to the elusive goal of a comprehensive peace.

Mr. KING. Mr. Speaker, I am proud to join with my colleagues today in making the 1 year anniversary of the signing of the Declaration of Principles by Israel and the Palestine Liberation Organization [PLO]. This historic step launched a year of dramatic development in the peace process in the Middle East.

The courageous commitment to peace made by both the Israelis and the Palestinians deserves the full support of the United States Government and the American people. The important steps taken by Prime Minister Yitzhak Rabin and Chairman Yassir Arafat last year, have set this long-troubled region on the road toward peace, self-determination, and security for all nations. Blessed indeed are the peacemakers.

Unfortunately, some problems remain in the Middle East that continue to threaten the road toward peace. As a member of the Congressional Peace Accord Monitoring Group, I am committed to do my utmost to help remove these stumbling blocks to peace.

Peace between Israel and Syria must be given top priority. Such an agreement is vital to further progress toward peace for all of the Middle East. However, the brutal dictator in Damascus will have to renounce his support for terrorism and recognize Israel's security needs.

The most tangible symbol of war against Israel that still clouds the horizon is the Arab League boycott. This illegal embargo hurts not only Israel but the entire international system of free trade as well. There can be no final peace while the Arab League boycott remains in effect.

While we have come a long way toward peace in the past year, it is clear that hurdles remain to be cleared. The United States has an obligation to help smooth the way toward a just, lasting, and secure peace in the Middle East. I will continue to do all that I can to further this peace process.

Mr. Speaker, I yield to the gentleman from New York [Mr. HINCHEY].

FEDERAL RESERVE INTEREST RATE POLICIES

Mr. HINCHEY. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise today to discuss an important subject that is on the minds of people throughout my district and the entire country: The Federal Reserve's interest rate policies that undermine economic recovery and keep millions of people out of work. The question that must be addressed is why the Federal Reserve has increased interest rates by over 50 percent since February despite the fact that there are few signs of inflation in the present, or in the future. I come to the House floor today to call on the Federal Reserve Board to end this ongoing crusade that foils economic progress and threatens the livelihood of the American people. The fact is that the economy is not overheating and millions upon millions of Americans remain out of work. Mr. Speaker, the American people cannot bear any further rate hikes until there is some evidence of inflation in the economy.

The current indicators lead any sensible person to believe that inflation is not a destabilizing force in the economy. Through the first 8 months of 1994, inflation is running at an annual rate of less than 3 percent. This remains a historically low rate by any standard, and it is unchanged from the record low levels we have seen over the past 3 years. Exclude the volatility in the prices of gasoline and coffee products during the summer, and the inflation rate becomes even lower. This may explain why Sung Won Sohn, chief economist at Norwest Corp., recently stated that, "We should settle down and worry less. The inflation picture really hasn't changed that much."

I believe this is a fair and accurate statement. Even Chairman Greenspan has acknowledged that the inflation

picture hasn't changed much this year. A few months ago, I joined Chairman OBEY and over 50 of my colleagues to request Federal Reserve Chairman Alan Greenspan to explain the basis for the Fed's interest rate increases that have proven so destructive to our economy. In his response to our request, Mr. Greenspan stated, "There currently are few indications that inflation has already begun to pick up. But our concerns are for the future." As we approach the end of September—over 4 months and two more rate increases since Mr. Greenspan's reply—there are still no signs of inflation in the present, and little evidence it will emerge in the future.

Wages remain stagnant, business inventories have risen, unemployment has increased, and much of the job growth we have seen is limited to part-time, temporary positions. Despite these indications, it is rumored that the Fed will again hike rates at the monetary policy meeting next week because it has been spooked by the ghost of inflation. I urge them to refrain from such action, because our fragile economy may be jolted back into a downturn by further escalation of interest rates. In the words of National Association of Manufacturers president, Jerry Jasinowski, "One more rate increase by the Federal Reserve will drive the economy into the ditch, bringing on a recession."

Currently, over 8 million Americans are looking for work. Hundreds of thousands more are too discouraged by the economy to enter the labor market. And corporate America continues to lay off people by the thousands. Additionally, the Blue Chip Economic Indicators September survey found that forecasters have become increasingly pessimistic about growth in each of the last 3 months and now estimate that the economy is expanding at about a 2 percent annual rate. In my district, for example, the unemployment rate approaches 10 percent as more people become victims of corporate downsizing and seasonal employment subsides. These are hardly signs of an economy that is in danger of overheating.

The Federal Reserve's actions threaten many more people with unemployment, and that's a situation that I find intolerable. The Fed is clearly oversimplifying the way it looks at the economy. They see any signs of job growth as a reason for concern. There seems to be the belief at the Fed that as the national employment rate reaches 6 percent, inflation must necessarily result. This is a notion that I don't agree with, and I know that more than 8 million Americans will continue to suffer until this notion is corrected.

The Fed's disregard for unemployed Americans is contrary to the requirements of several existing Federal laws. The Federal Reserve Act explicitly states that the Board of Governors of the Federal Reserve System and the Fed committee that sets interest Rates shall—and I quote, "promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates." It is important to note that maximum employment is mentioned as the first goal of the Federal Reserve. I believe that this was done for good reason. In addition, the historic Employment Act of 1946 states:

> It is the continuing policy and responsibility of the Federal Government to use all practicable means * * * to coordinate and utilize all its plans, functions, and resources * * * to promote maximum employment, production, and purchasing power.

The Fed, albeit an independent Federal agency, falls under the purview of this law as well. In my view, however, they have failed to carry out the intent of both the Full Employment Act and the Federal Reserve Act and this cannot continue.

The disregard for the needs of middle-class Americans is further highlighted by Chairman Greenspan's recent endorsement of legislation to limit the mission of the Federal Reserve Board to fighting inflation. During testimony he delivered before the Banking Subcommittee on Economic Growth this year, Mr. Greenspan stated that there is no downside to limiting the Federal Reserve's mission to price stability and thereby ignoring the maximum employment mandate. I would call attention, however, to the fact that the impact of this change would prove terribly destructive to the middle class in our country. Almost every economist—including Mr. Greenspan—agrees that monetary policy changes directly affect national employment levels. Newly appointed Vice Chairman Alan Blinder, who shows signs he is sensitive to the impact of the Fed's policies on middle-class people, stated during a recent conference that the central bank "should have a short-run employment objective in addition to its inflation objective." This statement has caused waves within the closed walls of the Federal Reserve and throughout the banking community. But it shouldn't. This employment objective is part of the law that establishes the Federal Reserve.

As Blinder remarked in a follow-up statement, "I don't think it is controversial for the Vice Chairman of the Federal Reserve to endorse the Federal Reserve Act." Mr. Blinder's colleagues at the Fed would do well to consider these carefully chosen words.

The continuing insensitivity to the needs of middle-class Americans provides further grounds for reforming the Fed to instill some accountability to the American people. The idea of a sacred priesthood in the Federal Reserve where no one can see what's going on is outdated. I think it's time for the American people to understand what's going on with the Federal Reserve and the impact its decisions have on the economy of the Nation. When the Fed raises interest rates, it is essentially taxing the American people by increasing mortgage payments, credit card payments, and the cost of credit. Yet there is no accountability to the people, and the Fed's decisions remain closed to the public. This is surely taxation without representation.

Former Presidential candidate Michael Dukakis spoke to the core of the issue during a recent speech at the Jerome Levy Economics Institute when he called the Fed's operations "profoundly undemocratic."

It is time that this body enact the Federal Reserve System Accountability Act introduced by Banking Committee chairman HENRY B. GONZALEZ. Chairman GONZALEZ was awarded the John F. Kennedy Profiles in Courage Award this year because he has the fortitude to stand up for what's right for the American people. The Fed Accountability Act is right for the American people. It proposes several sensible reforms to help democratize the Federal Reserve System. Most importantly, it allows the President of the United States rather than local bankers to nominate the 12 regional bank presidents who help shape our Nation's interest rate policies. The present nomination process flies in the face of fundamental democratic principles, as there is an inherent conflict of interest in allowing bankers not only to control this country's money supply but also to oversee the regulation of their own institutions. Equally disturbing is the fact that a substantial proportion of the banks directing this process are foreign-owned, thus subjecting our country's monetary policy decisions to input from beyond our Nation's shores. Chairman GONZALEZ' bill would prohibit any member of the Board of Directors of regional Federal Reserve banks from being employed by foreign banks in order to protect U.S. sovereignty in monetary policy.

The Fed Accountability Act takes many other important steps to create greater openness at the secret temple of the Federal Reserve. It requires that transcripts and videotapes of meetings of the Fed's interest rate setting committee to be released to the public more quickly. It was recently revealed that this committee already takes verbatim minutes of all of its meetings. This legislation simply reduces the waiting period for release from 5 years to 60 days. The bill also opens up the Fed's operations to allow the General Accounting Office to perform more comprehensive audits. The GAO greatly improves the operations of Federal agencies, and I see no reason why the Fed should receive a special exemption. The Federal Reserve System Accountability Act will require the Fed to stay

more in touch with the needs of ordinary people, and I urge its enactment as soon as possible.

Mr. Speaker, I want to conclude by reading excerpts from a recent letter sent to me by my constituent Francine Heinlein that summarizes what many people in this country are feeling about the Federal Reserve:

I am writing to you because you are the representative for us and you are on the Banking Committee. We must do something to stop—the Federal Reserve—from raising interest rates and effectively putting a dead halt to my business. This time raising interest rates has affected me personally as well as in my business.

First of all, the Hudson Valley in New York State, is still suffering from unemployment from major cutbacks in several large employers. We have a huge exodus from New York State. I am a one-person small-operation real estate company. Seventy-five percent of the people I deal with have been affected by a job displacement of some kind. Now enter Mr. Greenspan. Interest rates go up and potential business for me goes down. Prospective buyers are squeezed out of the market.

But let me get back to how it personally affected me and my husband. We had intended to cash out of an investment and buy an apartment for income for our retirement. This is not possible anymore because now I don't have enough down payment for the purchase. Do you see how this stops the economy? These—increases—in interest rates do more harm than good. Our struggling economy is still too fragile and weak. Now, we are just living day by day * * * and I think we are not alone.

Sincerely, Francine Heinlein, Saugerties, NY.

When the Fed committee meets next Tuesday to consider interest rate changes, for the sake of Francine Heinlein and thousands of other residents in the 26th District who have not experienced economic recovery, I urge the Fed in the strongest possible terms to hold the line on interest rates.

GENERAL LEAVE

Mr. BERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

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

There was no objection.

□ 1710

ANNOUNCEMENT OF INTENTION TO OFFER PRIVILEGED RESOLUTION UNDER HOUSE RULE IX

Mr. COX. Mr. Speaker, I am here to announce my intention to offer a privileged resolution under House Rule IX.

Mr. Speaker, the form of my resolution is as follows. It is titled "House Resolution Calling for Congressional Debate and Authorization for U.S. Occupation of Haiti."

HOUSE RESOLUTION CALLING FOR CONGRESSIONAL DEBATE AND AUTHORIZATION FOR U.S. OCCUPATION OF HAITI

Whereas for months prior to the September 19, 1994 occupation of Haiti by U.S. military forces, President Clinton and members of his Administration publicly and repeatedly threatened a military occupation of Haiti; and

Whereas the Speaker's refusal to schedule floor debate on the impending occupation of Haiti led to the occupation of Haiti without Congressional consideration or authorization; and

Whereas the need for immediate Congressional consideration of Haiti policy is clear, inasmuch as the thousands of U.S. troops in Haiti without Congressional authorization could be required to defend themselves at any moment, without notice, thus initiating hostilities; and

Whereas immediate Congressional consideration of Haiti policy is further required by the impending October 15 deadline for the departure of the Haitian military leaders, inasmuch as noncompliance would in all likelihood prompt the thousands of U.S. troops now in Haiti to immediately commence offensive military operations; and

Whereas the continued refusal of the Speaker to schedule floor debate to consider the scope of, and authorization for, U.S. military operations in Haiti deprives the House collectively of its prerogatives under Article I of the Constitution; and

Whereas the continued refusal of the Speaker to schedule floor debate to consider the scope of, and authorization for, U.S. military operations in Haiti deprives the House collectively of its authority to speak on such important questions of policy; and

Whereas the refusal of the Speaker to consider the scope of, and authorization for, U.S. military operations in Haiti effectively requires each Member of this body to abdicate his or her responsibility to debate and vote upon such important questions of policy, and therefore has brought scorn and ridicule on the House collectively; and

Whereas there are no exigencies of secrecy or surprise that would prevent the House from considering these issues; and

Whereas the House is scheduled to adjourn in a matter of weeks, and failure of the Speaker to schedule floor debate to consider the scope of, and authorization for, the U.S. military occupation of Haiti will effectively commit our nation to occupy Haiti for nine months or more without Congressional authorization; and

Whereas the extraordinary and heroic commitment of U.S. service men and women in the current military operation requires from the U.S. Congress a high level of responsibility and attentiveness in policymaking towards Haiti; and

Whereas Rule IX of the House of Representatives provides that a privileged motion shall be in order to protect the rights and dignity of the House collectively and of members individually,

Resolved, That the Speaker should immediately schedule a debate and vote upon the scope of, and authorization for, the U.S. military occupation of Haiti.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

AMERICA'S ROLE IN IMPROVING OCEAN ENVIRONMENTS AND RESOURCES

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

Mr. WELDON. Mr. Speaker, one of the most pleasant parts of my summer this year was having the opportunity to travel to the southern part of New Jersey, specifically to the area around Wildwood and North Wildwood, where I had a chance, with my family and some old friends, and also the pleasure of meeting some new friends, to experience the positive changes that are occurring with the oceans along our borders in this country.

Because of the hard work of many people, both in this Congress, and especially the officials in New Jersey, we are seeing dramatic change with the oceans and to our shorelines. That extends all up and down the east coast and the west coast. As the ranking Republican on the Subcommittee on Oceanography, Gulf of Mexico, and the Outer Continental Shelf of the Committee on Merchant Marine and Fisheries, however, what bothers me is what is happening around the world to the oceans, and the need for us to join together with other nations to explore how we can better protect our oceans, and how we can enhance the ability for people to fish and to share information about oceanography and ocean resources.

To that end, Mr. Speaker, approximately 1 year ago I began to work on an initiative to assist the Soviet Union, the former Soviet Union and its republics, with the massive problem of disposing of its spent nuclear fuel and its nuclear waste. There was a report released last August by one of the premier scientists in Russia by the name of Yablakov that documented for the first time the facts that all of us in fact had known, and that is that the Soviets had, for the previous 20 to 25 years, dumped their nuclear fuel, including nuclear powerplants and nuclear waste from their submarines and other ships, into the oceans of the world, especially those around the Sea of Japan and the Bering Sea.

□ 1720

In fact, we knew they had one submarine that had sunk, the *Komsmoletzk*, which in fact has nuclear fuel that may in fact be leaking at this very time. One of the major issues that we have attempted to focus on that has led us to the announcement I am going to make tonight is this issue of the illegal dumping of nuclear waste. Part of our problem was that we in America had also been responsible for a couple of incidents involving our Navy ships that had sunk in the ocean and were not willing to up-front acknowledge this, that the *Thresher* and *Scorpion* are still

intact at the bottom of the ocean and are in fact nuclear powered.

As a member of the Committee on Armed Services I worked to publicly expose that. Finally last September the Navy acknowledged for the first time publicly that in fact we do have a potential problem but that it is under control at this time.

With that acknowledgement, the Russians have come forth now and are willing to talk to us about coming to terms with an international agreement that would ban the dumping of nuclear waste in our oceans. We passed my legislation earlier this year which is currently pending in the Senate which would make that law, and we are in fact encouraging the Russians right now to do the same. Just several months ago, a group of us traveled to Murmamsk and to St. Petersburg where we met with leading Russian officials to convince them of this need. Through the organization called GLOBE, Global Legislators for a Balanced Environment, we proposed an international conference on oceans that will take place in this country in February, tentatively February 8, where legislators from Japan, from the European countries, from Russia and from the United States and other countries will gather and focus on three particular problems with the world's oceans.

The first, in fact, will be the uncontrolled nuclear dumping that has occurred in the past and how we can put a total prohibition against that kind of dumping in the future. The second will deal with another major problem, and that is the problem of declining fish stocks. In 1950 the global catch of fish totaled 20 million metric tons. It increased until 1990 when it was over 100 million metric tons. Now for the first time in history fish catches are declining worldwide and this is having a negative impact on all of the free economies and certainly our individuals who rely on fishing as a way of living.

Part of the decline is caused by overfishing but that is not the real reason. Under this conference we are going to have in February, we are going to focus on what are the problems with the reduction in our fish stocks and what can we do, what are the problems with our fisheries, our nonpoint pollution problems, our rehabilitating salmon streams. We will explore other measures that we can cooperate with other nations on dealing with the problem of declining fish stocks. Third, we will focus on improving our understanding of the ocean ecosystem.

We have spent a ton of money exploring outer space. NASA has done a good job but we have spent nothing in comparison to outer space in terms of understanding our oceans, sharing information that has been obtained over the years by our military experts, by our Navy personnel.

The third part of this conference will allow us to begin to share the kind of data and information that we already have about our marine ecosystem, about the kinds of technologies that can help us develop new breakthroughs in terms of understanding why our oceans can help us as a world.

These are the three main priorities that we will be discussing on February 8 and we will involve all aspects of America in this process and hopefully Jacques Cousteau will be our keynote speaker. Senator JOHN KERRY from Massachusetts who is, in fact, the chairman of GLOBE USA, will cohost this conference with me as I act in my role as the chairman of the Oceans Task Force for GLOBE. The gentleman from Illinois, JOHN PORTER, who cochairs GLOBE for GLOBE USA, has been a tireless leader on behalf of global issues involving the environment and will be a key player also in this conference.

