for voluntary school prayer. The Founding Fathers intended religion to provide a moral anchor for our democracy. Wouldn't they be puzzled to return to modern-day America and find, among elite circles in academia and the media, a scorn for the public expression of religious values. I find it ironic that while taxpayer's dollars are being used by bureaucrats to distribute condoms in our public schools across America, our children are prohibited from reading the Bible or offering voluntary prayer in public schools. This sends a powerful message to our children—and it is the wrong message.

One of the many liberties our forefathers founded this great Nation upon was freedom of religion; a freedom to pray to the God we want, when we want, and where we want. Unfortunately, this freedom has been eroded by the Supreme Court over the last few decades. I firmly believe that no one should be forced to pray, especially if a certain prayer is contrary to an individual's beliefs. But, there can be no question that every American citizen has the right to pray voluntarily whenever and wherever he or she chooses, and that includes children in public schools. This is protected under the first amendment; ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.'' It is that second part that I ask you to pay special attention to today.

As President Reagan so eloquently stated in 1982, ''the First Amendment of the Constitution was not written to protect the people of this country from religious values; it was written to protect religious values from government tyranny.''

SOURCE TAX LEGISLATION

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. STUMP. Mr. Speaker, today I reintroduce legislation to prohibit State governments from taxing the pension income of people who reside in other States.

The so-called source tax has become a major cause of anger and concern among retirees in Arizona and other States. Many of these retirees are being forced to pay income tax to States in which they no longer live, nor have lived for many years.

In my opinion, the authority of California and other source tax States to tax Arizona residents merely because those residents may at one time have lived in those States and were covered by a pension plan, is dubious at best. The legislation I am introducing today would make clear that one State cannot tax the pensions of people who live in another. It is my belief and the belief of my constituents, that if source tax States need to raise revenue, they should do so from their own residents—not from people who cannot respond at the ballot box.

REFORMING THE HOUSE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, December 28, 1994 into the CONGRESSIONAL RECORD.

REFORMING THE HOUSE

In early January, the House of Representatives will consider and likely pass the most significant reforms of its internal operations in decades. These changes were proposed by the new leadership, but many are drawn from the reform plan of last session's Joint Committee on the Organization of Congress.

More generally, the reforms continue a tradition of institutional renewal, dating from the mid-1970s, which aims to open up congressional deliberations, increase the authority of party leaders, and make the House leadership more accountable to rank-and-file Members of Congress and the public. My sense is that most of the new reforms are constructive, and will lead to meaningful improvements in the way business is conducted in the House.

JOINT COMMITTEE REFORMS

Many of the reforms in this package were derived from the work of the Joint Committee on the Organization of Congress, a bicameral and bipartisan panel which I cochaired. The Joint Committee made its recommendations for reform in November 1993, and last year the House did pass one of its major recommendations—requiring Congress to live under the same laws it applies to the private sector.

Unfortunately, the remainder of the Joint Committee's reform plan was not considered by the full House during the 103rd Congress. But the new House leadership has adopted or built on many of the key reform recommendations: First, again require the application of private sector laws to Congress. It is critical that Members of Congress follow the laws they pass for private citizens. Second, streamline the bloated congressional committee system, by reducing the total number of committees and restricting the number of committee assignments Members can have. The leadership also adopted a Joint Committee proposal to significantly reduce the number of subcommittees. Third, cut congressional staff. The leadership has proposed a one-third reduction in committee staff. It recommended no reduction in Members' personal staff or in large congressional support agencies such as the General Accounting Office. The Joint Committee recommended a reduction in the entire legislative branch of up to 12%. Fourth, open up Congress to enhanced public scrutiny by publishing committee attendance and roll call votes, requiring that the Congressional Record be a verbatim account of congressional proceedings, and requiring that special interest projects included in spending bills be publicized, thus providing additional barriers to wasteful spending.

ADDITIONAL REFORMS

The new leadership has also proposed changes that were not included in the Joint Committee package, some of which are constructive, others of which are problematic. For example, to streamline the House it has proposed that three standing committees be abolished. The Joint Committee adopted a more flexible, ''attrition'' approach to committee abolition, providing incentives for Members to leave less important committees through strict assignment limitations and a requirement that committees losing one half of their members be considered for abolition. The basic approach of the leadership proposal should modestly improve the committee system, but it does not address the fundamental problem of several committees having huge jurisdictions.

Drawing on the proposals of an earlier reform commission, the leadership would create a new chief administrative officer for the House who would be responsible for managing its non-legislative functions. I support this attempt to reduce patronage. But the leadership has made the chief administrative officer a partisan position, appointed and supervised by the Speaker. Instead, the administrative functions of Congress should be handled in a bipartisan fashion, with the chief administrative officer reporting to leaders from both parties.

