

enter into the RECORD a recent article published in The Navy Times which recently celebrated his remarkable career. This article details his determination in becoming a young officer.

Fifty years later, Lt. Branch returns to Quantico, Va.—The Marine Corps first black lieutenant was greeted at Officer Candidate School by the school's first black commander, 50 years after his commissioning.

Frederick C. Branch, one of the original Montford Point Marines and now a retired science teacher, visited the school where his wife Peggy pinned him with the gold bars of a second lieutenant on Nov. 10, 1945.

Back then, the South was segregated and blacks drank from separate water fountains. "Whenever we left the base, we ran directly into those segregation laws," said Branch, his face framed by peppered hair and moustache and his walk helped slightly by a cane.

During one rail trip, he recalled, he (then a corporal) and 200 other non-commissioned officers were returning to the United States from the South Pacific, where they were stationed in 1944. Stopping at a restaurant, he and two other blacks were not served and were referred to another eatery—literally on the other side of the railroad tracks, he said.

Branch was drafted into the Corps in 1943, and was the first black to graduate from officer training in 1945. Six others preceded him but all were dropped because of injuries or academics, even though all six were college graduates.

It remains a sore spot but nevertheless it did not dissuade him from applying. However, "I did not encounter any flack during training at all," he said.

Branch was a reserve officer but served on active duty and was a battery commander with an anti-aircraft unit at Camp Pendleton. He then took what he learned as a Marine into the schoolhouse in 35 years as an educator.

The Branches' return to Quantico a half-century later saw to a slightly different Corps. The basics of screening and training potential leaders remained the same, although more specialized, he said. And Marine leaders reflect the Nation's ethnic and racial diversity, like Officer Candidate School commanding officer, Col. Al Davis.

"Now officers are integrated," Frederick Branch said. "Here, the commander of OCS is black, and his staff is black and white."

Officer training actually was conducted a short distance away on the Quantico Marine Base, but Branch wanted to visit with school officials and learn a little about today's screening and training of Marine leaders. During a short morning tour, Branch and his wife watched officer candidates training in the ropes and obstacle courses before giving lunch a try at the OCS chow hall.

Branch said he would like to see black representation among officers increase further. But he took note of the

advancements in the last few decades that brought a black three-star general and first black aviator, a black two-star general and three brigadier generals, two of whom are on active duty.

"The black officers now have advanced all the way up to three stars, and there is still room for improvement," he said.

Frederick Branch rose to the rank of Captain and proudly fought with his fellow soldiers in Korea before leaving the service in 1972.

#### AMENDMENTS SUBMITTED

#### CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1996 JOINT RESOLUTION

##### DASCHLE AMENDMENT NO. 3055

Mr. DASCHLE proposed an amendment to the joint resolution (H.J. Res. 122) making further continuing appropriations for the fiscal year 1996, and for other purposes; as follows:

Strike all after the first word and insert the following:

Section 106(C) of Public Law 104-31 is amended by striking "November 13, 1995" and inserting "December 22, 1995".

#### HOLLINGS (AND OTHERS) AMENDMENT NO. 3056

Mr. HOLLINGS (for himself, Mr. DORGAN, and Mr. REID) proposed an amendment to the joint resolution (H.J. Res. 122), supra; as follows:

Add at the end of the joint resolution, the following last section:

SEC. . Notwithstanding any other provision of this joint resolution, the seven-year balanced budget passed by the Congress to the President shall not include the use of Social Security Trust Funds to reflect a balanced budget.

##### DASCHLE AMENDMENT NO. 3057

Mr. DASCHLE proposed an amendment to the joint resolution (H.J. Res. 122), supra; as follows:

Strike all after the first word and insert the following:

Section 106(C) of Public Law 104-31 is amended by striking "November 13, 1995" and inserting "December 22, 1995".

Sec. 2. (a) The President and the Congress shall enact legislation in the 104th Congress to achieve a unified balanced budget not later than the fiscal year 2002.

(b) The unified balanced budget in subsection (a) must assure that: (1) Medicare and Medicaid are not cut to pay for tax breaks; and (2) any possible tax cuts shall go only to American families making less than \$100,000.

#### ADDITIONAL STATEMENTS

#### UNITED STATES-JAPAN INSURANCE AGREEMENT

• Mr. BOND. Mr. President, as Chairman of the Subcommittee on International Finance, it is my responsibility to monitor our trade agreements

relating to financial services. It is a responsibility we take seriously.

Earlier this year, the subcommittee held a hearing on the WTO negotiations regarding financial services. We heard testimony from both administration and industry representatives. Based on those hearings and close monitoring of the talks, we took a strong position in opposition to the proposal that was put forward. The administration, correctly, took the same position.