At the recent conference in Moscow where global legislators came together in early September to discuss the kind of issues that we should be focusing on and working together cooperatively, the legislators there adopted my proposal for this conference unanimously and, therefore, the conference will take place. I would hope that all of our colleagues would join together with us so that in the future legislators and individuals from around the world can do as I did this past summer and have the experience of enjoying the kinds of things that can occur with our oceans and experience the kind of positive economic benefits from allowing our fishermen and women to improve their products and also to have our country share in the way that we better understand the oceans of the world. I would ask our colleagues to join with us.

Mr. Speaker, I include for the RECORD the agenda for the GLOBE conference which will take place in February 1995, as follows:

PROPOSED AGENDA FOR GLOBE OCEANS PROTECTION WASHINGTON CONFERENCE

(Presented by Congressman Curt Weldon, Chairman GLOBE Oceans Protection Working Group)

On March 1, 1994, the GLOBE International General Assembly Recognizing:

The importance of maintaining the health of the world's ocean environment:

The degradation of the earth's aquatic ecosystems can have significant short and long-term impacts on the world's weather, climate, food supply and biodiversity;

The oceans cover the vast majority of the earth's surface but are poorly understood and in need of increased scientific study;

The oceans are a sensitive global resource and actions taken within an individual nation's coastal waters impact directly on the health of the resource; and

The radioactive contamination from ocean dumping of radioactive waste poses potentially significant future threats to the marine environment;

SANCTIONED

(1) The creation of a GLOBE Ocean Protection Working Group: and

(2) Making Ocean Protection a major issue area to be addressed during the 1995 GLOBE International General Assemblies.

To further these goals, GLOBE USA will sponsor a major Oceans Protection Conference in Washington, DC in February 1995.

(1) END DUMPING OF RADIOACTIVE WASTE AT SEA

The Conference will explore methods to secure compliance with the November 12, 1993, amendments to the Annexes to the 1972 Convention on the Prevention of Marine Pollution by Dumping of Waste at Sea and Other Matter (London Convention) which banned the international dumping of radioactive waste at sea.

Background

The following pressure from GLOBE USA, the United States supported amending the London Convention to ban the ocean dumping of low-level radioactive waste. With the U.S. joining a long list of other nations supporting a ban, the London Convention was amended to create a global ban on the ocean dumping of radioactive waste.

Subsequent to the London Convention amendments, the U.S. House of Representatives passed H.R. 3892, the Ocean Radioactive Dumping Ban Act to conform U.S. law to the London Convention ban. The measure is currently awaiting Senate action.

The threat of radioactive contamination of the oceans still exists. Russia currently does not posses the capacity to safely dispose of its radioactive waste.

The immediate threat to the ocean environment is liquid radioactive waste. Last year, Russia dumped 900 tons of liquid radioactive waste in the Sea of Japan. Immediate progress on this issue is vital since liquid waste storage facilities in the northern Russian harbor of Murmansk will reach capacity in the next two years.

Significant progress is being made. Japan has entered into an agreement with Russia to construct a liquid waste treatment facility near the Sea of Japan. The United States and Norway are now considering helping Russia to expand its Liquid radioactive waste treatment facility near the Arctic Ocean.

The Conference will explore the potential of these international initiatives and search for solutions to the long-term problem of safely disposing of the solid radioactive waste likely to be generated by the dismantling of numerous Russian nuclear vessels.

(2) DECLINING FISH STOCKS

Background

In 1950, the global catch of fish totaled 20 million metric tons. That total increased steadily until 1990 when over 100 million metric tons of fish were harvested. Now, for the first time in history, fish catches are declining world-wide. Currently, up to one-third of the oceans's marine fish resources are fully or over exploited.

The decline in fish stocks has been largely attributed to over-fishing, but habitat loss and ocean pollution play a significant role. Ninety percent of the oceans's fishery resources spend some portion of their life cycle in near-shore waters. Urban and agricultural runoff, coastal wetlands loss, and river obstructions, such as dams, have all contributed to the decline in fish populations.

From reducing wasteful by-catch, which in some fisheries can total as much as seventy percent, to addressing non-point source pollution, to rehabilitating salmon streams, the Conference will explore methods for conserving the oceans' fishery resources.

(3) IMPROVING UNDERSTANDING OF THE OCEAN ECOSYSTEM

The Conference will pursue options to open access to data, technologies, and water bodies for the purpose of expanding the scientific knowledge of the oceans and marine life.

Background

Although the world's oceans cover over two-thirds of the earth's surface, our understanding of this resource is extremely poor. Oceans control the world's weather and climate and hold vast but finite supplies of food and energy. All life originated in our oceans and our oceans still hold the key to the continued health of our planet's environment.

Historically, the United States has spent little on enhancing our understanding of the marine environment, while at the same time expending billions of dollars on the exploration of space. The irony is that we have probably spent more money searching for water bodies on other planets than we have on understanding the earth's oceans.

The end of the Cold War has made previously classified military data and technology available to civilian scientists. The potential for using these formerly secret technologies to expand our knowledge of the marine environment is significant.

Already, civilian marine biologists have been given access to data from the Integrated Underseas Surveillance System (IUSS) to conduct research on whales and study hydrothermal activity on the ocean floor. IUSS was originally designed to track enemy submarines and warships, but these recent cooperative ventures have demonstrated the system's great potential as a civilian scientific resource.

This new role for military technology has become known as "dual use" and language has been included in both the Department of Defense and National Oceanic and Atmospheric Agency (NOAA) authorization bills to promote the concept. Unfortunately, just as the full research potential of these previously classified technologies is being recognized, budgetary cuts are threatening to close down these resources.

The Conference will investigate opportunities to use existing defense technologies for civilian research, improve international cooperation and information sharing, and increase marine research efforts.

PROPOSED MOTION TO INSTRUCT CONFEREES ON EDUCATION BILL AND DISCUSSION OF LOS ANGELES SCHOOL DISTRICT DOCUMENTS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Missouri [Mr. HANCOCK] is recognized for 30 minutes as the designee of the minority leader.

Mr. HANCOCK. Mr. Speaker, I am going to have to speak somewhat slowly because I may get a little bit emotional before this is over and I am going to do my best not to be because I want to be factual and with proper information.

Yesterday as part of a bill on education, I was offered the opportunity to introduce a motion to instruct. That motion to instruct was denied to me later during the House floor debate. That motion to instruct said that I move that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 6 be instructed to agree to section 406 of the Senate amendment which prohibits local educational agencies that receive Federal tax dollars from implementing or carrying out programs or activities which support or encourage homosexuality as a positive lifestyle alternative. I have had a lot of people ask me, "Why would you get involved in a situation like this? This is not a function of the United States Congress." Well, that may or may not be, but there are things going on in this Nation that I think has to be brought up that is going on in public education.

An example of that, and there are many, is what is going on in the Los Angeles Unified School District. I have a document dated May 29, 1992, in which the Los Angeles Unified School District passed a resolution establishing Gay and Lesbian Education Month, distributed to all schools, and offices, approved by Sidney A. Thompson. The type of literature that is being distributed to our students is an abomination.

I have one of the articles published by this school. Here is an article published in April 1994 by the Los Angeles Unified School District, Gay and Lesbian Education Commission. It has to do with historical figures. In fact, it says:

ABRAHAM LINCOLN'S LOVE FOR JOSHUA FRY SPEED

Contemporaries who did not understand Lincoln's sexuality found him difficult to comprehend. Thus William Herndon, his law partner of 16 years and an active heterosexual, wrote that Lincoln was a profound mystery, an enigma, a sphinx, a riddle.

For Lincoln, writers have thoroughly explored and even freely invented love affairs with women, but no one has explored his homosexual activities. Lincoln had a 4-year love affair with his boyfriend Joshua Speed and at other times in his life had occasional male-to-male liaisons."

In the Robert L. Kincaid biography of Joshua Fry Speed, the author detailed the 4 years that Lincoln and Speed shared the same bed.

Mr. Speaker, I shared the same bed with my brother, because we only had one bed.

□ 1730

There certainly was not any homosexual activity that went on. I have been on camping trips with good friends and shared the bed. The idea that two adult males cannot sleep in the same bed without engaging in homosexual activity can only be perpetrated by homosexuals themselves.

In the biography they go on,

Speed kept a general store in Springfield, Illinois. Being twenty-seven years old, a lawyer without client and no money, Lincoln was unable to pay the price for the bed. Speed suggested that Lincoln could "avoid the debt and at the same time attain your end. I have a large room with a double bed up-stairs, which you are very welcome to share with me . . . [Lincoln] took his saddle-bags on his arm, went upstairs, set them down on the floor, and came down with the most changed countenance. Beaming with pleasure he exclaimed, "Well, Speed, I am moved!" Both Lincoln and Speed always used the specific term "four years" similar to the way lovers mention anniversaries.

Lincoln was thrown into deep depression when the two of them separated due to Speed having to leave the area to attend to family matters. While away, Speed was pressured into marriage against his wishes. At the same time Lincoln sought a substitute in Mary Todd. Lincoln called off his wedding on January 1, 1841 and was not lifted out of his depression until having spent that summer with Speed. "No incident in Lincoln's life was perhaps more enjoyable than his visit in the Speed home [that summer]". Speed did marry in February 1842 and Lincoln wrote, "I feel somewhat jealous of both of you now; you will be so exclusively concerned for one another, that I shall be forgotten entirely."

Well, gee whiz, how many times with real good buddies that you grew up with did you say, "Well, you're getting married. Now I won't get to see you anymore." That makes you homosexual?

Lincoln never forgot Speed and wanted to name his first born child after him (Mary Todd objected) and was able to see Speed alone a few times later during the presidency. The main difference between Mary and Joshua in their relations with Lincoln was that Lincoln tried to spend all his time with Speed while he was eager to get away from Mary. There is in fact, more evidence for Lincoln's love of Speed than there is for Mary Todd. Lincoln was uncomfortable around women.

A lot of us are uncomfortable around women.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. HANCOCK. It makes you speechless when you read this type of stuff being put out by school districts.

I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. The thing that concerns me is here we have one of the truly great Americans, Abraham Lincoln. We have a statue of him, the Lincoln Memorial down here on the plaza. He is one of the people that is most revered, most revered by the American citizenry. He is the one who saved the Union. He held it together with his own iron will during the darker days of the American Civil War, and for his memory to be denigrated and partially destroyed by this kind of trash really bothers me. I know it bothers the gentleman in the well.

But in addition to that, the thing that bothers me even more is to know that that is being paid for with tax dollars. What right do people who want to destroy the image of one of the greatest Americans who ever lived, what right do they have to do that in the first place, and in the second place what right do they have to do it with taxpayer dollars? That article was written, and the gentleman can read at

the bottom who put that piece of trash out. But I guarantee that was paid for by an education commission in California, and that was paid for at least in part by tax dollars. I think that is a disgrace. And whether it was Federal tax dollars or State or local tax dollars, those people should be taken to task for allowing that kind of innuendo and trash to be published and put out at taxpayer expense.

Mr. HANCOCK. I will read to the gentleman that it was paid for by the Los Angeles Unified School District, their gay and lesbian education commission. That is who paid for it.

Mr. BURTON of Indiana. The Los Angeles Unified School District paid for it, the taxpayers of California and the taxpayers of Los Angeles County, and I am sure some Federal tax dollars found their way down to the bureaucracy to the Los Angeles school corporation. I think all of us ought to protect that kind of garbage being paid for by tax dollars and being put out as fact. That is pure, unadulterated trash, and Abraham Lincoln, one of the greatest leaders of this country, should not be denigrated or destroyed or his reputation distorted in any way by that kind of garbage.

I thank the gentleman for yielding.

Mr. HANSEN. Since I was denied the opportunity to offer and the time to discuss it, I am going to go into the details of what my comments would have been if we had been allowed the opportunity to offer this motion to instruct. It was very simple. It instructs the conferees to agree to the Smith-Helms amendment adopted by the other body which prohibits tax-funded pro-homosexual propaganda in our public schools. The Smith-Helms language is the exact same language I offered originally here in the House. As Members may recall, however, due to a gutting amendment, there was never a clean up or down vote on my original amendment.

This motion was our opportunity to put the House on record once and for all with regard to the Hancock-Smith-Helms language on the issue of taxpayer-funded homosexual propaganda in the public school classrooms of our country. The Hancock-Smith-Helms amendment is very simple. It prohibits any school or school districts which receive Federal funds from promoting or advocating homosexual lifestyle. The language is very simple. I will read it. No local education agency that receives funds under this act shall implement or carry out a program or activity that has either the purpose or effect of encouraging or supporting homosexuality as a positive lifestyle alternative.

It is very clear and simple and direct language. It prohibits activities which advocate homosexuality, which presents it in a positive light as being normal and desirable.

The cases that would have been covered by this amendment would not be in any kind of gray area. Ours is a bright-line test. Advocacy. Does it encourage or support homosexuality as a positive lifestyle alternative? I am talking about things like Gay Pride Month sponsored by the Los Angeles Unified School District featuring things like bulletin boards and school assemblies organized expressly for the purposes of legitimizing homosexuality.

I am also talking about books like "Heather's Two Mommies" and others which teach children that the homosexual lifestyle is normal, healthy, and desirable. Only a demagog would suggest that that language prohibits schools from teaching, from teaching homosexuality in the context of legitimate sex education or AIDS education. It did not stop schools from providing actual factual health information. All the amendment says is you cannot, under color of these things, portray homosexuality as a positive lifestyle. You cannot support, encourage or affirm it.

Most Americans consider this lifestyle immoral and decadent. They do not want their children recruited to it at school, but even more, preventing students from being morally corrupt, my amendment also protects students from receiving false or misleading health information which may actually endanger their lives.

The amendment was prompted in part by materials handed out at a student conference on AIDS sponsored in New York. This literature, given to students as young as 12, graphically portrays and glorifies conduct which is unsafe, unhealthy, and in some cases, even fatal. I cannot be more specific without offending the decorum of the House. I attempted to try to introduce it a few months ago as extraneous material, and the House Parliamentarian said that it was not fitting to become part of the CONGRESSIONAL RECORD. But it is fitting for us to hand it out in public education and in public schools.

We had the literature over here. It is not AIDS information as it claims to be. It is the advocacy of inherently unsafe conduct. We do not dare say that we care about the health of our children and not look at this type of literature that we are putting out.

□ 1740

The amendment enhances the efforts of legitimate sex and AIDS education by prohibiting literature such as this which promotes inherently unsafe conduct.

Now, you may ask, what is the scope of the Hancock-Smith-Helms language; what sort of programs and activities does it cover? Allow me to read the definition directly from the amendment. It is a very short amendment: A program or activity for purposes of this section includes the distribution of instructional materials; instruction, counseling, or other services on school grounds or referral of a pupil to an organization that affirms the homosexual lifestyle.

Yes, we do cover some books that are in the library, and we cover some curriculums. We do cover counseling. We do cover referral to outside groups.

Under our amendment, none of those things, books, instructions, counseling, or referral, are allowed to affirm this lifestyle.

It is just not appropriate for a taxpayer-supported public school to use any of these means to promote the homosexual lifestyle.

Does this mean counselors will not be able to talk to troubled suicidal teens who are having a crisis with their sexual identity? Absolutely not. Counselors can counsel against suicide. They can counsel against low self-esteem. They simply cannot affirm homosexuality as a positive lifestyle alternative, and they most certainly cannot hand such a troubled youth over to some homosexual recruiting service passing itself off as a community center or counseling organization.

Indeed, the amendment is especially for the protection of such troubled youths. The last thing such a wayward student needs is for an authority figure to encourage them to give in to unhealthy temptations, to pursue a path of immoral and unsafe conduct. They need the moral guidance of a parent or a pastor, not the corrupting influence of a permissive counselor.

Ladies and gentleman, this was a very clear vote if we had gotten it through yesterday. If we had voted for the motion to instruct, we would have been voting for the Hancock-Smith-Helms language adopted by a 2-to-1 margin in the other body which will prohibit schools which receive Federal tax dollars from promoting the homosexual lifestyle in our classrooms. If we voted against the motion, which they denied me the opportunity to offer it, therefore, we did not get a vote. And, now, I want to close just by answering again some of the questions, the key questions, that have been brought up in objecting to the amendment or to the motion to instruct and the original amendment.

Will this not interfere with legitimate counseling of students who are at risk for suicide because they think they are homosexual? No. Under the Hancock-Smith-Helms language, counselors are in no way restricted from counseling against suicide or against low self-esteem. They are merely restricted from affirming the homosexual lifestyle as a positive alternative. After all, the last thing they need is for them to send them to an organization that is homosexual-oriented that is going to recruit them rather than to help them.

Did not the Reagan administration, and there was a rumor that came out,

did not the Reagan administration study find that homosexual youth were at a greater risk for suicide and in need of affirmation? That is what has been circulated. No. A draft of a study was prepared making those assertions. The draft was soundly rejected by Dr. Louis Sullivan, Secretary of Health and Human Services, as biased and unreliable. The draft, in fact, was condemned as an unfair diatribe against the Catholic Church and traditional morality.

Where is this sort of thing going on? Luckily, I do not know for sure whether it is going on in my district in southwest Missouri. I would not think so. But I am sure that it is there. I have had people say, "Well, if this stuff was being given to your children, they would bring it home." I think that I had a very open, a very open relationship with my children. I do not think my children would have brought this type of trash home. I do not think that they would even have told me about it and, in fact, I have asked some of the newspapers, "Why don't you publish this stuff," and they say, "Look, we tried once, and we had people canceling because they did not want their children to see it."

Where is this sort of thing going on? We know Alaska, California, Connecticut, Hawaii, Louisiana, Massachusetts, Minnesota, Nebraska, New Hampshire, New York, Vermont, and Virginia, and a number of places we probably do not know about yet. Frankly, I think it is going on in my own town. I cannot prove it, but possibly there will be some people, maybe, and maybe I can encourage, maybe I can encourage some people that if this type of stuff shows up to bring it to me. I want to know.

Now, finally, would this type of legislation prohibit and interfere with legitimate AIDS education, sex education, or health education? Absolutely not; absolutely not.

When I was in school, we had what we called a class called physical hygiene. We talked about body parts. We talked about a little bit of everything, you know. But we at that time, I do not remember that we talked about homosexuality. Frankly, I had never personally, and I do not even think about it in my association with people. I have had people say, "Well, would you hire a homosexual?" I never think about it. I never think about it when I am interviewing somebody or when I am working with somebody. I never think about what is their sexual orientation.

But I can tell you one thing, folks, if I ever found out that some schoolteacher was trying to educate my grandsons that homosexuality is the thing they ought to participate in and start giving them instruction on how to commit homosexual acts to where they can do it without preventing AIDS, I will think about it then, and I think there are a lot of people that will think about it then. I think the gentleman over here would be thinking about it pretty quickly. And I think there are a lot of parents that ought to start thinking about what they are teaching in our schools.

When they go to the point, when they go to the point to publish literature stating that anybody basically that ever slept in a bed, a male with a male or a female with a female, that there had to be some type of sexual activity, I cannot believe; I cannot believe that the U.S. Congress would deny our children the protection that our amendment would have offered them. I cannot believe it.

I hope some way, some way that the right-thinking people will get the telephone numbers of their Representatives and say, "Wait a minute, is this the type of country that we want? Do we want what happened throughout history? Do we want the same situation in Washington, DC, that existed in the Roman Empire when it started down the tube?" Read your history, folks. Do we want to participate in the world population control organization that the other day said one way to control the world population is to encourage homosexuality? I guess that would do it. Do we want laws passed for where homosexuals, avowed homosexuals, are able to marry and adopt? Is that what we want in this country?

All I can do is ask the question. I am fully aware of the fact of what probably is going to happen to me tomorrow.

But I did not come to Washington, DC, to get into this question. I came to Washington, DC, because I believe in what the Founding Fathers and the people, what they stood for and what made this country the greatest country in the world, and I resent any organization doing what they are doing to one of the most respected leaders in the history of the world, and they are doing it with our tax dollars, condoned by Members of the U.S. Congress.

LOS ANGELES UNIFIED SCHOOL DISTRICT, OFFICE OF INSTRUCTION

May 29, 1992

Memorandum No. 36.

Subject: Gay and Lesbian Pride Month.

On May 18, 1992, the Board of Education passed a resolution recognizing June of each year as Gay and Lesbian Pride Month. The resolution is based on District policy contained in the "Educating for Diversity" document, which states as a District goal the development of "students who appreciate and respect diversity and understand the roles and contribution of people of diverse groups." The document calls upon the District to include in the curriculum the historical and current role and treatment of homosexuals in society, "the contributions of gay and lesbian people in history and culture, and the current status of homosexuals as it relates to social policy, family diversity and human relations."

The approved Board of Education resolution states:

Whereas, In June of 1969 in the Greenwich Village section of New York City a routine raid on a gay and lesbian bar called the Stonewall Inn was for the first time resisted by the peacefully assembled gay and lesbian patrons;

Whereas, This resistance led to several days of uprising by the gay and lesbian population of New York City who demanded equal rights and an end to police harassment of their establishments; and

Whereas, This event now called the Stonewall Rebellion, is widely viewed as the beginning of the modern gay and lesbian movement and is the reason why the month of June has come to be a time to celebrate the accomplishments of gay and lesbian people through parades, marches, commemorations, cultural programs, and other means; therefore, be it

Resolved, That the Board of Education of the City of Los Angeles recognize June of each year as Gay and Lesbian Pride Month and encourage schools and offices to find appropriate ways to fulfill the mandate of this resolution and of the policy document "Educating for Diversity."

For assistance call Bernadine Lyles, Advisor, Multicultural Unit, at (213) 625-6791, or Laura Hale, acting director of the Gay and Lesbian Education Commission, at (213) 351-7311.

Approved: Sidney A. Thompson, Deputy Superintendent.

Distribution: All Schools and Offices.

[Excerpts from various publications of the Los Angeles Unified School District Gay and Lesbian Education Commission]

HISTORICAL FIGURES

ABRAHAM LINCOLN'S LOVE FOR JOSHUA FRY SPEED

Contemporaries who did not understand Lincoln's sexuality found him difficult to comprehend. Thus William Herndon, his law partner of sixteen years and an active heterosexual, wrote that Lincoln was 'a profound mystery—an enigma—a sphinx—a riddle' (Donald, Herndon, 361.)" (Shively, p. 71).

"For Lincoln, writers have thoroughly explored (and even freely invented) love affairs with women, but no one has explored his homosexual activities. Lincoln had a four-year love affair with his boyfriend Joshua Speed and at other times in his life had occasional male-to-male liaisons" (Shively, p. 72).

In Robert L. Kincaid biography of Joshua Fry Speed, the author detailed the four years that Lincoln and Speed shared the same bed. Speed kept a general store in Springfield Illinois and initially met Lincoln when he entered the store to buy a bed. Being twenty-seven years old, a lawyer without client and no money, Lincoln was unable to pay the price for the bed. Speed suggested that Lincoln could "avoid the debt and at the same time attain your end. I have a large room with a double bed up-stairs, which you are very welcome to share with me * * * [Lincoln] took his saddle-bags on his arm, went up stairs, set them down on the floor, and came down with the most changed countenance. Beaming with pleasure he exclaimed, "Well, Speed, I am moved!" (Speed, 22-23). Both Lincoln and Speed always used the specific term "four years" similar to the way lovers mention anniversaries.

Lincoln was thrown into deep depression when the two of them separated due to Speed having to leave the area to attend to family matters. While away, Speed was pressured into marriage against his wishes. At the same time Lincoln sought a substitute in Mary Todd. Lincoln called off his wedding on January 1, 1841 and was not lifted out of his depression until having spent that summer

with Speed. "No incident in Lincoln's life was perhaps more enjoyable than his visit in the Speed home [that summer]" (Kincaid, 15). Speed did marry in February 1842 and Lincoln wrote, "I feel somewhat jealous of both of you now; you will be so exclusively concerned for one another, that I shall be forgotten entirely" (Lincoln, I, 281).

Lincoln never forgot Speed and wanted to name his first born child after (Mary Todd objected) and was able to see Speed alone a few times later during the presidency. "The main difference between Mary and Joshua in their relations with Lincoln was that Lincoln tried to spend all his time with Speed while he was eager to get away from Mary" (Shively, p. 79). There is in fact, more evidence for Lincoln's love of Speed than there is for Mary Todd. Lincoln was uncomfortable around women (Baker, p. 89).

REFERENCES:

*Donald, D. (1948). Lincoln's Herndon: A biography, New York, Knopf.

*Shively, C. (1989). Drum beats. San Francisco: Gay Sunshine Press.

*Kincaid, R.L. (1943). Joshua Fry Speed, Lincoln's Most Intimate Friend. Harrogate, Tennessee; Lincoln Memorial University.

*Lincoln, A. The collected works of Abraham Lincoln. Roy P. Balser, editor. 9 vols. New Brunswick, N.J.; Rutgers University Press, 1953–1955.

*Baker, J.H. (1987). Mary Todd Lincoln: A Biography. New York; Norton.

URIBE RECEIVES AWARD FROM NEA

In September, 1992, the Los Angeles Unified School Board honored Commission Chair Dr. Virginia Uribe at a regular Board meeting for her receipt of the Human Rights Award from the National Education Association. This award was given in recognition of Uribe's contribution to identifying and making recommendations to help alleviate the problems gay and lesbian youths face in the public schools.

Dr. Virginia Uribe is the founder of Project 10, a program that offers counseling for gay and lesbian youths attending schools within Los Angeles Unified School District. Since Project 10's inception in 1984, Uribe has contributed to many educational journals, including: Harvard Educational Review; Education Week; Education Digest; California Association of Health, Physical Education and Dance Journal; Focal Point; the Journal of Homosexuality; and the Newsletter of the Association of School Counselors. She is also an active member of: United Teachers of Los Angeles, Gay and Lesbian Issues Committee; National Education Association, Gay and Lesbian Caucus; California Teachers Association, Gay and Lesbian Youth Task Force; Multicultural Committee, Los Angeles Unified School District; and, HIV Blue Ribbon Task Force, Los Angeles Unified School District.

We are proud of Uribe's achievements and are proud that she has been elected the first Chair of the Gay and Lesbian Commission.

GAY AND LESBIAN EDUCATION COMMISSION FORMED TO ADDRESS SPECIAL NEEDS OF GAY AND LESBIAN STUDENTS

Los Angeles, November 18, 1991.—The Los Angeles Board of Education has created a Gay and Lesbian Education Commission, the first of its kind in the nation. This community-based commission came as the result of a motion by openly gay school board member Jeff Horton. Its purpose is to advise and assist the school board on programs and issues related to gay and lesbian students, which make up approximately ten percent of the student population, their parents, and school personnel.

"This commission is going to be the life line for gay and lesbian students who may be confused and too frightened to turn to parents and friends," said commission Acting Director Laura Hale. "The Gay and Lesbian Education Commission was formed to be their voice."

The education commission will confront the critical issues facing gay and lesbian students. Harassment and peer pressure have led to soaring drop out and suicide rates among gay and lesbian students. Members will also recommend ways to monitor and curtail these problems on school campuses.

The Gay and Lesbian Education Commission will serve as a clearing house by reviewing materials and improving programs to increase awareness on issues of homosexuality, especially homophobia, AIDS education and prevention. It will also serve as a conduit between the gay and lesbian community and all sectors of the educational community. Outreach programs will support gay and lesbian students.

CURRICULUM COMMITTEE

The committee is currently reviewing a number of existing gay sensitivity curriculums to develop their own that would be appropriate for LAUSD students. These materials will be tested in one area of LAUSD before extending it to the entire district.

PRIDE MONTH COMMITTEE

The committee has begun developing "terrific" materials to send to each school about Pride Month with a March target completion date.

CONDOM COMMITTEE

The committee realized that it needs much more information about the effectiveness of the current LAUSD condom distribution program. The Committee is in the process of surveying high schools about their programs. We must help stop AIDS.

GAY AND LESBIAN YOUTH CONFERENCE

The committee has decided to broaden the scope of the Career Day to extend it to all gay and lesbian youths and to address not only careers but other issues of importance to gay and lesbian youths. It is hoped that GLEC's conference can be tied in with other college with university youth conferences.

BOY SCOUTS COMMITTEE

The Commission has sent the School Board a letter requesting the District to sever relationships with the Boy Scouts until the Scouts remove their anti-gay policy. Other school districts and police departments nation-wide have also severed their ties with the Boy Scouts over this issue. The committee believes that the School Board should take this action in order to be consistent with their anti-discrimination policy.

DOMESTIC PARTNER/HEALTH BENEFITS COMMITTEE

The District has refused to provide benefits to domestic partners citing the cost. The committee will continue to press for fairness.

WELCOME THE NEW COMMISSIONERS

The response for applications to be on the Gay and Lesbian Education Commission was overwhelming. We wish to thank all of you who applied. The Commission needs many volunteers besides official commissioners and the public is encouraged to attend any and all Commission meetings.

Our current commissioners include: Brad Albion, Julie Baron, Gary Campbell, Carl Englebrecht, Charles Fogarty, March Goodman, Laura Hale, Ellen Kameya, Irene Kaufman, Roy Dawaskai. Steven Kornfeld, Rich Llewellyn, Max Manuel, Ernie Martinez, Cheryl Mandoza, Rene Narvaez, Steve Oster, Jonathan Poullard, Mary Reyna, Jason Riggs, Joe Salvemini, Dick Sargent, Ken Silk, Voltaire Tinana, Virginia Uribe, Hector Viera, Vallerie Wagner, Darlene Weege, Thelma Barrios, and Norine Boehmer.

Again, Congratulations!!

GAY AND LESBIAN VICTORIES IN THE LOS ANGELES UNIFIED SCHOOL DISTRICT

1. Ten years of Project 10. This school based counseling program for gay and lesbian students was founded in 1984 by Virginia Uribe and now exists in over half of the District's 52 high schools and in many middle schools as well. (For more information call Virginia Uribe at Fairfax High School, 213–651–5200.)

2. The Gay and Lesbian Education Commission. This is one of seven commissions created by the Board of Education for the purpose of bringing the concerns of the community directly to the Board and to the District as a whole. These commissions have one full time director funded by the District and unpaid commissioners appointed by board members. (The other commissions include Black, Mexican-American, Asian and Pacific Islander, American Indian, Sex Equity, and Special Education.) This institutionalization of gay and lesbian interests in a public school district is the first of its kind in the nation. (For more information call the director Kathy Gill at 213–625–6392.)

3. Annual recognition since 1992 of June as Gay and Lesbian Pride Month in all of the schools. Last year, the Commission sent an extensive packet of materials to all middle schools and high schools, and many of them had assembly programs, speakers, displays, and other activities associated with Pride Month in the gay community.

4. First Annual Gay, Lesbian, and Bisexual Youth Conference. In October, 1993, over 200 high school and college youth were brought together in this day-long event sponsored by the Commission and held at Occidental College.

5. Full inclusion of sexual orientation and gay and lesbian; interests in the District's multicultural, human relations, counseling, and nondiscrimination policies.

6. A drop-out recovery program at its own school site aimed at keeping lesbian, gay, and bisexual students in school. (The EAGLES Center; for more information call Jerry Battey at 213–937–4819.)

7. An openly gay member of the school board. (Jeff Horton, 213–625–6386.)

In addition, the LAUSD is one of the few school districts in the nation which has a policy of making condoms available to high school students.

Although there is still much to do, the Los Angeles Unified School District has been in the forefront of efforts to meet the needs of gay and lesbian youth.

APRIL 20, 1994.

DEAR FRIENDS: This coming June we're looking forward to our third annual Gay & Lesbian Pride Month. Many people ask why we've chosen June for Gay & Lesbian Pride Month. The answer dates back to the Stonewall riots which began June 27, 1969. These riots became the symbol of the Gay Liberation Movement and June became the month to celebrate equal rights and respect for Gays & Lesbians. (For detailed information, please see the handout on Stonewall.) Thus,

June has become the month that we have dedicated to teach respect for Gays and Lesbians and to develop students who appreciate the diversity of humankind. This will help to provide a school environment that is free of harassment of Gay & Lesbian youth and encourage them to finish high school and continue their higher education. Following are the suggested activities for Gay & Lesbian Pride Month:

1. Display:

Using the colorful handouts enclosed, chose a central display case to post the information about the Gay & Lesbian community, its symbols, various organizations and resources. An additional display may be done in the media center.

2. Bulletins:

Daily facts and information about famous Gays & Lesbians, well-known contemporary Gays & Lesbians, facts about Gays & Lesbians, resources for Gays & Lesbians can be put in the daily bulletins.

3. Assemblies:

If you'd like to plan an assembly at your school, please contact Kathy Gill at (213) 625-6392. We have videos, (see below), college students from USC's Shout and other poets and artists who will help with the assemblies.

Available videos:

1. LAUSD's "1st Annual Gay, Lesbian & Bisexual Youth Conference."

2. "Leticia Quezada addresses the Issue of Gay & Lesbian Rights." (available in English & Spanish)

4. Lessons:

The information on Famous Gays and Lesbians in History & Well-known contemporary Gays, Lesbians & Bisexuals may be duplicated and used in History classes. The latest scientific research on the possible correlates for a genetic and biological basis for sexual orientation may be duplicated and used in health and science classes.

Please feel free to call if you have any questions.

Sincerely,

KATHY J. GILL,
Director, GLEC.

THURSDAY, MAY 20, 1993.

DEAR COLLEAGUES: The enclosed materials have been assembled by the Los Angeles Unified School Gay and Lesbian Education Commission to assist middle and senior high schools in planning activities for "Gay and Lesbian Pride Month" in June. I have included posters, resources, lessons and materials I hope you find useful. Don't hesitate to call the various organizations listed on the resource list. They are all trained to give staff inservices, assemblies and workshops.

Since the Gay and Lesbian Education Commission is not funded with a full time director, we are unable to assist with activities during the school day. However, if there are any questions you might have, please call the commission office and leave a message. I will return your call ASAP.

For your information, all of the materials included in this packet were donated by the various organizations listed on the handout. The materials, envelopes and letterhead were bought at no cost to the Los Angeles Unified School District whatsoever.

With Pride,

LAURA A. HALE,
Director.

P.S. Your efforts on behalf of the Gay and Lesbian students, staff, and parents at your school will be appreciated more than you will ever know. Since we have been an often "invisible" group of individuals, many people don't think they know anyone gay or lesbian. Believe me, you do.

[From Project 21, Kansas City, MO]

PROJECT 21—A NATIONAL LESBIAN, GAY AND BISEXUAL ALLIANCE FOR CURRICULUM ADVOCACY

Project 21 is an informal, national alliance of organizations and individuals working to ensure that fair, accurate and unbiased information is presented to America's youth regarding the nature and diversity of sexual orientation.

Project 21 also strives for inclusion of long-censored information regarding the same-gender orientation of significant historical and cultural figures in course content throughout the curriculum.

The organizational nexus of Project 21 is the Gay and Lesbian Alliance Against Deformation/San Francisco Bay Area Chapter, which acts as fiscal agent and sponsor. GLAAD/SFBA was joined by the Bay Area Network of Gay and Lesbian Educators [BANGLE] and the Gay and Lesbian Youth Advocacy Council of San Francisco to launch Project 21 in 1990.

Project 21 pursues a proactive agenda to improve the treatment of lesbian, gay and bisexual persons in educational systems of all levels of society. Advocates for Project 21 provide testimony before state and local boards of education, inform the public about educational equity issues, and furnish various resources for addressing lesbian and gay subjects in the classroom. Project 21 members call for an end to the censorship of information about our communities in textbooks, course content, resource materials and library offerings.