Another proposal would require a three-fifths ''supermajority'' in the House to increase income tax rates. However, almost all substantive issues in the House are now settled by majority rule, and it is unclear why a three-fifths vote is appropriate for revenue matters but not for other legislation. If such supermajorities proliferate in the House, the result would be more legislative gridlock in Washington. In addition, the constitutionality of this proposal is in question.

REFORM OMISSIONS

From my viewpoint, a number of important reform recommendations in the Joint Committee plan are not included in the proposals made by the new leadership. I intend to work for the passage of these reforms during the 104th Congress. Among the omitted recommendations are proposals to: First, include private citizens in the ethics process in a meaningful way. The Joint Committee proposed that private citizens investigate ethics complaints against Members of the House, but major ethics reforms are not included in the package under consideration.

Second, publicize the special interest tax breaks included in revenue bills and the budget resolution. My sense is that special interest loopholes should be treated the same as special interest spending projects. Such items should not be hidden from the public in huge bills. Third, streamline the budget process by shifting if from an annual to a biennial cycle, reducing redundant decisions and allowing more time for oversight.

CONCLUSION

The new House leadership has made a good start toward the passage of meaningful congressional reform. Their efforts have been assisted by the work of prior reform commissions, as well as the public demand for change and the transition to a new leadership with less invested in the institutional status quo. I intend to introduce and push for additional reforms aimed at making the House more efficient and publicly accountable. Reform is an on-going process. And reform is no panacea—many difficult issues are on the agenda. But sustained and meaningful institutional change is crucial for the restoration of public confidence in Congress.

INTRODUCTION OF POLICE AND FIREFIGHTERS TAX CLARIFICATION

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mrs. KENNELLY. Mr. Speaker, I rise today to introduce legislation that is of vital interest to police and firefighters in Connecticut.

This legislation would simply clear up a situation where erroneous State law has caused benefits that were intended to be treated as workmen's compensation to be brought into income on audit. In several States, including Connecticut, the State law providing these benefits for police and firefighters included an irrebuttable presumption that heart and hypertension conditions were the result of hazardous work conditions.

In Connecticut the State law has been corrected so that while there is a presumption that such conditions are the result of hazardous work, the State or municipality involved could require medical proof. This change satisfies the IRS definition of workmen's compensation. Therefore, all this legislation would do is exempt from income those payments received by these individuals as a result of faulty State law but only for the past 3 years—1989, 1990 and 1991. From January 1, 1992 forward those already receiving these benefits would have to meet the standard IRS test.

The importance of this legislation is that these individuals believed that they followed State law. The cities and towns involved believed that they followed State law and therefore all parties involved believed that these benefits were not subject to tax. However, the IRS currently has an audit project ongoing in Connecticut and has deemed these benefits taxable. All this legislation says is that all parties involved made a good faith effort to comply with what they thought the law was. The State was in error. That error has been rectified but those individuals on disability should not be required to pay 3 years back taxes plus interest and penalties.

This legislation has passed the House previously. It was included in H.R. 11, the Revenue Act of 1992 which was subsequently vetoed by President Bush. I hope that the 104th Congress can act expeditiously on this important legislation.

BASE AND CANAL RIGHTS IN PANAMA POST 2000

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. CRANE. Mr. Speaker, 80 years ago, the United States completed construction of one of the engineering marvels of its or any age, a multilock, 51-mile-long interoceanic ship canal across the Isthmus of Panama. Since then, this manmade waterway has served the maritime nations of the world almost without interruption, enabling them to ship their goods from the Atlantic to the Pacific and vice versa much faster and cheaper than would have otherwise been possible. Even with the advent of the supertanker and large container ships, the Panama Canal remains a vital link in world commerce through which 15 percent of America's trade, and 5 percent of the world's, passes. In fact, a number of ships today—Panamax vessels they are called—are being built to specifications that will enable them to just clear the canal when fully loaded.

Credit for this outstanding operating record should go not only to those who have run the canal all these years but also to those who have provided security for it. For the 63 years prior to the signing of the Panama Canal Treaty of 1977 and during the 17 years since, the Armed Forces of the United States have stood watch over the canal from a series of military bases located in a 10-mile-wide strip of territory adjacent to the canal. From those bases, they have been in a position to deal effectively not only with immediate threats to the canal itself, but also with other problems that could have eroded hemispheric peace and security if left untended. An excellent example of the two combined came just a few weeks ago when Cuban refugees sent to Panama pending a determination of their status went on a rampage that had to be quelled by United States military personnel.

The collapse of communism and the rise of the supertanker notwithstanding, there is good reason to believe that a smoothly operating, properly protected canal will be even more significant to the United States, Panama, Latin America and the rest of the world in the future. Several good reasons in fact. The conclusion of the NAFTA and the GATT agreements, not to mention the recent decision by the Summit of the Americas Conference in Miami to strive for an inter-American free trade zone by the year 2005, signal clearly a reduction in tariff and nontariff barriers throughout the region and the world. As they fall, the shipment of goods will inevitably rise as will the utility of the only vessel shortcut from the Atlantic to the Pacific and back. That being the case, the strategic significance of the Panama Canal, as one of the world's great maritime chokepoints, will continue to grow, a fact that will not be lost on terrorist groups or renegade nations determined to achieve their objectives by whatever means necessary. With the weapons they have, or can acquire, either might exert, or try to exert, leverage if there is even the slightest perception that the Canal is open to mischief as well as commerce.

So long as United States military personnel can be stationed in Panama and respond to any attacks on, or threats against, the canal, no such perception should exist. But, under the terms of the Panama Canal Treaty of 1977, which is still in effect, the United States is scheduled to remove all its military personnel from Panama and turn over their bases to Panama by December 31, 1999. After that date, Panama will have the sole responsibility for not only operating but also defending the canal, a big task for a small nation. Unless, of course, an agreement is reached between the United States and Panama that will first, allow the United States to lease its military bases in Panama past the turn of the century, second, permit United States military forces to operate out of those bases, and third, enable the United States to guarantee the regular operation of the canal.

The successful negotiation of such an agreement would be of particular benefit to Panama, as well as being of considerable assistance to the United States and the rest of the hemisphere. At present, some 6,000 jobs and $200–600 million in additional income for Panama are tied directly to the United States military establishment in what was formerly known as the Canal Zone. Remove that establishment and most of that money and those jobs will disappear, as will the prospect of lease payments that would otherwise result from the continued American use of its bases in the zone. Also lost would be an opportunity for Panama to forgo the cost of a military establishment, something it could safely do if the agreement provided that the United States would view an attack upon Panama in the same light as an attack upon itself. Compromised as well would be the possibility of a broader business understanding, under which the United States might lease the canal as well as its current military bases in exchange for such considerations as additional lease and/or dividend payments, trade concessions and/or an acceleration of prior U.S. treaty commitments. In short, Panama has even more to gain, relatively speaking, from a base rights/canal defense arrangement than does either the United States or its hemispheric neighbors, which may explain why public opinion polls taken there the past 2 years have consistently shown that at least two-thirds of those polled favor such an arrangement.

Significantly, strong support for a 21st century base rights/canal defense agreement also exists in the United States. In fact, a nationwide poll taken last March demonstrated a level of support nearly as high in this country as has been evidenced in Panama. That being the case, one would think that serious negotiations to reach such an agreement would have gotten underway by now, especially since the time by which it should take effect is fast approaching. But, instead of moving forward to start these negotiations, governments in both the United States and Panama have been more inclined to hold back, preferring the other to take the lead. Understandable as that may be from the standpoint of national pride, the problem is time is of the essence if an agreement is to be reached before the impending United States withdrawal of its remaining military forces from Panama is, for all practical purposes, irreversible. Under terms of the 1977 Panama Canal Treaty, the United States departure from Panama must be complete by December 31, 1999 which means that, absent an understanding well before then, we must proceed with the systematic removal of our military forces and equipment before that time. Put simply, any further delay in opening negotiations, however well intended, not only dims their prospects but also the prospects for the continued safe and dependable operation of the canal itself.

Under those circumstances, it seems to me that Congress is in a particularly good position—a unique position in fact—to address their problem and help get these important negotiations started. If it were to pass a resolution advising the President to enter into such negotiations, then the question of whether the President or the Government of Panama should be the first to call for talks would be moot. Neither would be in the position of having initiated the request for negotiations, meaning that the latter should then be able to proceed with dispatch. Inaction by Congress, on the other hand, promises no such advantages. At best, it is likely to mean opportunity delayed or diminished. At worst, it could result in opportunity denied.

Not wishing to share responsibility for either outcome, I am introducing today a sense-of-Congress resolution calling upon the President to enter into negotiations for a base rights/canal defense agreement with Panama. Specifically, the resolution calls for an agreement that would allow our military forces to be stationed in Panama after the turn of the century and would give those forces the right to act independently in order to guarantee the security and assure the regular operation of the