In recent weeks, the subcommittee staff has been monitoring the implementation of other agreements including the United States-Japan insurance agreement which is formally known as "Measures by the Government of Japan and the Government of the United States Regarding Insurance." Based on those initial reviews, we have some significant concern regarding implementation of the accord.

Ambassador Mickey Kantor has often emphasized the importance of ensuring faithful implementation of our trade agreements. Great effort is invested in reaching agreements—once the investment is made, vigilance is needed to ensure that they bear fruit in terms of new opportunities for our businesses, U.S. exports, and jobs.

Senators will remember the considerable efforts expended recently by the USTR to conclude accords under the United States-Japan Framework Agreement. More than a year has passed since the first agreements were reached; I believe it is now an appropriate time to conduct an assessment of those initial agreements and what, if anything, they have accomplished.

One of the first agreements reached was the one covering insurance. Japan has the largest life insurance market in the world, and the second largest nonlife market, after the United States. Despite the enormity of this market, all foreign insurers hold less than a 3-percent market share, a far lower share than every other advanced industrialized country. Japan is currently deregulating its insurance market following the Diet's passage of a new insurance business law in July of this year. If pursued in accordance with the bilateral insurance agreement, we can expect deregulation to provide significant new benefits for Japanese consumers and businesses, as well as new opportunities for competitive foreign insurers.

However, developments occurring in Japan today indicate that new threats may be confronting United States insurance interests. These threats can be prevented if the United States-Japan Insurance Agreement is faithfully implemented.

Specific provisions of the insurance agreement were designed to ensure that the interests of foreign insurers were not undermined by the deregulation process. In a letter from Ambassador Kantor to the U.S. insurance industry of October 11, 1994, detailed definitions of the key terms of the agreement were outlined, together with

USTR's expectations of what would result. Full compliance with these terms, as defined in Ambassador Kantor's letter, is essential if the agreement is to achieve its objectives.

Because faithful implementation of this accord is so important, Senator BOXER, the ranking member on the subcommittee, and I recently sent to Ambassador Kantor a letter requesting a detailed and comprehensive report to the committee this month on all actions taken to date by the Government of Japan to implement its obligations under the insurance agreement. It is my hope that the Senate's interest will serve as a constructive influence to help ensure that this important agreement, and other agreements, stay on track and live up to their full potential.

Mr. President, I ask that our letter to Ambassador Kantor, as well as Ambassador Kantor's letter to the U.S. insurance industry of October 11, 1994, be printed in the RECORD.

The letters follow:

U.S. SENATE, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,

*Washington, DC, November 8, 1995.*

Hon. MICHAEL KANTOR,  
*U.S. Trade Representative,*  
*Washington, DC.*

DEAR MR. AMBASSADOR: We are writing to share with you our commitment to ensuring full and effective implementation of trade agreements between the United States and Japan. You have often stated it is not enough simply to reach agreements with our trading partners, but that we must also be vigilant in guaranteeing that the rights gained under those agreements are fully realized. We could not agree more strongly.

As part of our Subcommittee's ongoing oversight responsibilities in this regard, we would like to request a detailed report on the results of actions taken to date to implement the commitments defined in the U.S.-Japan Insurance Agreement and in your October 11, 1994 letter to the U.S. insurance industry concerning certain key aspects of the Agreement.

We are concerned about reports that, as the implementation date for the new Japanese Insurance Business Law approaches, developments in Japan may pose serious threats to U.S. insurance interests. For example, plans by large Japanese insurers to enter the "third sector" through newly created subsidiaries, pose both a major commercial threat to U.S. insurers and a probable violation of the insurance agreement. The Subcommittee is particularly concerned about the inadequacy of actions taken to date by the Ministry of Finance to ensure compliance with those provisions related to this activity.

Accordingly, we request you provide a report to the Subcommittee on these and other actions taken to date by the Government of Japan to implement obligations under the agreement, as well as the results of those actions. Please also describe additional actions USTR will take to ensure ongoing implementation of the agreement's other provisions.

We would appreciate receiving your report within the next two weeks so we may proceed with our review. The Subcommittee is considering a future hearing to review the results of various U.S.-Japan trade agreements; your report on the insurance agreement will help us prepare for any such meeting.

We appreciate your efforts on behalf of U.S. insurers, and look forward to your report.