Project 21 members believe that elementary and secondary curricula should include:

Fair and factual information about sexual orientation in sex education, social studies, humanities and family life classes;

Information about the historical and continuing contributions of lesbian, gay and bisexual people to art, language, education, science, sport;

Discussion of the gay liberation movement and the history of the struggle for gay, lesbian and bisexual equality in the United States and throughout the world;

Documentation of significant social, legal and historical events, including the National Marches on Washington for Lesbian and Gay Rights in 1979, 1987 and 1993, the Stonewall Resistance of 1969, and the struggle for privacy rights argued before the Supreme Court in Bowers vs. Hardwick (1986).

Did your textbooks say that:

Alvin Ailey, Edward Albee, Alexander the Great, Horatio Alger, James Baldwin, Truman Capote, Willa Cather, Queen Christina of Sweden, Colette, Noel Coward, Leonardo da Vinci, Emily Dickinson, T.S. Eliot, E.M. Forster, Michael Foucalt, Margaret Fuller, Allen Ginsberg, Hadrian, Henry III, J. Edgar Hoover, Langston Hughes, Frida Kahle, John Maynard Keynes, Federico García Lorca, Michelangelo, Yukio Mishima, Montezuma II, Martina Navratilova, Plato, Richard II, Eleanor Roosevelt, Bayard Rustin, Sappho, Bessie Smith, Socrates, Gertrude Stein, Peter Ilyich Tchaikovsky, Alan Turing, Gore Vidal, Walt Whitman, Oscar Wilde, Tennessee Williams, Virginia Woolf, and Marguerita Yourcener were lesbian, bisexual or gay?

Were their achievements even mentioned?

□ 1750

ACTIVITIES OF THE CLINTON ADMINISTRATION

The SPEAKER pro tempore (Mr. STUPAK). Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 30 minutes.

Mr. BURTON of Indiana. Mr. Speaker, over the past several months I have been talking about the activities of Bill Clinton and members of his administration regarding Whitewater, Monroe Savings and Loan, their relationships with other people who were involved in drug trafficking. I think some of this bears repeating before I go into my special order tonight.

One of the very close friends of President Clinton was a gentleman named Dan Lasater. Mr. Lasater was an entrepreneur who started out in Indiana, my home State, started a company called Ponderosa Steak Houses. He went down and started an investment firm down in Little Rock, AR. Mr. Lasater was a very big supporter of President Clinton when he was running for Governor of Arkansas on several occasions. They partied together, they flew around in Mr. Lasater's plane, they dined together. They were very close friends.

Mr. Lasater received millions and millions of dollars in bond contracts.

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

Mr. BURTON of Indiana. I yield to the gentleman.

Mr. HANCOCK. I wonder if they ever slept together on a hunting trip. Maybe we got something going here.

Mr. BURTON of Indiana. I do not have any idea. But anyhow, Mr. Lasater was a very close friend of the President's and was one of his big financial supporters. Mr. Lasater was known to use cocaine and distributed cocaine freely at many parties. And he was convicted, convicted by the Arkansas authorities of trafficking in cocaine. He received a prison sentence, and his prison sentence was partially reduced. After he got out of prison, he was in a halfway house for a few months, he was pardoned, exonerated by then-Governor Clinton, his friend. During the time that he was incarcerated in this halfway house—he really was not in a penitentiary, he was in a halfway house most of the time—during the time he was incarcerated, a lady named Patsy Thomasson, who is his chief financial officer, took over control of his businesses, and she ran his businesses as the chief financial officer while Mr. Lasater was away at prison. When he got out and was pardoned by President Clinton, Ms. Thomasson continued to be the chief financial officer of his companies, and she also became the chief officer of what was called the Phoenix—the Phoenix Group. A subsidiary of the Phoenix Group was the Phoenix Mortgage Co., and Mr. Lasater became the president of the Phoenix Mortgage Co. So the relationship between Patsy Thomasson, and Mr. Lasater, and Bill Clinton was of long duration and continued even after he went to jail and

was out. As a matter of fact, Mr. Lasater paid an $8,000 drug debt, drug bill for cocaine use that Bill Clinton's brother had incurred. So he paid off a drug bill for Bill Clinton's brother. So there was a very close relationship between the Clintons and Mr. Lasater.

Now, Patsy Thomasson, to give you some more background, my colleagues, now is one of the chief officers at the White House. She is the personnel director at the White House. She conducts, quote unquote, the drug testing of personnel at the White House.

Now, yesterday the people of Albuquerque, NM, awoke to another tale of corruption that may involve the President, President Clinton. The front page of Tuesday's Albuquerque Journal reports that a joint Federal/State narcotics investigation of the President's friend, Mr. Dan Lasater, was called off before it was completed. A former Arkansas State police investigator, J.N. "Doc" DeLaughter, told two Journal investigative reporters that the investigation included Lasater, a close friend of the President and high-dollar contributor to Mr. Clinton's campaign, and the President's brother, Roger Clinton. DeLaughter said the investigation was cut off prematurely for political reasons.

The State police investigators say he briefed the Clinton-appointed Arkansas State police director, Tommy Goodwin, twice by telephone about the Lasater/Clinton investigation. On both occasions Tommy Goodwin, the State police investigator, was using a phone in then Governor Clinton's personal office. Mr. DeLaughter, who was then on the force, was not sure whether or not Governor Clinton, now President Clinton, overheard the conversations. But it is very clear that Governor Clinton, now President Clinton, was very close to the Arkansas State Police director, who was getting the information about the investigation.

DeLaughter said, and I quote, "Moneys could have been seized and planes could have been seized because we had evidence that cocaine was being used on planes," used by Mr. Lasater. As I said before, Mr. Lasater quite frequently flew then Governor Bill Clinton around in these planes.

DeLaughter told the newspaper that he and another investigator were barred from interviews with Lasater, Roger Clinton and another Lasater associate. In other words, his superiors on the State police said, "You can't go and investigate this." They stopped him cold in his tracks. Eventually Lasater was convicted of possession and distribution of cocaine, as I said before. He was sentenced to 30 months in prison but served only 10 months, most of which was in a halfway house, before being released on parole. Lasater was later paroled by his friend, then-Governor Bill Clinton.

Now, right in the thick of all this is Patsy Thomasson, who is now the personnel director at the White House. She took over the day-to-day operations of the Lasater companies while Lasater was in prison. As I speak to you tonight, she is responsible for the daily administration of the Clinton White House.

The newspaper is careful to point out that there is no evidence to support any indictment of Ms. Thomasson or establish a direct connection between the illegal activity that led to the conviction of Lasater and the President's brother.

Now harkening back to an earlier Washington scandal, one has to wonder what did Ms. Thomasson know about the illegal activity which surrounded her, and when did she realize that her boss, Lasater, was a large-scale drug pusher?

The Albuquerque Journal found no one in that firm, no one in that firm other than Ms. Thomasson, the chief financial officer, had any doubt about what was going on in the Lasater companies. I quote the newspaper's story:

> Former Lasater employees interviewed by the FBI said they left or joined the firm between 1982 and 1985 because of its reputation for cocaine use.

As the chief financial officer for Lasater during that period, are we to believe that Ms. Thomasson, now the chief personnel director at the White House, had no clue about what was going on in the company? The Albuquerque Journal reported that the FBI received sworn statements from Lasater employees there—that were there at Christmas parties at which cocaine was available in ashtrays. Cocaine was freely available at Lasater Company outings in Lexington. KY, Hot Springs, AR and elsewhere, according to Lasater employees. Reporters Dick Lynch and Mike Gallagher quote Federal grand jury testimony which said that, "Cocaine was served like hors d'oeuvres." But we are asked to believe that the chief financial officer, even though everybody else in that firm knew about it, knew nothing of this. And we are talking about Ms. Thomasson. Ms. Thomasson, Patsy Thomasson, was a key player in the Lasater operations.

The newspaper cites numerous public and court records which show her as president of the various Lasater enterprises, including New Mexico's Angel Fire Corp., which Lasater purchased in 1984 and sold in 1987. Articles of incorporation show that Thomasson as an incorporator of the Phoenix Group, which was the successor to Lasater & Co.

Records of the sale of Angel Fire in 1987 to a Texas investment partnership bear Patsy Thomasson's signature. She was tied to Mr. Lasater all the way through all of his operations. At the time of this sale, the Customs Service and the FBI were busy investigating money laundering and drug trafficking.

She signed the partnership agreement. The two agencies formed an Organized Crime Drug Enforcement Task Force and named Lasater as the chief target of the probe. Pasty Thomasson was given power of attorney, power of attorney by Mr. Lasater in January 1987 while he was in prison and, surprisingly, appears to still be acting as a registered agent for Lasater's Phoenix Mortgage Co.

Calls by the newspaper to Patsy Thomasson at the White House were not returned. I understand Ms. Thomasson has taken leave of absense from her position as the director of administration for the President. I continue to be concerned about the President's association with people like Mr. Lasater, pardoning him after he was convicted of dealing in drugs, giving him $65 million, I believe, in State bonds during the time he was being investigated and later indicted by the Arkansas State Police and the Federal authorities for drug trafficking. I continue to be concerned about his association, President Clinton's, with people like Mr. Lasater and Ms. Thomasson. In the very limited hearings that we had on Whitewater——

The SPEAKER pro tempore. The gentleman will suspend for just a moment.

Mr. BURTON of Indiana. For what purpose, Mr. Speaker?

The SPEAKER pro tempore. Will the gentleman suspend for a moment?

Mr. BURTON of Indiana. Yes.

The SPEAKER pro tempore. The Chair must remind Members, all Members, that it is a breach of order in debate to level personal innuendo at the President of the United States.

□ 1800

Mr. BURTON of Indiana. Well, I do not believe I am saying anything that is innuendo, Mr. Speaker. I think I am talking about what has been reported in the media and is, in fact, publicized by the media all across this country, and I would take issue with the Speaker by saying that the President did pardon Mr. Lasater after he was convicted of cocaine use. That is as a matter of fact, it is not innuendo, and for the Speaker to interrupt my special order by saying I am inferring, this is a misuse of the Speaker's power.

The SPEAKER pro tempore (Mr. STUPAK). The Chair is merely reminding Members that it is improper during debate to level personal innuendo, at the President, and the fact that others have already done so in the media is not material to this rule of decorum.

Mr. BURTON of Indiana. I request that that be read back, Mr. Speaker, so I could check that out.

The SPEAKER pro tempore. The gentleman may proceed in order. The purpose of the Chair's comment was to caution the gentleman against a breach of order.

Mr. BURTON of Indiana. I appreciate that, Mr. Speaker. I will proceed and say:

If you find that I'm using innuendo instead of fact, I hope you will remind me, but I don't think I have.

The fact of the matter is the President of the United States, Mr. Clinton; fact, not innuendo; pardoned Mr. Lasater after he was convicted of cocaine trafficking in Little Rock, AR, and during the time that he was under investigation by the Arkansas State Police, the Arkansas bonding agency down there gave Mr. Lasater, I think, I believe, $65 million in State government contracts, and I think that is something that is of great question by Members of this body and deserves a full hearing in congressional hearings.

So, I do continue to be concerned about the President's association with people like Mr. Lasater and Miss Thomasson. In the very limited hearings on Whitewater which have been held so far, Mr. Speaker, witness after witness told us what they did not know. I believe someone at the White House does know the answer to many of these questions which have been left unanswered.

I have taken the floor of this House many times over the past several months during this session to raise questions about a number of incidents connected to this White House. In every instance the Clinton White House has not responded, and we need full congressional hearings on many of these issues, not these limited parameters that are being set by the Democrat leadership and the Democrat chairmen of these committees which would limit us in our questioning of White House employees and people who have relevant information to these questions. When we had the Whitewater hearings, the members of the Committee on Banking, Finance and Urban Affairs had 5 minutes to question 10 members of the White House staff and get answers, not 5 minutes to question each one of them, 5 minutes to question all 10 of them and get a response. That in my opinion smacks of a whitewash and certainly was not full congressional hearings.

The thing that bothers me is during the Reagan and Bush administrations there were 23 full-blown hearings on everything from Iran-Contra, to the October Surprise, to everything else, and something as important as the Whitewater investigation is being swept under the rug, and I believe for political purposes, and it is unfortunate.

Now the smoke is starting to clear around the Clinton White House. I think the American people are not being fooled by a lot of this, and, as Clinton loyalists continue to resign, the pattern of distortion is continuing to change.

We need a full investigation of the President's association with Mr. Lasater and Miss Thomasson. We need a full investigation of possible obstruction of justice in the investigations of drug use and drug trafficking by Mr. Lasater and the President's brother. And there are other questions that need to be answered, like Mr. Vince Foster. We still have not gotten all the answers concerning his mysterious death and finding him at Fort Marcy Park.

So, Mr. Speaker, this is another in a series of special orders I will be taking over the next few weeks until we adjourn, and, when we come back in January, if we have not had an agreement by both the majority and minority to have full-blown hearings on many of these issues relating to Whitewater and other mysterious things that have been going on, like the special order I took last night regarding two savings and loan associations in the State of Illinois who had the Rose law firm and Hillary Rodham Clinton representing the government in going after Mr. Lasater himself at a time when they were friends, which smacks of a conflict of interest, I am hopeful that we will be able to get a bipartisan agreement so that we can actually have full-blown hearings and get to the bottom of it. The questions need to be answered. If the President and the White House has nothing to hide, then they should be very happy to answer the questions that the Congress will raise at these hearings.

CLINTON QUO VADIS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the Chair recognizes the gentleman from California [Mr. DORNAN] for 60 minutes.

Mr. DORNAN. Mr. Speaker, first of all, I want to compliment the gentleman from Indiana [Mr. BURTON] on his special order and say that I think he has done an outstanding job in trying to keep before the public a story that torments most of the dominant media culture. They turn it on, they turn it off, they turn it on. Then they build up, and they create comebacks. But somehow or other we are going to get to the truth on this.

I know you were on the floor, Mr. BURTON. I was not. I had my staff tape the remarks of Mr. MEL HANCOCK who preceded you. If there were a category in this country called 'Is There No Shame, Is There No Respect for Any Institution,' the hands down winner would be the Los Angeles school district where my younger brother Richard, of whom I am exceedingly and justifiably proud, teaches. That they would turn loose forces in that school system to try and make the shabby, unforgivable case that President Abraham Lincoln, considered by both parties to probably be our greatest President, is somehow or another a homosexual, an activist one to boot, is just beyond description. And the fact that we could not get into that debate on the House floor yesterday is a tragedy. But I am hoping that you and I, who have trekked through parts of Central America during the conflict against communism there, where the Reagan doctrine prevailed and our side won, can travel to Haiti to show our young men and women down there, marines, rangers, commandos, Coast Guard, our 10th Army Division, BOB DOLE's division, that we support them, but that we know that it is not the right mission. It is not right to raise young Americans to be decent human beings, understanding fully civil rights and how we denied it, for most of our history, to Americans of African descent, to understand human rights, understand that human life is sacred, and then ask them to stand there mute with loaded weapons on safety while limping and teen-age boys are beaten to death. It is more than we should ask of any fighting man.

There was one quote that struck me by all of our fine young GI's who are daring to talk to the press. And I can imagine the White House sending orders through General Shalikashvili telling our young men and women in uniform, "Don't talk to the press." But their remarks were pretty cogent yesterday, and the one quote that stuck in my mind was: "I thought we came down here to help people. What are we doing here?"

Another quote was from a young man who said: "I feel like dumping my gear, footing it to the Santo Domingo border and getting out of here."

Mr. BURTON of Indiana. Mr. Speaker, would the gentleman yield just real briefly?

Mr. DORNAN. I have an hour.

Mr. BURTON of Indiana. Mr. Speaker, one of the things that is distressing to me: First of all, I think the vast majority of the Members of both the House and the Senate and the American people did not want us to go into Haiti in the first place.

□ 1810

But now that we are there, one of the things that troubles me, and we should be supporting our troops now that they are there, I did not want them in, you did not want them in, but now that they are there, we should be supporting them because they are our troops. But one of the things that concerns me is there have been no apparent rules of engagement delineated or given to the troops on the ground. They really, as far as I can tell, do not know how to deal with these situations, and there are no plans to do it.

Now, the White House and the Pentagon, it seems to me, before we landed one soldier, one marine, or anybody else on those beaches down there in Haiti, should have given a set of rules

and guidelines for dealing with the people of Haiti and how to deal with situations like those which took place yesterday. It is apparent that that did not take place.

So if there is one thing I would like to say to the Pentagon, if anybody were to be paying attention to this special order, along with you and my colleagues, is that let us very clearly, very quickly, set up the results of engagement, how we are going to conduct ourselves down there, so that the troops and the American people know what the guidelines are. Because right now they do not, and I know Members of Congress do not as well.

Mr. DORNAN. I came within a whisker of going with you, taking you with me to Somalia. The only reason you did not get over there was because we drew a line in the sand and with a date certain and we were out of there. But one of the other young soldiers in Haiti, a veteran of Somalia, I could not tell from his equipment whether he was a marine or with the 10th Mountain Division, was asked by a member of the press, who was also a veteran of Somalia, if it reminded him of Somalia. Remember Somalia? It began on September 9, 1992, with press lights on the beach, while marines landed. Clinton was President-elect. Aideed ordered his gangs to welcome the Americans. I remember seeing the signs, "U.S., yes. UN, no." There was dancing in the street, kind of like the British troops coming into Northern Ireland. Dancing in the streets. And within weeks, it had turned sour, and by the time we left, there were broken hearts. Mothers, fathers, wives, little children, all over this country had lost loved ones. And here is what I heard a marine or 10th Mountain soldier, GI, say the night before last. This young, very intelligent looking and sounding young man turned around and said, same people, same buildings, and it is the same press.

Mr. BURTON of Indiana. If the gentleman would yield for just a minute, there is a parallel. When we went into Somalia, there was a request made to the Secretary of Defense to send Bradley armored fighting vehicles and M1-A1 tanks to make sure if anything came up unexpectedly we could get to our troops quickly. There was not a well-thought-out plan, and the Secretary of Defense, then former Representative Aspin, denied our commander on the ground those weapons, the M1-A1 tanks and the Bradley fighting vehicles. Then a helicopter was shot down by a surface-to-air missile or ground fire, and we had 17 marines, I believe, killed, and Americans saw one of them being dragged through the streets over there, naked, his dead body. And it took us, I think, 12 hours to go across Mogadishu simply because there was no well-thought-out plan and we did not have the Bradley fighting vehicles and the tanks requested by the ground commander.

Now, we see in Haiti a situation where there is no well-thought-out plan of engagement, and it worries me that we might involve ourselves in a similar situation, not today, but maybe in 2 or 3 or 4 weeks or a couple of months, because they are going to be there for a while.

That is why I say to my colleague, who is a fighter pilot, who understands the military better than I, I was a private in the military, that the Pentagon and this White House had better get on the ball pretty quickly and come up with a plan that is doable and have rules of engagement that every one of those men and women on the ground understand and make sure they are properly equipped. Otherwise, we are liable to have a similar situation like we had in Somalia.

Mr. DORNAN. Stay with me just one moment, because I want to pass on to you, and through the Speaker to the American people, the following facts: First of all, I came to Congress in the bicentennial election in 1976, with Jimmy Carter of Georgia. He called me three times at home to press me for votes. I gave him one; I did not give him two. I thought we had enough cabinet offices.

He was a decent man. I always thought when he said he was a Christian, that he meant it. He taught Sunday school. But decent as he was he did not have a successful Presidency on foreign policy. In fact, it was a disaster and his undoing. The Communists were winning everywhere around the world under the Brezhnev doctrine. Yemen, Ethiopia, Nicaragua, El Salvador in doubt, Angola, Mozambique, Somalia. We were losing everywhere.

Then Carter's friend Brezhnev broke his promise. The Soviets thought they could take Afghanistan and that we would not respond. And then came Jimmy Carter's gutsiest, but maybe worst, decision, to put Delta Force commandos, a brand new force, with marine air transport into the desert to rescue American hostages in Iran. The operation was called Desert I, it was Operation Talon, as in an eagle's talon.

We were going to blow our way into the biggest city in one of the nastiest countries now in the world, Iran, and attack where our old embassy grounds were. As many as 52 Americans were held hostage, including some marine guards. And the experts felt, when Carter gave the go ahead, that we would probably lose half the hostages, 26 dead. We also might lose, they told President Carter, half of the rescue force. But rather than see 52 Americans slaughtered, which was still an issue then, he was willing to take those risks.

And because our military was hollowed out, and for the want of one, single, big H-53 Sea Stallion, the mission had to be scrubbed. And then in the disillusionment and the anger of the men leaving, one big Sea Stallion turns too sharply. Its big rotor blades whip into the back of a Marine C-130, and we had 8 dead bodies left to be desecrated by the Iranians, taking the rings off the burned bodies and everything else. It was a mess for President Carter, and I did not attack him too severely on the House floor.

But I want to say something right now, that I believe with all my heart, there are mothers and fathers in this country, and young brides, and little children that would be half orphan today, if Jimmy Carter had not done what he did with Colin Powell and our distinguished colleague from the other body, SAM NUNN.

If they had not worked out this agreement, and the Clinton invasion had taken place, there would be an unknown number of parents grieving their sons today, an unknown number of widows. There would have been letters like one I am going to read in a few moments from one of the wives of a Medal of Honor winner.

We owe Carter that debt. But here is something to think about. President Carter, Colin Powell, and our colleague SAM NUNN, could just as easily be in caskets in Dover at the morgue today if Cedras, who I will not defend, was as diabolical, cruel, and evil as Clinton painted him out to be 6 nights ago, and started a firefight in that room. We did not have the security, the guns, to prevail. One of our guys might have taken Cedras down. But it would have been the end for Powell, NUNN, and Carter. By Clinton starting the invasion when he did he risked the lives of a former U.S. President, the former Chairman of the Joint Chiefs, and a sitting Senate chairman. And there has only been two Congressmen killed in the line of duty since the Civil War, and no Senators. Larry McDonald in KAL 007, and Leo Ryan in Guyana. Larry McDonald flying into Korea for the 30th anniversary of the end of the war.

I had described to me today the firefight that would have resulted if the Haitians tried to take the three hostages, which Cedras could easily have done. When Gen. Philippe Biamby walked in and said, "We are being invaded," Cedras stood up and said, "This is a trick. You are tying up my whole military staff here." He could have said, "And further than that, you are hostages now," and turned to our secret service people and the limited protection we had there from the embassy and said, "Turn over your guns, you are our hostages. We are stopping this invasion." Kennedy would never have done this if he had a team in Havana. This is absurd, what happened Sunday. It is more like an Evelyn Wough novel than reality.

□ 1820

Mr. BURTON of Indiana. I believe, let me just say, if I might, that is exactly the point that I was trying to make a couple minutes ago. The President and the administration and the person they put into Secretary of Defense, Mr. Aspin in Somalia, simply did not have the expertise or the understanding to deal with the problem.

As a matter of fact, they did not, in Somalia, put the proper equipment on the ground to protect our troops. As a result, we lost a lot of young people unnecessarily.

In Haiti, they launched an air movement. There were planes in the air while the former President, the former chairman of the Joint Chiefs of Staff and Senator NUNN, chairman of the Senate Committee on Armed Services were negotiating. You are absolutely right. That is what is so troubling. Because there is no real strong understanding of how to deal with foreign policy. Now we have got our troops on the ground and we do not have rules of engagement. I would like to see our troops out of there and all Americans out of there as quickly as possible. It looks like we will be there for a while, and it will cost $2 billion or $3 billion at least before we get them out of there. But if they are going to be kept there, then we must support them and we must make sure that the rules of engagement are very clear and that there is proper equipment on the ground and a proper plan to protect those troops in any eventuality.

The President showed, by his actions when he launched that air attack, which was called back, when he launched that air attack with those three people negotiating, it shows his lack of understanding and, I think, lack of concern.

Mr. DORNAN. There is the question of whether it was a real attack.

Mr. BURTON of Indiana. We may never know that. The point is, I think Jimmy Carter, and I understand he told the President he was very upset that that took place when he got back here.

Mr. DORNAN. He is flaming mad.

Mr. BURTON of Indiana. So we as a Congress need to urge, demand that the White House and the Pentagon make sure that all of this is very, very clear, that they know what they are doing before we lose some lives in Haiti. I thank the gentleman very much.

Mr. DORNAN. I want to again draw on this analogy of mission creep. But before I do I want to tell our excellent recorders, Mr. Speaker, that if they want a title, because they usually title our remarks in the record unless we give them a title, I would title this Clinton Quo Vadis, 4 years of high school Latin enabled me to translate whither goest thou. Translate that.

Here is a Newsweek magazine article, a long article on values. They took key words that we feel embrace concepts missing in many young Americans today.

Tom Selleck, excellent actor and a friend, was here on the Hill a few weeks ago telling all of us, he is an activist Republican, that he could do no Republican campaigns between now and the end of the year because he had taken on a responsibility with a bipartisan conservation/liberal group, to sell six words to American youth that liberals and conservatives could agree on.

I will refer to one of them that Newsweek titled a section of this article on values a few weeks back. The word was "responsibility." That is one of the six words. Here are the only things that liberal and conservative ethicists and psychiatrists and psychologists and school teachers apparently can agree on: caring, of course; citizenship, that is why we teach civics to young kids in grade school; respect, I guess that is the flip side of what some young people will initiate gunfights over, disrespect, do not diss me, do not disrespect me, respect; responsibility; trustworthiness, we agreed that we must teach young boys and girls to be trustworthy, and justice, we want to teach young people what justice is.

Here is the greatest example of responsibility, and I will send it to Tom Selleck, tell him to use this.

Newsweek asked the widow of one of our 19 superbly trained delta commandos, special forces men, and our rangers that were killed in that fire fight from hell on the night of October 3 and 4, in Somalia.

Five days after Matthew Rearson was killed by a mortar in front of their hangar headquarters, while the rangers were being withdrawn, angry, because they were not allowed to justifiably avenge and punish the killers of their 19 comrades, the U.S.S. *Harlan County* arrived in that huge harbor at Port-au-Prince, on October 11, 5 days later.

On the 501st anniversary of Columbus day, October 12, the *Harlan County* was ordered to turn tail and evacuate the Port-au-Prince area. I believe that was the opportunity for us to go in, almost a year ago, 11 months ago, and train the police in some sort of civil decency not to beat women and teenagers with, as one of the GI's down there said, crowbars. But on that horrible first week of October, during that first week of October 1993, two Americans in the prime of life, young but in their maturity of their midthirties, a first sergeant and a master sergeant who had come to love one another as close as brothers, both of them married, both of them expert riflemen snipers, both of them giving cover to our men on the ground that Sunday afternoon, October 3, both of them begged on the radio three times back to the ranger headquarters at Mogadishu airport, let us land and rescue or give cover and support to Michael Durant's helicopter crew, to his copilot Ray Frank, two door gunners, Tommy Fields and David Cleveland, let us give them fire support on the ground until the rescue column can get there. We see movement in that crashed helicopter.

Twice they were turned down. Their third plea, a long pause, two-star general was tracking all of this. They were his men. He said, all right, you can go down.

The helicopter went down, was hit so badly with rocket fire, although it limped smoking with one of the men with his leg cut off by the rocket blast back to Newport and crashed, totaling the airplane but saving the crew.

That same helicopter that came down to a few feet off the ground, Randy Shugart, Gary Gordon jumped off and began to run. The first landing they could not make. They had to back off 150 yards away. They began to run a gauntlet of intense rifle and automatic weapons fire and RPG fire, rocket-propelled grenades. They are running toward Durant's helicopter.

When they got to the helicopter all four men were alive but so badly injured from the hard impact that not one of them could undo his own seatbelt and get out of the plane.

In the helicopter, the aircraft commander sits on the right side because of the collective in some helicopters that only have one collective. So Durant was luckily on the right side, which is the side of the helicopter up against a building, the tail forming a slight wedge, a V.

One of the men, I think Shugart, took Ray Frank, 35 combat months in Vietnam and within a month of retirement, lay him in the open side on the street, take out one of the gunners, Tommy Fields. On the right side, they take out Michael Durant. Thank God, he is still with his family today. And they take out David Cleveland, the other door gunner.

□ 1830

He is alive, smiling at Durant. Durant told me this personally. He laid them on the right side, the side against the wall.

We do not know what the fate of David Cleveland was, except that his burned remains came back to Dover. We do not know the final moments of Tommy Fields or Ray Frank.

Michael Durant, Chief Warrant Officer, did hear Shugart hit. Gordon gave him the last few rounds for an M-16 rifle he had given him. All that Gary Gordon had was his Beretta pistol. He went back around the front of the helicopter to hold off literally hundreds of people, on the slim chance that a caravan of HummVess might arrive with enough firepower to rescue these four badly injured crewmen.

Then Michael Durant heard Gary Gordon moan as he was struck, as he had heard Shugart moan when he was

struck. Then the crowd came around the front, overwhelmed David Cleveland, alive, and Michael Durant, alive, and only Durant is here to tell the story.

Gary Gordon and Randy Shugart got the Medal of Honor. I asked that they be awarded that before I knew their names and knew the full story, because I had heard that they had begged to go down and try and rescue this second helicopter shot down October 3. There was a ceremony at the White House May 23, where the men were posthumously awarded the Medal of Honor given to their beautiful, young, widows.

One of the fathers, Herb Shugart, with his wife, Lois, at his side, Randy's mom and dad, refused to shake Clinton's hand. He said, "You had flown Aideed down to Kenya. You have treated him like a victor. You do not know enough about military operations. You should not be the Commander-in-Chief. You let my son down and you let Aideed live. Now these men are dead." Words to that effect. At the end he told him, "I have nothing more to say to you".

This is a scene I do not want to see reenacted in the White House as another mother, father, or widow refuses to shake Clinton's hand because the mission was not clear, because there was mission creep, because, after a while the side we were there to support turned against us.

Here is what, under the title of responsibility, Carmen Gordon, the wife of Sergeant Gary Gordon, wrote to her children, Ian and Brittany, to be read many times in their youth and their adulthood as they grow up. The italicized prologue says:

In 1993, Master Sergeant Gary Gordon was killed trying to rescue a fellow soldier in Mogadishu, Somalia. His widow, Carmen, and their two children, Ian, 6, and Brittany, 3, live in Southern Pines, North Carolina, close to the military community that they love, the Special Forces community, in what they call the world's greatest fort, Fort Bragg.

Carmen writes:

My dearest Ian and Brittany: I hope that in the final moments of your father's life, his last thoughts were not of us. As he lay dying, I wanted him to think only of the mission to which he pledged himself. As you grow older, if I can show you the love and responsibility he felt for his family, you will understand my feelings. I did not want him to think of me, or of you, because I did not want his heart to break.

Children were meant to have someone responsible for them. No father ever took that more seriously than your dad. Responsibility was a natural part of him, as easy path to follow. Each day after work his truck pulled into our driveway. I watched the two of you run to him, feet pounding across the painted boards of our porch, yelling, "Daddy!" Every day, I saw his face when he saw you. You were the center of his life.

Ian, when you turned 1 year old, your father was beside himself with excitement, baking you a cake in the shape of a train. On your last birthday Brittany, he sent you a hand-made birthday card from Somalia. But your father had two families. One was us, and the other was his comrades. He was true to both.

He loved his job. Quiet and serious adventure filled some part of him I could never fully know. After his death, one of his comrades told me that on a foreign mission, your dad led his men across a snow-covered ridge that began to collapse. Racing across a yawning crevasse to safety, he grinned widely and yelled, "Wasn't that great?"

You will hear many times about how your father died. You will read what the president of the United States said when he awarded the Medal of Honor: "Gary Gordon * * * died in the most courageous and selfless way any human being can act." But you may still ask why. You may ask how he could have been devoted to two families so equally, dying for one but leaving the other.

For your father there were no hard choices in life. Once he committed to something, the way was clear. He chose to be a husband and father, and never wavered in those roles. He chose the military, and "I shall not fail those with whom I serve" became his simple religion. When his other family needed him, he did not hesitate, as he would not have hesitated for us. It may not have been the best thing for us, but it was the right thing for your dad.

There are times now when that image of him coming home comes back to me. I see him scoop you up, Ian, and see you, Brittany, bury your head in his chest. I dread the day when you stop talking and asking about him, when he seems so long ago. So now I must take responsibility for keeping his life entwined with yours. It is a responsibility I never wanted.

But I know what your father would say. "Nothing you can do about it, Carmen. Just keep going." Those times when the crying came, as I stood at the kitchen counter, were never long enough. You came in the front door, Brittany, saying, "Mommy, you sad? You miss Daddy?" You reminded me I had to keep going.

The ceremonies honoring your dad were hard. When they put his photo in the Hall of Heroes at the Pentagon, I thought, can this be all that is left, a picture? Then General Sullivan read from the letter General Sherman wrote to General Grant after the Civil War, words so tender that we all broke down. "Throughout the war, you were always in my mind. I always knew if I were in trouble and you were still alive you would come to my assistance."

One night before either of you were born, your dad and I had a funny little talk about dying. I teased that I would not know where to bury him. Very quietly, he said, "Up home. In my uniform." Your dad never liked to wear a uniform. And "up home," Maine, was so far away from us.

Only after he was laid to rest in a tiny flag-filled graveyard in Lincoln, Maine, did I understand. His parents, burying their only son, could come tomorrow and the day after that. You and I would have to travel so far.

Then there is a bit more. Mr. Speaker, our colleague, OLYMPIA SNOWE of Maine, who I think will be the next Senator up there, she was there the night that the remains, the burned remains, of Gary Gordon came home.

Every single person in Lincoln, ME, she told me, except the babies, were on the street. It was close to midnight. It was very cold. It was the beginning of winter. She said, "You could hear a pin drop as Lincoln, ME, buried its Medal of Honor hero, Gary Gordon."

An irony of fate is that Randy Shugart, his best friend, fellow recipient of the Medal of Honor, was also from Lincoln, another Lincoln, Lincoln, NE. His mom and dad, Lois and Herbert, are retired near Carlisle, the Army barracks and the Army War College there. Farmers, simple people. I have not met the Gordons, but I have met Mrs. Shugart and the parents, as I said, Herb and Lois.

□ 1840

These are the finest people we have in our country, the salt of the earth. These young men and women of all ranks up to the highest ranking officers leading them. These are the backbone of our country. A poll came out last week and it shows the presidency is considered way down, but still considered about twice as high as Congress. We are right down at the bottom with the respect of only 7 percent of this Nation. Religion is up near the top but not at the very top. The very top of all the institutions in this country, held in most respect by our fellow Americans, are the Armed Forces of our United States. That is fitting and as it should be. But where are we going? Quo vadis, Mr. Clinton, on Haiti?

Listen to this excellent article by Ray Kerrison, syndicated columnist. The title says "Clinton to Install a Haitian Marxist who Hates U.S."

One of our colleagues, DAVID OBEY, took the well the other day and said only two words at this point should be coming from Mr. Aristide, "Thank you." We have not heard those words yet.

Here is the Ray Kerrison column:

A week before the U.S. Marines hit the ground in Haiti, President Jean-Bertrand Aristide sent a message to his followers back home through Radio Democracy, a U.S.-financed radio station set up for his use and benefit.

In Creole, Aristide cried, "With the machine guns of the enemy, we shall return and they will be dumbstruck."

The "enemy," in case you missed the subtlety, is the United States. The message on Radio Democracy was broadcast from a U.S. Air Force plane flying above Port-au-Prince a week, mind you, before thousands of young American troops were ordered to risk their lives to restore Aristide to power.

By the way, Mr. Speaker, and as an aside here, this is so offensive and shocking to me that I am resisting it in a way. I have to find out where Mr. Kerrison got this and I am going to check this out through my committee assignments and find out if these are the exact words of Mr. Aristide.

Are there words sufficient to portray the treachery nesting in Aristide's heart, to describe the folly of President Clinton ordering a new American occupation of Haiti or to measure the ineptitude of Jimmy Carter as a pariah diplomat?

If it were not so embarrassing and potentially tragic, it would be the stuff of comic opera.

This is what Clinton and Carter have wrought: Three years after the collapse of the Soviet Union and communism, at an incalculable cost in blood and resources to the United States, an American president has used the might of the nation to install a Marxist president in Haiti.

He is not there yet.

It defies comprehension. Stalin and Khrushchev, Kennedy and Nixon, even in their graves, must wonder if the world has been turned inside out and stood on its head.

Jean-Bertrand Aristide's history shows him to be psychologically unstable, violently anti-American, contemptuous of democratic principles and a devotee of "necklacing," the torture art in which a tire is strung around an opponent's neck, filled with gasoline and set afire.

That President Clinton should stake the whole weight of American prestige and power on anyone so flaky, deceitful and tyrannical is cause for alarm.

Clinton and Carter have not resolved the staggeringly complex problems of Haiti. They have merely postponed them and, ultimately, made them more flammable.

"If Aristide is returned to power, there will be civil war in Haiti," said Raymond Joseph, editor of the Haiti Observateur, the Brooklyn newspaper. Joseph has in his possession a tape of Aristide's broadcast last week, when he gloated of returning to power under the guns of "the enemy" and leaving the Americans and his rivals "dumbstruck."

How can a nutty professed Marxist with dictatorial convictions build a democracy in Haiti? He cannot. So the whole Haiti exercise is a political fraud with consequences yet to be determined.

The Aristide record is shocking. Joseph recalled, "In a speech on July 28, 1988, for the 73rd anniversary of the first American intervention in Haiti, Aristide said that Cuba showed us the way to go in 1959 and Nicaragua showed us the way to go in 1979.

Those two countries still suffer, Mr. Speaker.

"Aristide told the crowds that Cuba had drawn a line in the sand and dared the American eagle to cross it. He said to them, 'Would you not like to be like Cuba and tell the eagle that here is the line in the sand and cross it if you can?'"

That was six years ago, but nothing has changed, despite Aristide's three-year exile in the United States. "The speech last week shows that he is still the same man," said Joseph. "He has not changed. It is his character."

Like so many, Joseph said he will hold the United States responsible for what happens if and when Aristide is restored to power. "He is now America's client and there is going to be big trouble," said Joseph. "There will be a civil war, and the U.S. will have to defend Aristide."

The unpredictable Haitian is, himself, an overthrow specialist. Before he was ousted by the military junta, Aristide orchestrated some mini *coup d'etats* of his own.

"Many mayors, who were elected at the same time as Aristide, were deposed and replaced by committees from Aristide's organization," said Joseph.

So much for the man charged with installing democracy in Haiti. "Six months before Aristide was overthrown, I wrote an editorial in my paper asking Aristide the question: If elected mayors can be replaced, what guarantee do you have against a *coup d'etat?*"

In evaluating the prospects of Jean-Bertrand Aristide, it is critical to understand that he still regards the United States as the enemy. He calls it "the great Satan."

Stealing from Iran.

Yet he is about to be installed back in power by the president of the United States in an arrangement that Carter called a "win-win agreement."

The United States is about to plant a second Fidel Castro in the Caribbean, proving there is no limit to Clinton's folly and Carter's naivete. The unanswered question is, who will pay the price?

Mr. Speaker, we live in an audio-visual period of history and it probably will stay that way for the rest of our lives, maybe forever. There is no way to change that. People resist reading and, unfortunately, although there is a great percentage of Americans from all economic classes that read our newspapers, support our public and private libraries, read our news magazines, most people get their news electronically. On the other hand, I think it has been healthy for Government that since April 3, 1979, we have put out, by six cameras paid for by the taxpayers, in this Chamber the proceedings of this House.

Because people are not reading enough about Haiti and our involvement there, let me take advantage of the research I have been able to do. Let me explain just briefly, Mr. Speaker, a little about our prior invasion, our occupation of Haiti, and why Yogi Berra might be pressed to say, "It's deja vu all over again."

The President of the United States in 1915 was a good man, former president of Princeton, an intellectual, a man of peace, a lover of democracy, so much so that he wanted to insert it into every country around the world even if they were resistant. Woodrow Wilson.

His Secretary of State was a man that had run for the Presidency three times and lost each time, but lost with his head held high, a great orator of this Congress, William Jennings Bryan. William Jennings Bryan, like Mr. Wilson, was an intellectual and a lover of democracy. In 1915, the President of Haiti, Vilbrun Guillaume Sam, was involved in torture, it appears. And the poor, the rebels in those days, were called Caicos, like the islands in the Caribbean, the Turks in Caicos. They had 167 peasant Caicos prisoners in Port-au-Prince and they tortured them all and killed them all. The crowd, somewhat similar to the crowds we saw yesterday, threw caution to the winds and like any deep passionate revolution, they did not care about dying on the barricades. They overwhelmed the government in Port-au-Prince. President Sam fled to the French Legation, to their embassy, where the French tried to hide him. The crowds had no fear of France because they had whipped France's greatest general, Napoleon. Cost him more dead soldiers with combat and disease than Napoleon had lost at Waterloo, 50,272.

□ 1850

So the crowds overwhelmed the French Embassy, and there is deep passion and hatred on all sides in Haiti. They grabbed President Sam and tore his head and his limbs from his body and carried his body parts out into the street.

That was too much for President Woodrow Wilson and Secretary of State William Jennings Bryan, and in went the U.S. Marines. We set up a naval admiral as Governor General. After about 3 years there was what is called the second Caicos rebellion. The crowds rose up again. This time America was the Satan and they began killing across the countryside. Fifteen U.S. marines were killed, a very close figure to the 30 killed in Somalia or the 18 killed in the firefight the night of October 3 and 4, 1993. Fifteen marines were killed.

The peasants paid dearly, as did Aideed's men and women in the streets of Mogadishu, but the ratio was far worse, 1,500 dead. That was 1918.

Today with television and Dan Rather doing a darn good job in the streets down there, if it was like today the Marines would have been pulled out. But in 1918, at the same period when World War I, with my dad in the trenches of Europe, was ending, we were in no mood to see 15 marines killed. So 3 years turned into 19 years.

Only when Woodrow Wilson was gone, two other Presidents had come and gone, Herbert Hoover formed a commission. Another firefight. By the way, six marines won the Medal of Honor in Haiti, mostly fought in 1917–18. He started the commission that came to fruition in Franklin Delano Roosevelt's second year, 1934, before we pulled out. This will not happen this time if 15 marines, or the Tenth Division soldiers are killed. We spent 19 years in Haiti and we left no democracy behind.

The Marines avenged their 15 dead men and caught the guerrilla leader with a rather romantic name, Charlemagne Peralte. When they captured Peralte they killed him, hopefully. I do not know the history. Hopefully it was in a firefight and not an execution. And since they had the leader of the revolution, the second Caicos revolution, they photographed him and spread that photograph all over Haiti hoping that it would dissuade any more rebellions.

But as with Che Guevarra, captured and executed, not killed in a gunfight, wounded and then executed in Bolivia it had an opposite effect. In the case of Che Guevarra he became a hero to people like Tom Hayden, Jerry Rubin, the Chicago Seven, and all of the American haters, and the Oliver Stones of the 1960's. This man, Charlemagne Peralte, became a martyr hero to all Haitians because the photograph made him look like Jesus Christ on the cross, and the Christian heritage mixed with the West

African religious heritage, they had a martyr. And even though we stayed 16 years, we never had the respect of the people again.

Flash forward from 1934 to Aristide's next to last month in his short presidency. His chief of police was a man with a deceiving name. There are nine categories of angels, and those who study theology know the second highest category is cherubin which we get from the word cherub, and this man's name is Cherubim. Chief of police Cherubim, and this is in the intelligence community given as fact, oversaw the slaughter of five young students who were against Aristide in the main prison there in Port-au-Prince where they have tortured people on all sides, no matter who is in power. And they let the windows open so that the screams would go out over the city area so they could intimidate whomever they wanted to intimidate. These five young people were killed.

The lieutenant who oversaw the murders is named Solomon, another little play on names, Solomon. It appears that he was protected by Aristide the next month, September, the month he was overthrown and, of course, in that month he was overthrown, there is not much debate in the intelligence community. But there is debate on this House floor as to whether Aristide gave the order to kill Roger Toussaint, one of his adversaries. And with that final killing Aristide was overthrown.

Now we can get into the situation that we seem to be in a lot of the times in the Balkans, in Bosnia and Herzegovina on who is doing the most killing, who is committing the most human rights abuses, Bosnian-Serbians, Bosnian-Croations or Bosnian-Moslems. And it appears overwhelmingly most of the killings are the Serbians in Bosnia. But it does not excuse the human rights violations on the other two sides. At this point I believe that there are human rights violations manifest on both sides, but I am willing to concede that there is a total lack of professionalism in the Haitian police and army. The ugly, brutal, indiscriminate, unprovoked beating of women and teenagers who had not yet begun to throw stones is evidence that there is a sergeant class on down or an officer lieutenant class on down in the police and in the military that thinks they can do whatever they want.

Now I see my distinguished colleague on the floor from New York over here who is going to contradict probably a lot of what I am saying. But here is a piece of intelligence we would probably both agree with. One of the reasons these out-of-control police authorities in Port-au-Prince felt they had the right to continue their pattern of beating people without provocation in the streets is that we had helicopters flying over the city for 2 days prior to today,"We are here to work with your police and military."

That is what our helicopters were telling the military and police of General Cedras and the police of Michel Francoise.

Talk about giving mixed signals to the people, talk about frustration of the young men we saw on the news last night saying, "Why are we here? I thought we were to stop the killing? They killed that man right in front of us. Why?" And tensions are building.

President Carter courageously put his life on the line, and Colin Powell in more danger than he was in Vietnam, and not armed as he was in Vietnam where he always had a sidearm, and SAM NUNN, the first Senator in that much danger in the history of our country in a long, long time were under the guns of Cedras where they could have been easily taken hostage. They tried to prevent great loss of American life trying to solve this problem.

Where does that leave us right now? It leaves us in an absolute tar pit, a superpower stuck in a tinderbox situation.

There are stores of gasoline hoarding because of our blockade. President Carter is right on that, and I believe Senator NUNN. I saw him on the Senate floor yesterday back up former President Carter, that removing the sanctions was part of the Sunday agreement last Sunday. And I think that these gasoline supplies inside Cite Soleil, Sun City, are as dangerous as the ones inside Panama City in the Commandante area when our attack began there and Noriega's forces burned up that whole poor area of the city.

□ 1900

And this gasoline can be used for Molotov cocktails or, depending on which side, to burn down the poorest city area in the entire Western Hemisphere, Cite Soleil. All it takes is one incident where an American soldier, a 19-year-old or an 18-year-old sees a friend hit in the face with a rock and fires his weapon. Or are we not allowing them to have bullets in their weapons as we made that mistake with the Marine Barracks guards in Beirut on October 23, 1983? I do not think we will relive that mistake.

What happens if these out-of-control police decide to defy Americans as they did not in the film clips we saw last night when one American sergeant, who had had enough, or a corporal or, for all I know, a private, stepped forward and waved his hands and said, "Get out of here," and they left in their vehicle, 10 of them, 8 of them; what happens if they decide to stay and fight? What about those crowds jumping up and down who are then interviewed? Remember, their native language is French, not English. But in pretty good English they are telling us, "Why are you letting us be beaten? I thought you were here to help us, to liberate us."

This thing can go bad in an instant.

We have 14,000 Haitians in Guantanamo. Yesterday I was going to take the floor and say while we have this open window of opportunity, take them back to Port-au-Prince while we have the chance. I am glad I did not say that. Because I would not say that today. I would not take anybody back into that tinderbox today. We have 14,000 people costing us $2 million a day in Guantanamo. We have 23,000 Cubans there because Castro is far worse than Cedras on his worst day. We have 30,000 Cubans in Panama. Panama reneged and would not take the Haitians. I do not know why they would not take Haitians. They have got 30,000 Cubans in Panama. We pay the bill. So we have a total of 53,000 Cubans.

I have not seen a boat person report. I wish God would send us a message on our computers how many Cubans have died at sea because of Castro over the last 30 years. I wish we had an absolute hard figure how many Haitians have died at sea, from drowning, dehydration, shock, hurricanes, shark attacks; I wish we had a computer figure from God to tell us exactly how many Vietnamese died because we cut and ran from Vietnam.

So now we are put in position, those of us who have thought that there was either no policy or at most, an ill-conceived policy in recent history on Haiti, of wanting to support our men and women in the field in harm's way, of wanting to support these children and women being beaten in the street, of wanting to feed and help the Cuban and Haitian refugees in Panama and on the southeast tip of Cuba, just across the strait from Haiti, in Guantanamo Bay. But we are boxed into a corner. The joke is going around that Mr. Warren Christopher has had his State Department authority co-opted by this quickly-put-together team of a senior Senator, a most respected retired general out there, and a former President who has beautifully rebuilt his image as a person who cares about human rights and people, and the joke is that all this would not be happening if Mr. Christopher were alive. Well, maybe that is unfair to him. But where has he been? What has he been doing? Where is Strobe Talbott? The State Department is a disgrace.

I also know for a fact that Secretary of Defense Perry is uncomfortable. I do not know who ordered General Shalikashvili to go on Ted Koppel's "Nightline." I could see in his eyes he wanted the holy blazes out of there, because Ted asked some very tough questions. He could not give the proper answers, this policy is so without definition, so filled and riddled with the beginning of mission creep.

Listen to this article, Mr. Speaker; I will submit this for the RECORD, and I

will read the first and the last paragraph, an article by Mark Helprin, not to be confused with one of the architects of this misguided Haitian policy, Morton Halperin. This is Mark Helprin, who is a novelist and contributing editor of the Wall Street Journal. He writes to the President, Mr. Speaker. He says,

Mr. President, Haiti is on an island, and its navy, which was built mainly in Arkansas, is well characterized by the Institute for Strategic Studies as "Boats only." The Haitian gross national product is little more than half of what Americans spend each year on greeting cards, its defense forces outnumbered five to one by the corps of lawyers in the District of Columbia.

With other than a leading role in world military affairs, the Haitian army has retreated into a kind of relaxed confusion in which it is also the fire department, captains outrank colonels, and virtually no one has ever seen combat.

Except beating people in the street.

Which raises the question, Why has the leading superpower placed Haiti at the center of its political universe?

Mr. President, in trumpeting this gnatfest at a hundred times the volume of the Normandy invasion you have invited challenges from all who would take comfort at the spectacle of the U.S. in full fluster over an object so diminutive as to be a source of wonder.

It gets better for about 10 more paragraphs, and here is the way it ends.

Like your false-ringing speech, the dry bones of your authority had none of the moral flesh and blood that might otherwise have invigorated even a senseless policy. The animation that you have failed to lend to this enterprise was left to the soldiers in the field, who with the greatest discipline and selflessness would have taken on the task that, generations, ago, you refused.

Oxford sounds.

I wonder if your view of them has really changed. In your philosophy they must have been pawns then, and they must be pawns now: The only thing that has been altered is your position.

Though it is fair to say that I differ with your policy, if our soldiers had gone into combat I would have been behind them 100 percent, and I hope that, despite the orders in Somalia, you would have been too. This is a lesson that you might have learned earlier but did not, the truth of which you now embrace only because you have become president of the United States. You are that man will march only if he is commander in chief. Yours, Mr. President, has been a very expensive education. And, unfortunately, every man, woman, and child in this country is destined to pay the bill for your training not because it is so costly but because it is so achingly incomplete.

Mr. Speaker, I submit that for the RECORD and yield back that final moment for my colleague from New York, the gentleman from New York [Mr. OWENS], who will give you the other side of the story.

[From the Wall Street Journal, Sept. 20, 1994]

A SOLDIER OF THE NOT GREAT WAR

(By Mark Helprin)

Mr. President, Haiti is on an island, and its navy, which was built mainly in Arkansas, is well characterized by the International Institute for Strategic Studies as "Boats only." The Haitian gross national product is little more than half of what Americans spend each year on Greeting cards, its defense forces outnumbered five to one by the corps of lawyers in the District of Columbia.

With other than a leading role in world military affairs, the Haitian army has retreated into a kind of relaxed confusion in which it is also the fire department, captains can outrank colonels, and virtually no one has ever seen combat. Which raises the question, why has the leading superpower placed Haiti at the center of its political universe?

Mr. President, in trumpeting this gnatfest at a hundred times the volume of the Normandy Invasion you have invited challenges from all who would take comfort at the spectacle of the U.S. in full fluster over an object so diminutive as to be a source of wonder.

Anyone considering a serious challenge to the U.S. has been reassured that we have no perspective in international affairs, that we act not in regard to our basic interests but in reaction to sentiment and ideology, that we can be distracted by the smallest matter and paralyzed by the contemplation of force, that we have become timid, weak, and slow. This is what happens when the leaders of the world's most powerful nation take a year to agonize over Haiti. This is what happens when the elephant ignores the jackals and gravely battles a fly.

WHY NOT CUBA?

Given that Haiti is a nation doomed to perpetual harmlessness, that it is not allied to any great power, that it does not export an ideology, that it does not have an ideology, and that it is of no economic consequence to any nation except perhaps the Dominican Republic, you strained to justify intervention the way a prisoner with his hand stretched through the bars strains for a key just out of his reach.

In your recent address you mentioned rape three times, the killing of children three times, an the words "dictator" or "tyrant" 18 times. If we must act "when brutality occurs close to our shores," why not now invade Cuba, or Colombia, or the South Bronx, or Anacostia? Every year in the U.S. we are subject to more than 100,000 reported rapes and 20,000 homicides. How do rape and murder in Haiti, no numbers supplied, justify U.S. intervention? And if they do, where were we in Rwanda?

It is possible that having no idea whatsoever about the balance of power among nations, the workings of the international system, and the causes and conduct of war, you are directing the foreign relations of the United States of America in accord with the priorities of feminism, environmentalism, and political correctitude? Why not invade Saudi Arabia because of the status of women there, Canada because they kill baby seals, Papua New Guinea because it doesn't have enough wheelchair ramps?

Haitian illegal immigrants (did you not mention AIDS because it would offend the Haitians, or some other group?) have been to some extent motivated by the embargo and are a minute proportion of the total that seek our shores. If it is so that the best way to deal with a country that spills over with souls is to invade it, que viva Mexico? Should the U.K. invade Pakistan; France, Algeria; and Hong Kong, Vietnam? For that matter, why have you not hastened forward to Havana? In fact, the history of great-power interventions shows that conquest does not prevent but, rather, facilitates population transfers.

Your desire to wipe out the expenditure of $14 million a month to maintain the leaky embargo that you put in place was not consonant with your robust urge to spend elsewhere, and was a rather dainty pretext. Fourteen million dollars is what we in this country spend on "sausages and other prepared meals" every seven hours. If you truly believe, Mr. President, that "restoring Haiti's democratic government will help lead to more stability and prosperity in our region," then you, sir, have more Voo doo than they do. The entire Haitian gross national product is worth but three hours of our own. Were it to grow after intervention by 10% and were the U.S. to reap fully one half the benefit, we would surge ahead another nine minutes' worth of GNP. This is not exactly high-stakes geopolitics.

Why, then, Haiti? Why are your subordinates suddenly so Churchillian? Clearly, in a real crisis they would be so worked up that all their bulbs would burst. The nations towed along for the ride (Poles? Jordanians?) seemed not to know whether to be embarrassed by the stupidity of the task or amused by the peculiarity of their bedfellows. This the secretary of state described as "a glowing coalition." Never in the history of the English language has such an inept phrase been launched with such forced enthusiasm to miss so little a target. Granted, the vice president's "modalities of departure" did much to inspire the nation to a frenzy of war.

Why Haiti? Because, like the father in Joyce's story, "Counterparts," who bullies his son because he cannot fight his bullying boss, what you do in Haiti says less about Haiti than about North Korea, Europe, and the Middle East, where the real challenges lie, and where you cannot act because you do not have a lamp to go by and you have forced your own military to its knees.

Why Haiti? Because you have been unable to say no to the Black Caucus as it stands like the candlestick on the seesaw of your grandiose legislation, and because you are a liberal and in race you see wisdom, or lack of wisdom; qualification, or lack of qualification; virtue, or lack of virtue. And because the Black Caucus is way too tight with Father Aristide.

Why Haiti? Because you have no more sense of what to do or where to turn in a foreign policy crisis than a moth in Las Vegas at 2 a.m. You should not have singled out Haiti in the first place, but once you did you should not have spent so much time and so much capital on it, blowing it out of all proportion, so that this, this Gulf Light, this No-Fat Desert Storm, is your Stalingrad. Six weeks and it should have been over, even including an invasion, about which the world would have learned only after it had begun. All communications with the Haitian regime should have been in private, leaving them the flexibility to capitulate without your having to distract Jimmy Carter from his other good works.

Though you and your supporters made a marriage of convenience with the principles of presidential war powers, your new position is miraculously correct, while that of the Republicans who also switched sides in the question is not. You did have the legal authority to invade Haiti. What you did not have was the moral authority. Despite what you have maintained during the first 46/48ths of your life, the decision was yours, but your power was merely mechanical.

DRY BONES

Like your false-ringing speech, the dry bones of your authority had none of the

moral flesh and blood that might otherwise have invigorated even a senseless policy. The animation that you have failed to lend to this enterprise was left to the soldiers in the field, who with the greatest discipline and selflessness would have taken on the task that, generations ago, you refused. I wonder if your view of them has really changed. In your philosophy they must have been pawns then, and they must be pawns now: The only thing that has been altered is your position.

Though it is fair to say that I differ with your policy, if our soldiers had gone into combat I would have been behind them 100 percent, and I hope that, despite the orders in Somalia, you would have been too. This is a lesson that you might have learned earlier but did not, the truth of which you now embrace only because you have become president of the United States. You are the man who will march only if he is commander in chief. Yours, Mr. President, has been a very expensive education. And, unfortunately, every man, woman, and child in this country is destined to pay the bill for your training not because it is so costly but because it is so achingly incomplete.

VACATION OF SPECIAL ORDER

Mr. OWENS. Mr. Speaker, I ask unanimous consent to vacate my 5-minute special order.

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

There was no objection.

A MAGNIFICENT LANDMARK EVENT

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from New York [Mr. OWENS] is recognized for 30 minutes as the designee of the majority leader.

Mr. OWENS. Mr. Speaker, what has happened in Haiti is a magnificent landmark event which sets a higher moral precedent for the new world order. We should rejoice and not take the cynical tone of the previous speaker.

In the new world order, the greatness of the industrialized nations will be measured not so much by the way they pursue their own obvious self-interest but by their assistance to the least of the nations among us. In the new world order, the moral nations who uphold democratic principles will also gain the greatest amount of influence over the people and the markets of the world.

So in the final analysis, as we compete for the markets of the world, our high moral road in our relationship with other nations will establish a more permanent path to peace and prosperity for Americans.

It is important to note also that the island of Haiti, the island nation of Haiti, has always been of great concern to the United States. We have made it our concern not so much because the Haitians fought in the Revolutionary War against the British at the Battle of Savannah, and we never really have thanked them for that; there are no monuments out there, and the Haitians were involved in the Revolutionary War fighting on the side of the people who established this country, not so much because the Haitians in their defeat of Napoleon created a situation where Napoleon had to leave the New World.

Haitians are the descendants of a group of people who were the only slaves in the history of the world to rise up to overthrow their slavemasters. The Haitians overthrew the French slavemasters. They defeated the army of Napoleon. They drove the army of Napoleon out of the Western Hemisphere.

□ 1910

Napoleon was so wracked with debts and problems that he sold the Louisiana Territory to the United States for almost nothing. And the Louisiana Territory is not just Louisiana, it is several other States which made up the Louisiana Territory in addition to Louisiana. A large part of the United States is now part of the United States because of the valor, the bravery, and the courage and effectiveness of the Haitian slaves who drove Napoleon out of the Western Hemisphere.

The United States became very preoccupied with Haiti later on because after all they were a nation of slaves and had overthrown their slavemasters. And we had a nation filled with slaves at that time.

So we began to dominate Haiti from the time they had won their freedom from France, on. We have always exercised a great deal of influence and sometimes deliberately dominated and militarily occupied Haiti. We have always considered it important. In the Monroe Doctrine days, the Monroe Doctrine said everything that happened in this hemisphere is important to us. So whatever happens in Haiti is considered important.

It is important to note also that when I attended the debriefing at the White House, when President Carter, General Powell, and Senator NUNN came back to brief us, that President Carter stressed the fact that these were people in the military, Mr. Cedras and the other generals, who felt that they had a great tie to the United States. Most of them had been trained in the United States at Fort Benning, GA. General Powell noted the fact that on the wall of the staff headquarters of the Haitian Army there are photos of all the past commanders of the Haitian Army. Three of the past commanders of the Haitian Army were Americans. The Haitian Army was established when we occupied Haiti. The present modern-day Haitian Army was created by the United States. The present Haitian Army was armed by the United States. Their equipment, their supplies. They are a creature of the United States.

So we cannot say that Haiti is of no interest to us. We have always shown a great deal of interest. Most of the foreign businesses in Haiti are American businesses. Most of the foreign businesses are American businesses. Large numbers of people who are citizens of this country are people of Haitian descent. They are Haitian-Americans. They are as American as anyone else, but they are of Haitian descent. Haiti is a nation of 7 million people, 7 million people. It is no small matter, as the previous speaker tried to make us think.

Haiti is a land mass, still unexplored. It is not as poor as it seems. Wherever there is land and wherever there are people, there is a possibility of wealth.

The great problem is it has never had a government, it has never had leadership that has held the government together long enough for the nation to fully exploit its resources. And its greatest resource, of course, is people.

I am overjoyed at the almost political miracle, it is almost a political miracle that the right thing was done. It was the right thing to do to insist that the legally elected government of Haiti be restored, that President Aristide be returned. After all, President Aristide was elected by 70 percent of the population of Haiti; 70 percent of the voters who came out voted for President Aristide. There were two or three other candidates, and altogether they shared 30 percent of the vote. For anyone to say that Aristide is not the choice of the people and Aristide will not be able to hold Haiti together as a leader is an insult to democracy and the whole process of democracy.

I sent a message to my own constituents and to the other people of Haitian descent in New York City on the morning after. I want to read this message briefly. It was a special message to the more than 20,000 New Yorkers of Haitian descent and all the other people who are not of Haitian descent who cherish democracy:

The military criminals who overthrew the democratically elected government of President Aristide and have held the seven million people of Haiti as hostages for the past three years have agreed to leave office. Today, Monday, September 19, 1993, the United Nations Forces led by the United States have begun the protective military intervention which the Congressional Black Caucus first advocated a year ago. The troops are going in today and President Jean-Bertrand Aristide will be returning within a few weeks. At this point the clock cannot be turned back.

Last night I spoke with President Clinton and he assured me that the plan of the multinational force would be fully implemented. I thanked President Clinton for his courage and his perseverance. I congratulated him on his victory. I told him that history would applaud this action as one of the greatest moments of his Presidency. I assured him that public opinion will soon catch up with his vision.

I told President Clinton that I considered what he had done to be comparable to the stance of Abraham Lincoln when he stood alone and signed the Emancipation Proclamation to free the slaves. His support of the highest level of international morality as we go into the New World Order will have the same impact on the course of world history as Abraham Lincoln's action had on the positive course of our American history.

Our President has taken a great political risk and acted despite an overwhelming barrage of criticism generated by well meaning pacifists, right wing hypocrites and camouflaged racists. To counteract these negative forces we must all now unite behind President Clinton as he completes the implementation of his Haitian policy.

Haiti is free and the Haitians, under the leadership of President Aristide, will rebuild their country. We now all have a duty to find a way to give our Haitian brothers and sisters as much help as we possibly can. With our united work and our fervent prayers we shall overcome.

I have an upbeat attitude because I think it is very much in order. I think it is very much in order to understand that the clock cannot be turned back. There are 14,000 United States military forces that will be on the ground in Haiti, and no tricks by the military of Haiti will be able to undo what has started.

Let me take a moment to deal with the image that is being painted of General Cedras and his comrades. General Cedras is being portrayed as a professional soldier, as a man of great courage, as a man of dignity, as a man you can negotiate with. We have been trying to negotiate with General Cedras since he took the illegal action of overthrowing the President, Aristide, 3 years ago.

If negotiations were possible, if he was a man of great integrity, then we would have concluded this a long time ago without the necessity of a single American soldier on Haitian soil.

General Cedras also led a delegation that went to Governor's Island and actually met with President Aristide—he met with the people there. They did not actually meet face to face with President Aristide. But President Aristide was on one side of Governors Island and they were on the other, and they were negotiating through intermediaries. And they concluded an agreement which General Cedras signed. President Aristide was very reluctant to sign it because he did not believe General Cedras would live up to the terms of the agreement. General Cedras signed the agreement.

The United States was a party to the agreement, the United Nations was a party to the agreement. If General Cedras is a man of integrity, if he is such a great professional, why did he not live up to the agreement?

It was almost a year ago that General Cedras began to violate that agreement. The agreement was signed in July 1993. The agreement called for General Cedras to leave power in Haiti on October 15, 1993. We are back in a situation now where the present agreement calls for General Cedras to leave power, to resign as of October 15, 1994.

So this great man of integrity that we are supposed to believe is worthy of being negotiated with, and that he was not the problem but we were the problem, this man has taken a whole year to get back to where he was a year ago.

General Cedras was being applauded at the White House when I heard the kudos coming from the delegation that went to Haiti and how he stands upright and is a man of great dignity, on and on it goes. Ladies and gentlemen, let us come to our senses and understand. Adolf Hitler was a man who portrayed great physical dignity. He stood up straight. Adolf Hitler was considered by many as a genius, an evil genius but a genius. Adolf Hitler loved art and culture. Adolf Hitler would not wear short pants in public because he thought it was indecent. Yet Adolf Hitler was responsible for the murder of millions. Adolf Hitler never pulled the switch of the gas chambers where millions of Jews died, but Adolf Hitler was the architect for the whole scheme. Adolf Hitler never marched in a trench out there in all those nations that the German soldiers roamed across and brutalized, but Adolf Hitler was the genius that held it all together.

□ 1920

He was at the top. Cedras probably has never pulled the trigger at night in the dark and murdered a single Haitian. He probably has never done that. But he held it all together. He is responsible for all of it.

Yesterday we saw on television, in broad daylight, before the eyes of the whole world, in front of the American soldiers, we saw an exhibition of what these killers are like. They have so incorporated and taken the habit unto themselves that they cannot control themselves even in a situation where they are being exposed, television cameras trained on them in broad daylight. They unmercifully beat and killed Haitians.

We saw it all. These are the people whose commander in chief is Raoul Cedras. General Cedras, Colonel Francois, they may all stand up straight, they may all have good bearing as professional soldiers, but they are killers, they are murderers, they are war criminals.

If Hitler had been alive, and we had negotiated with him, I am sure we would have found Adolf Hitler charming, but let us not be deceived, let us not be ridiculous, and let us not be naive. We are dealing with killers, and we must understand that.

I am not saying that we should violate the agreement Jimmy Carter, President Jimmy Carter, and Senator NUNN and Gen. Colin Powell made. That agreement must be applauded. That agreement must be applauded because that agreement allowed us to enter Haiti with a protective military force that can now guarantee that the Government of Haiti that was elected will be allowed to function, and for that that piece of paper becomes like gold, that agreement that has been discussed a great deal, the technicalities of it—you know it is signed by a man that is really not the president of Haiti. He is a provisional president of Haiti. He has no standing. On the other hand, the other side is signed by Jimmy Carter. He is not a government official. You know all of that is of little importance when you consider the substance of the agreement allowed for the peaceful transition of a very diabolical, murderous situation overnight. Overnight, we have hope, overnight the clock cannot be turned back, and we know it. That agreement calls for amnesty for General Cedras and the other generals, amnesty of a very general kind.

Let the record show that the Governors Island agreement also called for amnesty, but it was amnesty limited to the coup. Everybody participated in the coup would receive amnesty. Any crimes committed after the coup or after the Governors Island agreement were not going to be covered by the amnesty. What General Cedras is seeking is a general amnesty for everything. President Aristide did what he was told to do, or what he agreed to do in the Governors Island agreement. He proclaimed amnesty to the point where the—up to the point where the constitution allowed it. The amnesty called for in that agreement cannot be granted unless the Haitians change their constitution, unless the parliament meets. All of that is possible, but, you know, and if the Haitian people, their parliament, their elected leaders, want to do it, then it should go ahead and do it. But by October 15, whether or not the amnesty has been granted or not, General Cedras and his murderous generals, General Cedras and his war criminal companions, must step down, and we should look at that in this light:

We must look at it in terms of going forward. I spent almost 2 hours with President Aristide and some other Members of Congress discussing the future, the immediate future, and I think President Aristide has made it quite clear in a statement he made today. He wants to go forward. He wants to go forward. He wants to see his government reactivated.

Let us remember. Most do not know, but let me remind you. The Governors Island agreement a year ago called for the appointment of a prime minister by Aristide and for the appointment of cabinet members by Aristide. A year ago, about this same time, those cabinet members were in place in Haiti, appointed by Aristide. Robert Malval, the Prime Minister, was in place in Haiti a year ago.

Early in October of last year, along with the Members, some other congressional Members, we went to Haiti. We met the cabinet that was in place at the time. Mr. Malval, the Finance Minister, they were all in place according to the Governors Island agreement. Shortly after, Mr. Speaker, we left Haiti. In early October General Cedras announced that he would not abide by the Governors Island agreement. The thugs and the killers surrounded the offices of the cabinet members, and they drove them into hiding.

So, you had a situation for a whole year now where the government that was activated and put in place as a result of a Governors Island agreement, has not been allowed to function—at least beyond not being allowed to function, they have been threatened with their lives and they have had to go into hiding. Forty members of Aristide, of the parliament who are Aristide supporters, have been living in Miami because they feared going home to Haiti at all. They have not been able to go home, and their families in many cases are the families, among the families, who have been tortured and beaten. What we saw yesterday on television, the torture and the beating before our very eyes, ought to be enough to tell us that, if they do this in broad daylight with the cameras focused on them, what has been happening at night in Haiti for the last 3 years?

The conservative estimates are that 5,000 people have been murdered. That is a very conservative estimate. When you watch the killers at work in broad daylight, you know that many more than 5,000 people have been murdered over the last 3 years. This is what we are faced with.

In order to deal with that, Mr. Speaker, there is some simple steps that need to be taken, simple, positive steps. Let us activate, reactivate, the government of President Aristide on Monday. This Monday let us call for all the ministers appointed by President Aristide to show up for work at their offices on Monday, and let us guarantee that there will be American soldiers there at those offices to protect these public officials and guarantee that they may come, they may go, and do whatever they wish, without any threat from the killers of yesterday who dominated Haiti yesterday. That is the simplest way to move things forward.

Among the people appointed by Aristide was a minister of defense, a minister of defense, which means that the minister of defense gives orders to whoever is in command of the military. Cedras should be taking his orders from the minister of defense, or at least General Shelton who is now the commander in chief of the forces in Haiti, should be conferring, beginning on Monday to confer, with the minister of defense appointed by Aristide as well as General Cedras.

There is an agreement to cooperate with the Haitian military. The definition of cooperation is left for us to interpret. Cooperation does not mean that you allow the Haitian police and the Haitian soldiers to continue to beat people to death. That is not part of the definition of cooperation automatically. You set the terms for how they are going to behave because, after all, we are only in the country because those people have violated the rights of people, they have thrown out the government, they have created a situation which is intolerable in this hemisphere.

So, let the prime minister go to his office on Monday, let the finance minister go to her office, let the education minister go to her office. Those who doubt the sincerity of this agreement would have all the evidence in the world. If they note on Monday that the government of President Aristide has gone to work, the functioning of Haitian society goes forward, and I say that also because there are people who are saying, "We'll be in Haiti forever."

We will not be in Haiti forever. Haiti is not like Somalia. Somalia was in anarchy. Somalia consisted of a group of warlords warring with each other who had no sense of nationhood. In fact, the saddest sight I have ever seen with respect to Somalia was the photograph, the television video, which showed the seat of government in Somalia, the assembly house, with its murals still on the wall, totally demolished except for a few walls still standing. In the fighting process they had physically destroyed their government with arms, explosives, et cetera, and the only thing standing was a few walls with paintings still on them. It was a very tragic sight.

□ 1930

Government, civility, order, had all vanished from Somalia. We could not restore that if we stayed there 100 years. They will have to do it their own way. It may take them 10 or 20 years, but nobody from the outside can restore that.

Haiti is not Somalia. Haiti is not Somalia. Haiti has gone through a process. I was looking at the times on the floor I have spoken about Haiti that go back to the 101st Congress. On January 4, 1989, I was talking about the problems in Haiti. The Haitians wrote a Constitution. They said they would never be able to write a Constitution. They wrote a Constitution. The Haitians went out in large numbers and voted for that Constitution. The Haitians had an election. They went out in large numbers for what they thought would be a free and fair election, and the army, this same army of criminals, shot people down at the polls. They moved them down at the polls, and yet they came back less then a year later for another election.

The Haitians are determined to build a nation, and they have the structure with which to do it. The Haitians have large numbers of very sophisticated, well-educated people to work with. In Haiti they have a large number of people who are very well trained, and outside of Haiti, in the United States, in Canada, in France, they have large numbers of Haitians who live in the diaspora, who are ready to go home and participate in the rebuilding of Haiti.

Haiti is not Somalia. The United States will not have to stay there very long. The military forces certainly can be out by Christmas, in my opinion. The United Nations forces, which are going to help with the institutional building and help set the stage for the proper use, the best use, of economic aid, all those people may be around much longer. But there is no need for a military occupation of Haiti for a very long time. The Haitians can take care of themselves.

I want to close by saying the statements made previously about President Jean-Bertrand Aristide must be challenged. They are inaccurate. They are outright lies. Many of the lies were formulated by, and I am not accusing my colleague of lying, I am saying that the lies that he repeated were lies that were formulated by members of the CIA. That came from the CIA, so we assumed it was true.

But the CIA has a special problem with President Aristide. The CIA was responsible for guaranteeing the election of President Aristide's opponent. The CIA spent a large amount of money on a man named Mark Bezan, who was supposed to be chosen as president of Haiti. Mark Bezan only got 20 percent of the vote. Aristide got 70 percent of the vote. The CIA was greatly embarrassed. They have hated Aristide since then. The false statements and outright lies have gained momentum, and people keep repeating them as if they have some basis in fact.

They called Aristide mentally imbalanced. They gave the name of a doctor and gave the name of a hospital that treated him. Because we had the details and were able to check them out, we were able to determine that no such doctor or hospital existed in Canada. The one aspect of the CIA's analysis of the character and history of Aristide that was known and could be checked out proved to be false, false information distributed by the CIA.

Jean-Bertrand Aristide is to Haiti what George Washington was to this Nation. They are quite fortunate to have him. Jean-Bertrand Aristide can oversee the rebuilding of the Nation of Haiti. He is a man who is a priest, he is a poet, he is a writer, he is a Biblical scholar. He spent 2 years studying Biblical archaeology in Israel. So Hebrew is one of the six languages that he speaks.

It is very fortunate that Haiti has Jean-Bertrand Aristide. Aristide has not a single dishonest bone in his body.

Nobody can accuse him ever of corruption, of wasting the resources of his people. They are quite fortunate Aristide is a great man. I place him on the same level as I do Nelson Mandela.

I want to conclude by congratulating President Aristide on the remarks he made today at the Pentagon, and I would like to read his statement into the RECORD.

President Aristide said today at the Pentagon:

In these past three days, something has happened in Haiti, Operation: Uphold Democracy was peacefully deployed. President Clinton, this is the result of the decision that you made, this is the result of your leadership. Thank you, and the people of the United States, for your commitment to lead a multinational effort in carrying out the will of the United Nations to help restore democracy to Haiti. It is certain that every action that stops the flow of even a single drop of blood, is a step towards lasting peace which we envision. I extend my thanks to President Carter, General Powell and Senator Nunn.

General Shalikashvili, when U.S. men and women arrived in Haiti on Monday, they encountered a nation of people ready to embrace peace. To you, your commander in the field, General Shelton, and the thousands of American soldiers both in Haiti and on their way to Haiti, on behalf of my nation, my many thanks for joining in this endeavor for peace. Your wives, husbands, parents, family and friends may take comfort in knowing that your presence is a contribution to the justice and democracy that we seek, principles that run deep in the tradition of the United States.

We who stood side by side with you in the battle of Savannah, Georgia to fight for the independence of the United States, are happy that today you stand side by side with us to uphold democracy in Haiti.

The light of peace must shine throughout Haiti. The world must see this light shine in Haiti day and night for every single citizen. Nothing must block this light of peace—neither violence nor vengeance, guns nor provocation, impunity nor retaliation. Peace must flourish in Haiti. The success of this mission is directly tied to the process of disarmament. As I said on February 7, 1991, the day of my inauguration, not another drop of blood must flow in Haiti: no to violence, no to vengeance, yes to reconciliation, yes to justice.

People of Haiti, continue to uphold democracy. Be vigilant and guard against provocation. While we move towards dialogue, mutual respect, enjoyment of civil liberties, and political stability, we call on all senators, deputies, members of Administrative Councils, Municipal Councils, Departmental Councils, mayors, and other elected officials to resume their offices. A peaceful environment is indispensable for these duly elected officials and the political parties to function. To help foster this environment, I have created a transition team headed by our Minister of Defense General Beliotte. They will assess conditions in Haiti and recommend the next steps to be taken to insure the quick restoration of constitutional order.

Here in Washington I will continue to meet and work with the National Security Advisor Mr. Anthony Lake, Special Advisor on Haiti Reverend Bill Gray and you General Shalikashvili, chairman of the Joint Chiefs and Staff, to outline the steps that we will take to guarantee the restoration of democracy which will bring peace to all, reconciliation among all, respect and justice for every single citizen in Haiti.

In less than 24 days I will join you in Haiti. There we will continue working as peacemakers, peacekeepers and peacelovers.

Thank you.

RUSSIAN FEDERATION'S COMPLIANCE WITH TITLE IV OF TRADE ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. STUPAK) laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

To the Congress of the United States:

I hereby transmit a report concerning the emigration laws and policies of the Russian Federation as required by subsections 402(b) and 409(b) of Title IV of the Trade Act of 1974, as amended (the "Act"). I have determined that the Russian Federation is in full compliance with the criteria in subsections 402(a) and 409(a) of the Act. As required by Title IV, I will provide the Congress with periodic reports regarding the Russian Federation's compliance with these emigration standards.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 21, 1994.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FROST (at the request of Mr. GEPHARDT) for today, on account of illness.

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 Mrs. BENTLEY) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 5 minutes, today.

Mr. WELDON, for 5 minutes, today.

(The following Members (at the request of Mr. STENHOLM) to revise and extend their remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. GREENWOOD.

Mr. FIELDS of Texas.

Mr. HUNTER.

Mr. HORN.

Mr. BURTON of Indiana.

Mr. KING in two instances.

Mr. MCDADE.

(The following Members (at the request of Mr. STENHOLM) and to include extraneous matter:)

Mr. HAMILTON in six instances.

Mr. LEVIN.

Mr. TORRICELLI.

Mr. ROSE.

Mr. MILLER of California.

Mr. FRANK of Massachusetts.

Mrs. MALONEY.

Mr. COYNE.

Ms. THURMAN.

Mr. OLVER.

Mr. RICHARDSON.

Mr. POSHARD.

Mr. KANJORSKI in two instances.

Mr. APPLEGATE.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)

Mr. CRAMER.

Mr. GILLMOR.

Mr. KLEIN.

Mr. ENGEL.

Mr. BONILLA.

Mr. ZELIFF.

Mr. REED.

Mr. SANTORUM.

Mr. CRANE.

Mr. BURTON of Indiana.

Mr. PALLONE.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 38 minutes p.m.), the House adjourned until Thursday, September 22, 1994, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3857. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farm and Rural Development Act to modify the program of the Farmers Home Administration to assist beginning farmers and ranchers; to the Committee on Agriculture.

3858. A communication from the President of the United States, transmitting a report regarding action to support multilateral efforts to restore democracy in Haiti and to protect democracy in our hemisphere (H. Doc. No. 103-313); to the Committee on Foreign Affairs and ordered to be printed.

3859. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1999 resulting from passage of H.R. 3355, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees delivered to the Clerk for

printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA: Committee on Agriculture. Supplemental report on H.R. 3171. A bill to authorize the Secretary of Agriculture to reorganize the Department of Agriculture, and for other purposes (Rept. 103–714 Pt. 2).

Mr. OBEY: Committee on Appropriations. Revised subdivision of budget totals for fiscal year 1995 (Rept. 103–735). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 537. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4539) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1995, and for other purposes (Rept. 103–736). Referred to the House Calendar.

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. FIELDS of Texas:

H.R. 5068. A bill to amend the Internal Revenue Code of 1986 to provide a credit for the purchase of child restraint systems used in motor vehicles; to the Committee on Ways and Means.

By Mr. HUNTER (for himself and Ms. DUNN):

H.R. 5069: A bill to direct the Attorney General of the United States to enforce existing anti-pornography laws; to the Committee on the Judiciary.

By Mr. PAYNE of Virginia:

H.R. 5070. A bill to amend the Internal Revenue Code of 1986 to repeal the 1993 Federal income tax rate increases on trusts established for the benefit of individuals with disabilities; to the Committee on Ways and Means.

By Mr. SKEEN (for himself, Mr. RICHARDSON, and Mr. BREWSTER):

H.R. 5071. A bill to amend the Federal Aviation Administration Authorization Act of 1994 to delay the effective date of trucking deregulation for 1 year; to the Committee on Public Works and Transportation.

By Mr. MOAKLEY:

H. Con. Res. 292. Concurrent resolution providing for the printing of a collection of statements made in tribute to the late Speaker of the House of Representatives, Thomas P. "Tip" O'Neill, Jr.; to the Committee on House Administration.

By Mr. CRAMER:

H. Res. 538. Resolution expressing the sense of the House of Representatives that communities should establish multidisciplinary team approaches to treat children who suffer from sickle cell disease; to the Committee on Energy and Commerce.

By Mr. SKEEN (for himself, Mr. KILDEE, Mr. WILLIAMS, Mr. RICHARDSON, Ms. ENGLISH of Arizona, Mr. FAZIO, Mr. OBERSTAR, Mr. SCHIFF, Mr. POMEROY, Mr. JOHNSON of South Dakota, Mr. SWIFT, Mr. FLAKE, Mr. HILLIARD, Mr. DELLUMS, Mr. OWENS, Mr. STUPAK, Mr. BEREUTER, Mrs. MEYERS of Kansas, Mr. TEJEDA, Mr. PASTOR, and Mr. BARRETT of Nebraska):

H. Res. 539. Resolution to encourage the President to establish an advisory commission on tribally controlled institutions of higher learning; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII:

Mr. KANJORSKI (by request) introduced a bill (H.R. 5072) for the relief of Charmaine Bieda; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 162: Mr. MCCURDY, Mr. STENHOLM, and Mr. LUCAS.

H.R. 425: Mr. BARTON of Texas and Mrs. UNSOELD.

H.R. 427: Mr. BARTON of Texas and Mrs. UNSOELD.

H.R. 559: Ms. MARGOLIES-MEZVINSKY and Mr. LIPINSKI.

H.R. 654: Mr. BONIOR, Mr. BERMAN, Mr. FARR, Mr. MENENDEZ, Mr. HAMILTON, Mr. TAYLOR of Mississippi, Mr. BROWDER, Mr. KIM, Mr. BLUTE, Mr. LEACH, and Mr. MARTINEZ.

H.R. 1172: Mr. WISE.

H.R. 1671: Mr. EDWARDS of Texas, Mr. MANN, and Mr. HEFNER.

H.R. 1997: Mr. LAROCCO.

H.R. 2270: Mr. SHAYS.

H.R. 2292: Mr. DERRICK and Mr. CLYBURN.

H.R. 2340: Mr. YATES, Mr. EVANS, and Mr. CLAY.

H.R. 2720: Mr. DEUTSCH and Ms. DELAURO.

H.R. 2898: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 2959: Mr. SAM JOHNSON.

H.R. 3270: Mr. CARR.

H.R. 3320: Ms. MOLINARI and Mr. SAXTON.

H.R. 3472: Mr. SCHIFF.

H.R. 3725: Mr. SENSENBRENNER.

H.R. 3854: Mr. GENE GREEN of Texas.

H.R. 3885: Mr. ANDREWS of Texas, Mr. DELLUMS, and Mr. ACKERMAN.

H.R. 4036: Mr. SCHIFF, Mr. ENGEL, and Mr. DEUTSCH.

H.R. 4244: Mr. SHAYS.

H.R. 4327: Mr. BLUTE and Mr. TORKILDSEN.

H.R. 4507: Mr. FINGERHUT, Mr. DEUTSCH, and Mr. APPLEGATE.

H.R. 4516: Mr. MACHTLEY.

H.R. 4742: Mr. HANSEN and Mr. HUFFINGTON.

H.R. 4765: Mr. ROHRABACHER.

H.R. 4831: Mr. HUTCHINSON and Mrs. VUCANOVICH.

H.R. 5005: Mr. BURTON of Indiana.

H.R. 5016: Mr. MCINNIS.

H.J. Res. 107: Mr. SHAYS.

H.J. Res. 332: Mr. NEAL of Massachusetts, Mr. SPRATT, Mr. HILLIARD, Mr. BURTON of Indiana, Mr. COYNE, Mr. PETERSON of Florida, Mr. PETERSON of Minnesota, Mrs. JOHNSON of Connecticut, Mr. THOMAS of Wyoming, Mr. GALLO, Mr. EHLERS, Mr. BLUTE, Mr. EVERETT, Mr. WELDON, Mr. MCDADE, Mr. RAHALL, Mr. VALENTINE, Mr. LIVINGSTON, Mr. BILBRAY, and Mr. TRAFICANT.

H.J. Res. 398: Mr. COBLE, Mr. BROWDER, Mr. DELLUMS, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. DUNN, Mr. COOPER, Mr. HYDE, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. BAESLER, Mr. GENE GREEN of Texas, Mr. CRANE, Mr. HASTINGS, Mr. SOLOMON, Mr. STUMP, Mr. TORRICELLI, Mr. GIBBONS, Mr. TRAFICANT, Mr. GLICKMAN, Mr. PAXON, Mr. PACKARD, and Mr. MANTON.

H.J. Res. 409: Mr. VALENTINE.

H. Con. Res. 35: Mr. FAZIO, Mr. STARK, Mrs. MINK of Hawaii, Mr. POSHARD, Mr. MFUME, Mr. BONIOR, Ms. SLAUGHTER, Ms. VELAZQUEZ, Mr. LANCASTER, Mr. ROSE, Mr. ANDREWS of Texas, Mr. BRYANT, Mr. BROOKS, Mr. TEJEDA, Mr. SCOTT, Mr. DOOLEY, Mr. MILLER of California, Mr. GIBBONS, Mr. CONYERS, Mr. LEVIN, Mr. TAYLOR of Mississippi, Mr. LAFALCE, Mr. CLEMENT, Mr. COOPER, Mrs. LLOYD, Mr. WILSON, and Mr. RAHALL.

H. Con. Res. 227: Mr. LIVINGSTON.

H. Con. Res. 254: Mr. BECERRA, Mr. BRYANT, Mr. DEFAZIO, Mr. EDWARDS of California, Mr. FAZIO, Mr. FRANK of Massachusetts, Mr. HINCHEY, Mr. HOCHBRUECKNER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KOPETSKI, Mr. LANTOS, Mr. MACHTLEY, Mrs. MALONEY, Mr. MILLER of California, Mrs. MINK of Hawaii, Ms. MOLINARI, Mr. OBERSTAR, Mr. RANGEL, Mr. RICHARDSON, Ms. SCHENK, Mr. SCHUMER, Ms. SHEPHERD, Mr. STUDDS, and Mr. WILSON.

M. Con. Res. 269: Ms. MOLINARI.

H. Con. Res. 281: Mr. GILMAN, Ms. MOLINARI, Mr. HOLDEN, and Mr. FRANK of Massachusetts.

H. Res. 86: Mr. GREENWOOD, Ms. MARGOLIES-MEZVINSKY, and Mr. SAXTON.

H. Res. 519: Mr. WALSH, and Mr. HUTCHINSON.