Sincerely,

BARBARA BOXER  
CHRISTOPHER S. BOND

THE UNITED STATES TRADE REPRESENTATIVE, EXECUTIVE OFFICE OF THE PRESIDENT,

*Washington, DC, October 11, 1994.*

Mr. H. EDWARD HANWAY,  
*Chairman, International Insurance Council,*  
*Washington, DC.*

DEAR MR. HANWAY: I am writing to express my sincere appreciation for the industry's support during our negotiations with the Government of Japan on insurance. I am pleased to confirm that we have achieved agreement with the Government of Japan, through which Japan and the United States will undertake "Measures by the Government of the United States and the Government of Japan Regarding Insurance". The goal of the Agreement is to achieve significant improvement in market access in Japan for competitive foreign insurance providers and intermediaries.

With respect to the third sector issue, the Agreement states that:

"With regard to mutual entry<sup>1</sup> of life and non-life insurance companies into the third sector, the MOF intends not to allow such liberalization to be implemented as long as a substantial portion of the life and non-life areas is not deregulated, taking into account the fact that dependency of some medium to small and foreign insurance providers on the third sector is high, and that these medium to small and foreign insurance providers have made the efforts to serve the specific needs of consumers in the third sector. Furthermore, with respect to new or expanded introduction of products in the third sector, it is appropriate to avoid any radical change in the business environment, recognizing that such change should depend on medium to small and foreign insurance providers first having sufficient opportunities (i.e. a reasonable period) to compete on equal terms in major product categories in the life and non-life sectors through the flexibility to differentiate, on the basis of the risk insured, the rates, forms, and distribution of products."

Based on a confirmation made during the negotiations with the Government of Japan, I would like to affirm the following:

(1) with respect to existing large Japanese life and non-life companies, "avoid any radical change" means, among other things, that the Ministry of Finance (MOF) will maintain existing administrative practices concerning the third sector and not allow such companies to expand their third sector presence;

(2) with respect to subsidiaries that existing large Japanese life and non-life companies might form after the new insurance law takes effect, "avoid any radical change" means, among other things, that such subsidiaries will be treated the same as existing large life and non-life Japanese companies and accordingly will not be allowed to surge into the third sector;

(3) "major product categories" includes automobile insurance; and

(4) "a reasonable period" means three years.

With regard to rate and from liberalization, in addition to the specific commit-

<sup>1</sup>"Mutual entry" means the ability of life insurance companies to introduce existing, new or modified rates, products, or riders in the third sector currently allowed to non-life insurance companies, and the ability of non-life insurance companies to introduce existing, new or modified rates, products, or riders in the third sector currently allowed to life insurance companies.

ments made in the Agreement, I would like to affirm that:

(1) with respect to the threshold for application of the special discount rate applicable to the large commercial risks of fire insurance, the discount will be reduced from 2 to 1.5 billion yen for factory fire insurance and from 1.5 to 1 billion yen for general fire insurance; and the threshold for storage (warehouse) insurance will be unchanged; and

(2) with respect to the minimum insured amount of the large commercial fire insurance policies to which the deductibles rider can be attached, the minimum insured amount will be decreased from 5 billion yen to 1.5 billion yen.

The Agreement creates binding obligations on the Government of Japan enforceable under U.S. trade laws, such as Section 301 of the Trade Act of 1974, as amended. The Agreement provides for follow-up consultations between the Government of Japan and the United States Government. We expect to hold such consultations twice a year during the first three years upon signing of the Agreement, and annually thereafter. With U.S. insurance industry's assistance, we expect to monitor closely developments in the third sector to ensure that the Government of Japan is in compliance with the Agreement.

We very much appreciate the International Insurance Council's support and assistance during our negotiating efforts and look forward to working with the Council to ensure effective implementation of the Agreement.

Sincerely,

MICHAEL KANTOR.

## TREASURY-POSTAL APPROPRIATIONS

—Continued—@ABCDEFGHIJKLMNQPQRSTUVWXYZI—

● Mr. LIEBERMAN. Mr. President, yesterday I voted for the Treasury-Postal appropriations conference report because I believe we must send along appropriations bills to the President since we are now nearly 2 months into the current fiscal year and the Government is shutdown. However, I would like to make it clear that I do not support, and have not supported in the past, the so-called Hyde language in this bill which would prohibit any Federal funding for abortion except in the case of rape, incest, or preserving the life of the mother. I have long felt that if abortions are allowed under our laws, then I can't find justification for limiting the option of Federal employees to obtain health plans that allow such coverage, as most private sector employees have. For this reason, while I voted for this bill given our Government's current dire economic status, I want to make it clear that I am opposed to the Hyde language which appears in this bill and hope there will be an opportunity later to reconsider it.●

## GOVERNOR SAYS HE'S WORRIED STATE MAY BE TOO DEPENDENT ON GAMBLING

● Mr. LUGAR. Mr. President, I ask that the following article be printed in the RECORD.

The article follows: