United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *105th* CONGRESS, FIRSTSESSION

Vol. 145 WASHINGTON, TUESDAY, JUNE 29, 1999 *No. 94*

House of Representatives

The House met at 12:30 p.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

FEDERAL ADOPTION SERVICES ACT OF 1999

Mr. STEARNS. Mr. Speaker, I will soon be introducing an important pro-child bill, the Federal Adoption Service Act of 1999. This bill is offered as a companion bill in the House to the bill offered in the Senate by Senator JESSE HELMS, S. 42.

The Federal Adoption Service Act of 1999 corrects a serious omission from Title X services, adoption. Adoption has been called the ''loving option.'' It offers mothers who are using Title X services the choice of life.

No woman, Mr. Speaker, should be given only partial choices by a clinic, especially a federally funded clinic. Every woman in America should know about the option of adoption. Let me repeat. Every woman in America should know about the option of adoption.

Planned Parenthood clinics have been confronted time and time again on this floor because they seem to be promoting an abortion and contraceptive agenda. The very fact that this federally funded program does not offer adoption as a choice proves the contentiousness of this program, and that is why we need this bill.

Women today are increasingly pro-life. A recent survey found that 53 percent of the females that responded thought abortion should be allowed only in cases of rape, incest, and to save the life of the mother. This figure is up from 45 percent in 1996. We must offer these women the option of sharing life.

My bill would amend Title X of the Public Health Service Act to permit federally funded planning services to provide adoption services based on the needs of the community and the ability of a clinic to offer these services.

Adoption is a wonderful solution for many loving parents unable to have children and for many expectant mothers who feel incapable of providing for their child. The Federal Government should be instrumental in helping make this option available for all mothers.

Congress has repeatedly shown itself to be supportive of adoption. With tax credits and Adoption Opportunity grants, we have taken the stance that adoption is a wonderful option and one that should be made easier for all.

Mr. Speaker, it is unimaginable that there has never been a specific adoption provision for federally funded family planning clinics. Congress has taken an active role in encouraging the adoption of foster children, yet it overlooked the needy Title X clinics.

Recently, my home State of Florida took a bold step by creating a ''Choose Life'' license plate. This plate's proceeds will go to not-for-profit agencies supporting adoption. I am proud that the organization that promoted this plate and gathered the needed petition signatures is based in my home State in Ocala, Florida. I applaud the ''Choose Life'' organization for their hard work and dedication. Thanks to their efforts, adoption agencies in Florida will benefit.

My bill will not force a mother to give up her child. Nor will this bill force family planning clinics to provide adoption services. Rather, it will state that Federal policy is to allow and encourage adoption as a choice for family planning.

The Federal Adoption Service Act of 1999 is a rational solution offering women another option. I hope my colleagues will join me in cosponsoring this sensible proposal.

DOMESTIC VIOLENCE ECONOMIC SECURITY ACT

The SPEAKER pro tempore (Mr. BALLENGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, in November of 1996, Linda Stone was fatally shot by her abusive husband in the parking lot of Austin's Oak Hill Motorola plant. Her death was tragic for more than the simple reason that it occurred unnecessarily.

Linda Stone was employed at that Motorola plant; and, on the day of her death, she was en route to make extra security arrangements with her employer because of new threats from her husband. This occurred in a community that has been a leader in domestic violence assistance and prevention for over two decades.

I think Our Safe Place enjoys broader community support than any public service organization in central Texas. But since stories such as Linda are becoming all too commonplace, I am introducing a bill today that will give new options to those unfortunate victims who face danger in the workplace.

The Domestic Violence Economic Security Act will provide that no State shall deny unemployment assistance solely because a victim has left work due to a reasonable fear of domestic violence. This approach to the problem

Printed on recycled paper.

was originally suggested to me by my friend, Texas State Representative Sheri Greenberg, who sponsored a similar measure in the Texas legislature, got it passed in the House, though it did not finally make it through the Texas Senate at the conclusion of our legislative session.

We recognize that each year six-and-a-half million acts of violence are perpetrated against women, and nearly a million of these occur in the work environment. Victims attempting to escape these abusive relationships often find themselves most vulnerable where they spend the most time, and that is at the workplace. In fact, 96 percent of domestic violence victims report that they have had some type of problem in the workplace as a result of abuse or their abuser, ranging from threatening calls to unwanted and harassing visits.

For victims who are financially dependent on their job, avoiding violence in the workplace can be extremely challenging. A victim manages to escape the relationship at home and move out. But giving up a job is another thing and even more difficult to change.

The resulting harassment, of course, hurts both the employer and the employee. At least 94 percent of corporate security managers have reported that they rank domestic violence as a very high security problem in the workplace. Businesses recognize that domestic violence is not only harmful to workers who are victims, but it is bad for business.

My bill gives a new alternative to employers and employees confronted with violence in the workplace. It ensures that no victim who leaves a job because of a reasonable fear of violence is denied some assistance. For these victims, unemployment compensation would provide a temporary form of financial assistance until a safer job can be found. In cases such as Linda Stone's, this monetary support could mean the difference between continued abuse and self-sufficiency.

Second, this bill gives some general guidance to the States that they can follow in determining eligibility. They are advised to consider factors such as whether the applicant has been offered work at home or in a different location, whether a law enforcement officer or health care professional has advised them to leave and find a new workplace. And the States, of course, could consider other factors that they deem relevant. These standards will give our States the means to correctly identify and assist the victims who need temporary financial assistance.

Tragically, in this country, every 15 seconds another woman is battered. When that violence spills out into the workplace, everyone loses. For victims attempting to escape abuse, the Domestic Violence Economic Security Act will provide temporary assistance while not otherwise affecting the existing unemployment compensation requirements.

Too many victims across our country face a daily struggle of needless workplace violence. This bill assures them a safe avenue to self-sufficiency.

TRIBUTE TO LIEUTENANT COLONEL STANLEY WAWRZYNIAK

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from North Carolina (Mr. JONES) is recognized during morning hour debates for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I rise today to pay tribute to a truly outstanding Marine, Lieutenant Colonel Stanley ''Ski'' Wawrzyniak, a native of Gary, West Virginia.

Although Lieutenant Colonel Wawrzyniak passed away in 1995, his legacy is still felt in the ranks of the Marine Corps, particularly in the Marine community of eastern North Carolina, where he made his home.

His courage and discipline as a dutiful Marine served as an inspiration to all that knew him. Even now, his courage under fire, fighting expertise, and leadership skills are widely remembered and respected.

Stanley's 35 years in the Corps and his record of valor distinguish him as a Marine Corps hero. He was awarded two Navy Crosses, one Silver Star, two Bronze Stars, and four Purple Hearts.

Although highly decorated, Stanley loved the Marines he served with and always gave 110 percent in every situation.

Mr. Speaker, after dropping out of high school, Stanley enlisted in the United States Navy. After serving 23 months, he was released from active duty in September of 1946. Three days later, he enlisted in the United States Marine Corps.

He went to China in the late 1940s and entered the Korean War. In two tours with the 5th Marines in Korea, he was awarded two Navy Crosses, a Silver Star, and three Purple Hearts.

□ 1245

In 1953, as a Master Sergeant, Stanley was commissioned a Marine Second Lieutenant while serving at Camp Lejeune, North Carolina.

In the years between his commissioning and his time in Vietnam, Stanley went through the Basic Officers School, Underwater Demolition and Mountain Leadership Training Course, where he broke his spine on a mountain drop, yet hiked out unassisted. He also went through Evasion, Escape and Survival school, where he led his team in avoiding capture and finished first in his class.

As a matter of fact, he finished first in a lot of things, such as Army Airborne School and Army Ranger School.

Mr. Speaker, in July of 1965 then Major Wawrzyniak embarked for Vietnam. He served in the 3rd Battalion, 3rd Marine Regiment and was awarded two Bronze Stars and his fourth Purple Heart.

During his time in the Marine Corps, Stanley demonstrated his great love for his country and his fellow Marines. However, his accomplishments did not end with his military career. Perhaps his proudest legacy remains with the strong relationship he held with his wife Adaline, his two daughters, Bernadette and Paula, and his sons Michael, Andrew and Stanley.

With a career that, although distinguished, would have strained even the strongest of family ties, Stanley took the time to mend the relationships that were most important to him.

Mr. Speaker, shortly after his retirement and until the time of his death, Stanley's two youngest sons were living in the Swansboro, North Carolina, area and working in the building trades. He went to work as a foreman with the same contractor who employed his sons. This gave him the opportunity to accomplish two things that were very important to him. First, he was able to work side by side with his sons and rebuild relationships with them that had suffered during his long service-related separations. Second, he was able to build homes. For a man whose entire life had been spent at war in foreign countries, he felt a great sense of accomplishment from building homes. The fact that he did it side by side with his sons made it that much more important to him.

Lieutenant Colonel Stanley Wawrzyniak's life can best be described by the quote from General Chesty Puller, perhaps the most famous of all Marines. He said, and I quote, the real rewards of military service are not the medals you wear on your chest. The real rewards are the looks in the eyes of men who have served with you, men who understand the nature of your service, men who have observed your actions in the most stressful of conditions and have seen the depth of your character.

Mr. Speaker, Stanley Wawrzyniak is a man who served as an example to all of us. He is sorely missed, but his remarkable service to this country is something that will ensure his memory will live on.

Mr. Speaker, I rise today in tribute to the life of a truly exemplary Marine, LtCol Stanley ''Ski'' Wawrzyniak, a native of Gary, West Virginia. Although LtCol Wawrzyniak passed away in 1995, his legacy is still felt in the ranks of the Marine Corps, and particularly in the Marine community of eastern North Carolina where he made his home. He was one of the last of the old fashioned, hard charging, hill taking sort of Marine. The sort of men who fought without laser guided weapons, global communications, or spy satellites. His courage and discipline in living his life as a Marine and in carrying out his duties was an inspiration to all those who knew him. Even now his memory is widely known and respected for his courage under fire, his fighting expertise, and his leadership skills.

LtCol Wawrzyniak's thirty-five years in the Corps and his record of valor, distinguish him as Marine Corps hero. He earned two Navy Crosses, one Silver Star, two Bronze Stars,

and four Purple Hearts. Although highly decorated, LtCol Wawrzyniak loved the Marines he served with and never rested on his laurels, always giving one hundred and ten percent in every situation.

After dropping out of high school, LtCol Wawrzyniak enlisted in the US Navy. After serving 23 months in the Navy he was released from active duty in September 1946. Three days later he enlisted in the Marine Corps. He went to China in the late '40's and entered the Korean War. In two tours with the 5th Marines in Korea he was awarded two Navy Crosses, a Silver Star and three Purple Hearts, by the end of the war he was a Master Sergeant.

In 1953, MSgt. Wawrzyniak was commissioned a Marine Second Lieutenant while serving at Camp Lejeune, North Carolina.

In the years between his commissioning and his time in Vietnam, ''Ski'' went through the Basic Officers school, Underwater Demolition, Mountain Leadership Training—where he broke his spine on a mountain drop, yet hiked out unassisted. Evasion, Escape and Survival school—where he led his team in avoiding capture for the entire four day period, and where he finished first in his class. As a matter of fact, he finished first in a lot of things, such as Army Airborne School and Army Ranger School.

LtCol Wawrzyniak's experience in Airborne Training (Jump School) illustrates his personality. Then Captain Wawrzyniak arrived at Jump School at the ripe old age of 35, at least 10 years older than most of his classmates. I'm sure his Army instructors must have thought that they had an easy drop out in Captain Wawrzyniak. They must have been quite surprised a month later when he left Jump School not only with jump wings on his chest, but with the IRON MIKE trophy in his fist—graduating number one in his class. Stan's logic was that he should graduate at the top of his class from these demanding schools because he was older and more experienced than his cohorts. That was typical Wawrzyniak logic.

In July, 1965 then Major Wawrzyniak embarked for Vietnam where he served in the 3rd Battalion, 3rd Marine Regiment where he was awarded two Bronze Stars and his fourth Purple Heart.

His accomplishments did not end with his career in the military. Perhaps his proudest legacy from his post-Marine Corps history were the strong relationships he had with his wife Adaline, his daughters, Bernadette and Paula, and sons Michael, Andrew and Stanley. With a career that although distinguished, would have strained even the strongest of family ties, Stanley took the time to mend the relationships that were most important to him.

Shortly after his retirement and until the time of his death LtCol Wawrzyniak's two youngest sons were living in the Swansboro, North Carolina area and working in the building trades. Stan went to work as a foreman with the same contractor who employed his sons. This gave him the opportunity to accomplish two things that were very important to him. First he was able to work side by side with his sons and re-build his relationships with them that had suffered during his long service related separations. Second he was able to build homes. For a man whose entire life had been spent at war in foreign countries, the sense of accomplishment he felt from building homes was enormous. The fact that he did it side by side with his sons made it doubly important to him.

LtCol Stanley Wawrzyniak's nature can be described by the quote from perhaps the most famous of all Marines, General Chesty Puller: ''The real rewards of military service are not the medals you wear on your chest. The real rewards are the looks in the eyes of men who have served with you, men who understand the nature of your service, men who have observed your actions in the most stressful of conditions and have seen the depth of your character.''

It is my honor to have such men and women serving in the United States Marine Corps, and residing in my district. Stanley Wawrzyniak is a man who is sorely missed, and greatly appreciated.

MAKING COMMUNITIES MORE LIVABLE

The SPEAKER pro tempore (Mr. BALLENGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, my goal in Congress is for the Federal Government to be a better partner with State and local governments, the private sector and individual citizens to make our communities more livable. This issue is moving to the center of the American political scene in part because of the attention that has been given to this by the administration, Vice President GORE in particular, but even more important because of the large grassroots pressure that has been building around the country as evidenced by over 240 local and State initiatives in the last election. This is just the tip of the iceberg.

Part of the evidence of this growing movement for livable communities has been the attention that has been given by the national media. One of the best and most prominently featured articles was on the front page of the Sunday Washington Post this weekend which cited the new citizens, the new economy, and the new issues that are part of a new and growing awareness in the State of California.

Yet despite this characterization of all this being new, quality of life is truly one of our oldest and most enduring issues. But whether it is a new emerging issue or one of timeless political concern, it is time for Congress to address livability now. We need to get beyond the soundbite focus that are driven by partisan politics catering to narrow special interests. It seems, sadly, to dominate our activities here.

So far this month we have had some of the worst of examples, where Americans concerned by violence on our schoolgrounds saw us respond by attempting to weaken our gun safety laws and by posting the 10 Commandments in school yards, something that is not going to inspire much confidence in the minds of most American families.

We do not have to make up issues or shy away from real problems. There are simple, common-sense approaches for dealing with livable communities.

In the area of gun violence, we can approach it the same way that we have reduced auto deaths and injury on our roads. We can make a huge difference in the three-quarter million Americans who have been killed by gun violence since 1960. An American government that has been able to take action to childproof aspirin bottles and cigarette lighters ought to be ashamed that there are more product safety protections for toy guns than for real guns. We can start by simply passing the legislation already approved by the United States Senate to close the gun show loophole and make it harder for children to get their hands on guns.

We can make strides to make our communities more livable dealing with the built environment. All the time and money the Federal Government spends on physical infrastructure can be planned regionally and coordinated with our State, local and private partners.

We can make the problems of air quality and traffic congestion better, not simply throwing money at them and in some cases actually making them worse. We can help manage the entire water cycle rather than have a flood insurance program that pays people to live where God does not want them despite being flooded out repeatedly. Most important, we can have the Federal Government practice what we preach, where we locate Federal buildings, how we manage our land.

We could even take the radical step of having the Post Office obey local land use laws, zoning codes and work with local communities across the country before they make locational decisions that can have a devastating impact on Main Street America.

Making our communities more livable is everybody's job, and it ought to start with Congress doing our part. We will feel better, and America will be better for our efforts.

ELIMINATE MARRIAGE TAX PENALTY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, I represent a very, very diverse district, a series of communities on the south side of Chicago and the south suburbs, Cook and Will Counties, industrial communities like Joliet and a lot of suburban towns, as well as cornfields and grain elevators. The folks back home have a pretty clear message even in such a diverse district. They want us to meet our challenges and work together and come up with solutions.

That is why they are so proud of what this Congress has accomplished in the last 4½ years, with balancing the

budget for the first time in 28 years, cutting taxes for the middle class for the first time in 16 years, reforming welfare for the first time in a generation, and taming the tax collector by reforming the IRS for the first time ever. Those are real accomplishments and folks say, ''Well, that's pretty good, but that's history. What are we going to do next?''

Well, this Congress and this Republican House have several very, very important goals. We want to strengthen and make our schools not only better but safer, we want to strengthen Social Security by locking away 100 percent Social Security revenues for Social Security. We want to pay down the national debt. And, of course, we want to continue working to lower taxes for the middle class and for working families. This year as we work to lower taxes and to lower the tax burden for middle-class families, I believe that the approach we should take is to address the unfairness in the tax code, because when I listen to the folks back home, whether in the union hall or the VFW, a local Chamber of Commerce or at a coffee shop in my hometown down on Liberty Street, people say that not only are their taxes too high, they complain about the complexity and the unfairness of the tax code.

I believe this series of questions really illustrates a key area of unfairness that we should make a priority in this Congress this year in getting the job done on eliminating this most unfair area of our tax code, that is why I want to explain why enactment of the Marriage Tax Elimination Act is so important with the question of fairness. Do Americans really feel that it is fair that under our tax code, married working couples pay more in taxes just because they are married? Do Americans feel that it is right that 21 million married working couples pay on average $1,400 more under our Tax Code just because they are married, $1,400 more than an identical couple with identical incomes who live together outside of marriage?

Clearly I think the American people agree that the marriage tax penalty is wrong and we need to set it right. The marriage tax is not only unfair, it is wrong. It is wrong that under our Tax Code you are punished for getting married. As I noted earlier, it affects 21 million married working couples on average $1,400 in higher taxes just because they are married.

Let me give an example here of a couple in the south suburbs of Chicago. You have a case where a machinist and, of course, this particular machinist works at Caterpillar in Joliet, he makes the heavy machinery that we use to mine and dig things and build things. He makes $30,500. If he is single, after the standard deductions and exemptions he is in the 15 percent tax bracket. But under our Tax Code because two working people who choose to get married, their incomes are combined and in fact you file your taxes jointly, you are pushed into a higher tax bracket. This example of this south suburban couple, this machinist who meets and marries a schoolteacher in the Joliet public schools with an identical income of $30,500, because under our Tax Code they combine their incomes and their combined income is $61,000, pushes them into the 28 percent tax bracket. And because this machinist and this schoolteacher in Joliet, Illinois, in the south suburbs of Chicago chose to get married, they pay more in taxes. That is just wrong.

Of course I would like to point out that for this schoolteacher and this machinist in Joliet, $1,400 is real money. $1,400 is one year's tuition at Joliet Junior College, our local community college, and it is 3 months of day care at a local day care center. We need to eliminate that marriage tax penalty. It is wrong that under our Tax Code this machinist and schoolteacher end up paying higher taxes when they get married. Had they chose not to get married and just lived together, their taxes would have been $1,400 less. That is just wrong.

Under the Marriage Tax Elimination Act, we eliminate this marriage tax penalty for this machinist and this schoolteacher. In fact, we do it by doubling the standard deduction. We also double the brackets so that joint filers can earn twice as much as a single filer and remain in each bracket. Had the Marriage Tax Elimination Act been law today, this machinist and schoolteacher would have seen the marriage tax penalty eliminated.

What is the bottom line? Mr. Speaker, in just a couple of weeks this House of Representatives will be working to pass the tax provisions for this year's balanced budget, the 3rd balanced budget in 30 years, thanks to a Republican Congress. I believe as we work to provide tax relief as part of this balanced budget, our first priority should be making the Tax Code fairer for this schoolteacher and this machinist by working to eliminate the marriage tax penalty.

I am pretty proud of what we have accomplished. In 1996 we created as part of the Contract With America the $500 per child tax credit benefiting 3 million Illinois children. This year let us help married working couples. Let us help Illinois families by eliminating the marriage tax penalty.

PRESCRIPTION DRUG COVERAGE FOR SENIORS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, today the President proposed a Medicare reform package that preserves what is fundamental about Medicare. It treats all seniors equally.

Unlike the privatization/voucher proposal that has resurfaced, the President's plan does not jeopardize the core Medicare program so many seniors depend on and it does not create different classes of coverage for seniors at different income levels. It does not abdicate our responsibility to seniors by turning the Medicare program over to private managed care plans, the same plans that dropped 400,000 seniors last year and are poised to do the same this year.

What the President's plan does do is provide prescription drug coverage for Medicare beneficiaries. Medicare covers hospitalization, it covers doctors' visits, and, of course, it should cover prescription drugs. That is why we need to modernize Medicare. Prescription drugs are no longer supplemental to basic health care. They are integral to it. The President's proposal updates Medicare coverage to reflect modern medicine. The President's proposal is designed to make prescription drugs more affordable for seniors by covering half the cost of prescription drugs up to a $2,000 cap.

The value of this benefit depends on one key variable, the sticker price of prescription drugs. Obviously higher prescription drug costs will exhaust the benefit much more quickly than lower prescription drug costs. That is where the drug companies, Mr. Speaker, come in. Drug companies are overpricing their products. This remains true regardless of how much these companies spend on research and development. By the way, we do not know how much drug companies spend on R&D because they have refused to disclose this information to the public or to this Congress.

□ 1300

How do we know that drug companies overprice their products? Just look at their profits. Remember, these dollars are the dollars left over after research and development. Last year drug company profits outpaced those of every other industry by over 5 percentage points. Drug company profits last year were $22 billion. Last year the CEO of Bristol-Myers Squibb made a $1.2 million salary, a $1.9 million bonus and $30.4 million in stock options. Drug companies cannot continue to monopoly price their products and expect the American people to accommodate them.

Prescription drug coverage for seniors is critically important, but it is not intended to address, nor does it address, the market failure in prescription drug pricing that is driving up health care costs and hindering access to needed medications here and around the world. Drug companies can voluntarily price their products to promote access, which they are not doing, or they can disclose their costs and try to justify their windfall prices, which they are not doing, or they can continue to exploit their monopoly advantage, which they are doing, until Congress is forced to regulate their prices like a utility.

If drug companies continue to price irresponsibly to make the huge profits they are making to pay the huge marketing costs and executive salaries they pay, the third option; that is, government regulation of huge overblown prescription drug prices, the third option may be the only one left.

INDIA-PAKISTAN: MILITARY ACTION IS NOT THE SOLUTION

The SPEAKER pro tempore (Mr. BALLENGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Nebraska (Mr. BEREUTER) is recognized during morning hour debates for 5 minutes.

Mr. BEREUTER. Mr. Speaker, this Member rises to express his grave concern regarding the current conflict in South Asia. It is particularly distressing because only 4 short months ago the prime ministers of India and Pakistan signed a watershed agreement known as Lahore Accord. In it both committed to reduce the risk of conflict, particularly in Kashmir, their most volatile source of discord.

Now the promise of peace has been replaced by the worst fighting in decades. Islamic insurgents infiltrating from Pakistan have occupied strategic mountain locations in India and control portions of Kashmir. Both sides have reinforced troops and weaponry, and fighting has intensified. India and Pakistan also are redeploying troops along the Punjab border, the key battleground in previous conflicts. Citizens are collecting money for the war effort, lining up at recruitment centers, and donating blood. Recent press reports indicate that hard-line politicians on both sides are talking about using their nuclear options.

There is good evidence that these heavily armed infiltrators at Kashmir could not have been positioned or sustained themselves without direct Pakistani assistance, possibly including Pakistani troop involvement. This Member calls upon Pakistan to immediately halt such assistance. This Member also calls on both sides, India and Pakistan, to stop seeking short-term tactical advantages and work to achieve a strategic accommodation on the issue of Kashmir.

Mr. Speaker, no solution can be achieved under the continued threat of increased military action. This Member, and I am sure this Congress and the world, strongly cautions against further escalation. At the Lahore meeting, the prime ministers of India and Pakistan sagely agreed that they owe peace to their people and to future generations. They should fulfill that hope and commitment starting now with the cessation of hostilities.

GUAM OMNIBUS OPPORTUNITIES ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Guam (Mr. UNDERWOOD) is recognized during morning hour debates for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, each time I come to the floor of this House and my words are broadcast over C-SPAN, I often get calls to my office from Americans all over the country. Some want to express their support for what I have stated, others are against me, and sometimes a few are distant relatives or friends that are excited to see me on TV.

But for most who call the office and for many people I meet their understanding of delegates in Congress is fairly limited. They know we are unlike other Members of Congress and we are afforded most of the opportunities that representatives have but are not able to make our mark with a vote on the House floor. So essentially we are Members, but not entirely, and the island or jurisdiction each respective delegate represents is not often afforded the attention that their jurisdictions deserve, and by our unique status we must introduce very unique legislation tailor-made for our respective jurisdictions.

I have come to recognize that making Guam's case in Washington continues to be for me the greatest challenge of my life, as it certainly was for my predecessors and will likely remain for future delegates, barring a major change in political status, and that finding ways to create opportunities or level the playing field to advance the political, social, and economic well-being of our islands while being mindful of their roles in history to advance the cause of democracy around the world will take great effort and great diligence.

In a few days, I will introduce such legislation tailor-made for my home island, Omnibus Guam legislation, bipartisan in nature, that addresses certain several pertinent issues and calls for creating opportunities and improving relationships with the Federal Government.

Three issues, and I have six issues in the omnibus legislation, have already been passed in the Senate in the last Congress as S. 210 and received widespread support here in the House. One of those provisions gives Guam the right of first refusal for Federal excess property located in Guam. In the years following World War II, some one-third of Guam was claimed in the interests of national security, was condemned by military authorities and adjudicated in military courts so the people of Guam, who were not even U.S. citizens at the time, really suffered a very grave injustice in the claiming of the land. And so it is entirely fair at this point in time that Guam be considered before any Federal agency if land is declared excess. Normally Federal land declared excess goes to other Federal agencies first.

Secondly, we also want to give more opportunities for governors of island jurisdictions affected by migration to their islands allowed under the Compacts of Free Association from some of our island neighbors in the Pacific, namely the federated states of Micronesia as well as Palau and the Marshall Islands. We want to give the governors the right to participate in the reporting of the way these migrations are affecting our islands.

Third, we want to ensure that American citizens in need of social services such as housing are not displaced by these very migrants. Our omnibus legislation will ensure that American citizens are not left in the back of the line for housing, for public housing.

I will include three new provisions in this particular piece of legislation. First of all, I will lift a ban on betel nut, the importation of betel nut from Guam which is a small cultural practice, but for some reason the FDA refuses to see fit to understand that this is a very minor cultural practice and will go to a great deal of goodwill for the Guam community inside the customs zone of the United States as well as outside.

The omnibus legislation also introduces an item that includes Guam in the tax treaties of the United States. Right now the tax treaty for foreign investors in the United States is variable depending on which country the U.S. signs a treaty with, but the tax rate for foreign investors in Guam is fixed at 30 percent. So this puts us at a great disadvantage.

And lastly, lastly we want to make sure that Guam gets the same level of funding as other insular areas in such programs as the Department of Justice block programs. This is legislation that corrects an inequity that has existed for some time.

Many of these items, I am sure, are obscure to many of the Members of the House, but I certainly look forward to the support of Members of both sides of the aisle. Most of these items have been very clearly vetted with both sides, both parties, and I look forward to its expeditious passage and that the House Committee on Resources will deal with it expeditiously, and I ask that my colleagues cosponsor this important legislation for the people of Guam.

RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12, rule I, the House will stand in recess until 2 p.m.

Accordingly (at 1 o'clock and 10 minutes p.m.) the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PEASE) at 2 p.m.

PRAYER

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

Give us, O gracious God, the full measure of Your blessings and on this day we pray for the gift of patience. We are busy with our lives and our work and we move quickly to seize the opportunity and run toward the mark. Yet we know too, O God, that some parts of life take time and need nurture and growth and cannot be hurried. We are grateful for those occasions when time is our friend and allows us the opportunity to experience wisdom and healing and growth. May our rush to accomplish never blind us from the fact that the gift of patience can be our strength and our friend, and a gift for all time. This is our earnest prayer. 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. Will the gentleman from North Carolina (Mr. BALLENGER) come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER 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.

WITHOUT A REPUBLICAN MAJORITY IN CONGRESS, THE DEMOCRATS WOULD SPEND THE BUDGET SURPLUS

(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 the President proposed a budget with $200 billion deficits as far as the eye could see only a few short years ago. Republicans refused to accept his budget and insisted instead on a balanced budget, and the liberals called us the extremists. They called us mean-spirited. They accused us of being right wing. It is all so familiar.

But now the President takes credit for what the Republicans worked for since 1995, just like welfare reform. No matter, Republicans have put America on the road to fiscal responsibility by balancing our books and starting to pay down the $5 trillion debt. Now it is time for some tax relief, too. Debt reduction and tax relief, that is what the budget surplus should go towards.

Democrats have other ideas: No tax cuts. Those who believe the rhetoric about debt reduction are being naive and historically mistaken. They will spend the surplus. It will not stay in Washington, especially if Republicans are no longer in the majority.

ANNOUNCING THE DEATH OF THE HONORABLE LYNN STALBAUM, FORMER MEMBER OF CONGRESS FROM WISCONSIN

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

Mr. OBEY. Mr. Speaker, it is my duty as Dean of the Wisconsin delegation to announce the death of a former Member, the Honorable Lynn Stalbaum, who served Wisconsin's first District in 1965 and 1966. During his service in Congress he served with distinction on the Committee on Agriculture.

Before his service in Congress he served on a destroyer for 2 years during World War II. He was the assistant minority Leader in the Wisconsin State Senate, where he served for 10 years. He was once described by Aldric Revell, the dean of State Capitol correspondents, as being a legislator who had the maddening tendency to expect reason to dominate legislative debate.

After he left Congress he worked for dairy farmers for a number of years trying to help increase milk prices. He served as the President of Pilgrim Lutheran Church in Bethesda. He also ran a tax filing business, and he taught on a number of occasions, he taught H&R Block people how to do tax returns, so he knew his way around the Tax Code.

He was always an individual of immense good cheer. He was also a person who never forgot that our job here is to work for the common man, and he did that every day of his career, both in the State legislature and in the Congress. Services will be held at Joseph Gawler's & Sons, 5130 Wisconsin Avenue, Wednesday night at 7:30. Visitation will be tonight between 7 and 9 o'clock.

We all, I am sure, send our sympathies to his family.

A SALUTE TO THE VETERANS OF FOREIGN WARS

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

Mr. GIBBONS. Mr. Speaker, as a life member of Post 3819 of the Veterans of Foreign Wars in Reno, Nevada, I rise today to express my strongest support of House Joint Resolution 34 commending the 100 anniversary of the Veterans of Foreign Wars.

Honoring the dead by helping the living has been the VFW motto, and a lasting call to the 2 million members who help and honor those deserving veterans because of the service and commitment they gave to this country.

The Veterans of Foreign Wars of the United States traces its roots back to Columbus, Ohio, on September 29, 1899, nearly 100 years ago. And because of this, House Joint Resolution 34 calls upon the President to issue a proclamation recognizing the 100th anniversary of the VFW, and would call upon the people of the United States to also observe the anniversary with appropriate ceremonies and celebrations.

Recognition of military service and remembrance of the sacrifices made in the Nation's defense are among the major purposes of the VFW. Therefore, it is only fitting that this Congress, the very body that makes the decisions of war, should honor the veterans of foreign wars.

To the VFW, I salute them for their honor, their valor, and their continued achievements. God bless them.

ANNOUNCING FIELD HEARING OF HOUSE SUBCOMMITTEE ON EARLY CHILDHOOD, YOUTH AND FAMILIES IN ANAHEIM, CALIFORNIA

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

Ms. SANCHEZ. Mr. Speaker, I rise today to report that next week the Subcommittee on Early Childhood, Youth, and Families will be holding a congressional hearing in my district in Anaheim, California, and will talk about parenting and community involvement in education.

Kids today bring so many needs to the classroom, and we are all responsible for what happens, and to make sure that those needs are met, parents and teachers and educators, Federal, State, and local government, the corporate and the nonprofit sectors, our institutions of higher education and our law enforcement agencies.

Teachers cannot meet the needs alone. Parents cannot do it alone. It is too late when our kids get to the universities. Recent events all over our Nation have proven that our young people certainly cannot make it on their own.

Schools need adequate resources, especially those with the children and the families who need it the most, so our schools can focus on education instead of fundraising. That falls to all of us. So we are going to be discussing how our communities can and should be working together. We will hear from parents and teachers and students and members of the community on how to do that.

Our children will take our Nation to wonderful new heights in the 21st century.

THE RIGHTS OF PARENTS UNDER ATTACK AT UNITED NATIONS' CAIRO PLUS 5 PREP CONFERENCE

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

Mr. PITTS. Mr. Speaker, today as the United Nations Cairo Plus 5 Prep Conference on Population and Development is going on in New York, our young women around the world are under attack. At Cairo Plus 5, it is the U.S. delegation which is suggesting that any future document should delete virtually all references to parental rights when it comes to a girl's adolescent sexuality; that is right, the U.S. delegation.

It is interesting that this is the same week during which we in Congress will address parental rights domestically as we consider the important Child Custody Protection Act.

As we speak, young women and their parents around the world face the threat of yet another another government-knows-best strategy that has more potential to destroy families.

Mr. Speaker, I hope that the countries of the world who still hold to the importance of parents in critical decisions will reject this propaganda and exploitation of paternity from the U.S. representatives by ensuring and protecting their care-giving parents with the rights inherent in that role.

AMERICA HAS ANOTHER RECORD TRADE DEFICIT

(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, for the third straight month America has another record trade deficit. China and Japan are now taking $130 billion a year out of our economy. China and Japan are taking $130 billion a year out of our economy, and no one in Washington is even paying any attention.

Beam me up, Mr. Speaker. While Congress worries about the Balkans, Asia, Africa, and the Mideast, Congress is ignoring the good old U.S.A. I believe that is a recipe for disaster. I yield back what jobs we have left.

LAWMAKERS SHOULD BE GUIDED BY THE WORDS OF THE FOUNDERS OF OUR NATION

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

Mr. HAYWORTH. Mr. Speaker, no matter the issue, no matter the arguments, there is one principle which undergirds the proceedings in this House Chamber and one principle which we should rise to uphold. It is enshrined forever in the three opening words of the living document that we swear allegiance to, our Constitution, as our Founders had the great and good sense to use the words, ''We, the people.''

President Lincoln offered validation of that perspective over 100 years later when he spoke in Gettysburg of a government of the people, by the people, and for the people.

Mr. Speaker, today, shortly, as we take up legislation on this floor, we will consider measures to help provide for those who have provided for our common defense. Whether the issue is veterans' health care, health care for all Americans, or our fiscal responsibility, we would do well to be guided by the words of our Founders.

AMERICA AND ITS ALLIES SHOULD DO MORE TO PROTECT THE SERBIAN POPULATION IN KOSOVO

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

Mr. FRANK of Massachusetts. Mr. Speaker, I am disappointed at the failure of the United States and our allies to do a better job of protecting the Serbian population of Kosovo. I think we had a strong moral right to go to the aid of the Albanian population of that place. We did it because we wanted to protect innocent people from being persecuted based on their ethnicity.

No doubt there are Serbs who deserve to be prosecuted because of their actions, but no people deserves to be mistreated because of their ethnicity. We took over the province militarily. We did so for good reasons. But along with taking it over comes an obligation to protect innocent people.

I understand it is difficult. I understand this is not the primary task which military people have been trained for. We will not fully do it until we get a police force in there. I understand things happened very rapidly before there could be complete preparation.

The fact is, we have a strong moral obligation. As strong as our moral obligation was to protect the Albanian Kosovars, so do we have a moral obligation to protect the great mass of Serbian people. We are not doing nearly as good a job about that as we should.

FROM SAN ANTONIO, TEXAS, AN INCREDIBLE STORY OF NICE GUYS FINISHING FIRST

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

Mr. BONILLA. Mr. Speaker, from San Antonio, we have an incredible story of nice guys finishing first. This past weekend the torch of basketball greatness was passed from the Chicago Bulls to the San Antonio Spurs.

The Spurs are now the NBA champions. They are an unusual bunch for our time: selfless, no hot dogs, no hams on the team, just hard-working men who demonstrated the highest form of character. They are gentlemen who set good examples for our young people. They showed that you can play great offense, great defense, and also be a great person.

To owners Julianna and Peter Holt, to Coach Gregg Popovich, to the starting lineup of Sean Elliott, Mario Elie, Tim Duncan, David Robinson, and the little general who made the big shot, Avery Johnson, congratulations on blowing away the New York Knicks to become the new World Champions.

You've given us, the long-time fans of South Texas, an experience we will cherish forever.

THE SOCIAL SECURITY ''LOCKBOX''

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

Mr. KINGSTON. Mr. Speaker, we passed in the House a very, very significant bill. It had to do with the lockbox. What it did is it put the social security money basically off-budget so that we would not continue to do as we have done in the past, which is combine social security money with general purpose spending.

☐ 1415

We passed that out of the House. We had a good debate on it. There was disagreement here and there, but we passed it. The will of the House was to move it forward. But now the Senate, which we appropriately address as ''the other body,'' but it is the other body, they will not move on that.

It is very important to my grandmother, to your grandmother, to your parents, that we quit mixing Social Security proceeds with general operating revenues. There is not a business in America that is allowed to mix its pension plan with its operating expenses. It is now time for the other body to vote on this bill, which the President supports, and let us protect the retirement of our grandparents and parents.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Members are reminded not to refer in debate to action or inaction by the other body.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 25, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on June 25, 1999 at 1:34 p.m. and said to contain a message from the President whereby he submits a copy of an Executive Order entitled, Implementation of the Chemical Weapons Convention and the Chemical Weapons Convention Implementation Act.

With best wishes, I am
Sincerely,
MARTHA C. MORRISON
(For Jeff Trandahl).

RETURN SURPLUS TO TAXPAYERS

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

Mr. FOSSELLA. Mr. Speaker, today there were reports that Washington is awash in a surplus to the tune of projected $1 trillion. Well, congratulations to the American taxpayer. There are a lot of folks who would like to take credit for the surpluses. We all know where it is generated from, and that is the hard work of millions of Americans, who get up to work every single morning, sometimes 6, 7 days a week, sometimes 2 or 3 jobs, to generate this surplus.

I would just encourage everybody in Washington to remind themselves of that fact, and that when it comes time to spend that money, that they set aside enough back to the taxpayers so they can spend it on their families and to continue to grow our economy as it has been growing like no time before.

As it relates to the gentleman from Texas (Mr. BONILLA) and the San Antonio Spurs, congratulations, but there is also next year for our Knicks fans.

IMPLEMENTATION OF CHEMICAL WEAPONS CONVENTION AND CHEMICAL WEAPONS CONVENTION IMPLEMENTATION ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 106–86)

The SPEAKER pro tempore 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 International Relations and ordered to be printed:

To the Congress of the United States:

On November 14, 1994, in light of the danger of the proliferation of nuclear, biological, and chemical weapons (weapons of mass destruction) and of the means of delivering such weapons, using my authority under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), I issued Executive Order 12938, declaring a national emergency to deal with this danger. Because the proliferation of weapons of mass destruction continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, I have renewed the national emergency declared in Executive Order 12938 annually, most recently on November 12, 1998. Pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)), I hereby report to the Congress that I have exercised my statutory authority to further amend Executive Order 12938 in order to more effectively respond to the worldwide threat of weapons of mass destruction proliferation activities.

The new executive order, which implements the Chemical Weapons Convention Implementation Act of 1998, strengthens Executive Order 12938 by amending section 3 to authorize the United States to implement important provisions of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, a multilateral agreement that serves to reduce the threat posed by chemical weapons. Specifically, the amendment enables the United States Government to ensure that imports into the United States of certain chemicals from any source are permitted in a manner consistent with the relevant provisions of the Convention.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 25, 1999.*

COMMUNICATION FROM THE HON. ANNA ESHOO, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable ANNA ESHOO, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 29, 1999,

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER, This is to formally notify you pursuant to Rule VIII of the Rules of the House that I received a subpoena for documents issued by the United States District Court for the Northern District of California.

After consultation with the Office of General Counsel, I have determined to comply with the subpoena to the extent that it is consistent with Rule VIII.

Sincerely,

ANNA G. ESHOO.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

VETERANS BENEFITS IMPROVEMENT ACT OF 1999

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2280) to amend title 38, United States Code, to provide a cost-of-living adjustment in rates of compensation paid for service-connected disabilities, to enhance the compensation, memorial affairs, and housing programs of the Department of Veterans Affairs, to improve retirement authorities applicable to judges of the United States Court of Appeals for Veterans Claims, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2280

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 ''Veterans Benefits Improvement Act of 1999''.

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

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—COMPENSATION

Sec. 101. Increase in rates of disability compensation and dependency and indemnity compensation.
Sec. 102. Presumption that bronchiolo-alveolar carcinoma is service-connected.
Sec. 103. Dependency and indemnity compensation for surviving spouses of former prisoners of war.
Sec. 104. Reinstatement of certain benefits for remarried surviving spouses of veterans upon termination of their remarriage.

TITLE II—MEMORIAL AFFAIRS

Subtitle A—American Battle Monuments Commission

Sec. 201. Codification and expansion of authority for World War II Memorial.
Sec. 202. General authority to solicit and receive contributions.
Sec. 203. Intellectual property and related items.
Sec. 204. Technical amendments.

Subtitle B—National Cemeteries

Sec. 211. Establishment of additional national cemeteries.
Sec. 212. Independent study on improvements to veterans' cemeteries.

TITLE III—HOUSING

Sec. 301. Permanent eligibility for housing loans for former members of the Selected Reserve.
Sec. 302. Homeless veterans' reintegration programs.
Sec. 303. Transitional housing loan guarantee program technical amendment.

TITLE IV—COURT OF APPEALS FOR VETERANS CLAIMS

Sec. 401. Authority to prescribe rules and regulations.
Sec. 402. Recall of retired judges.
Sec. 403. Calculation of years of service as a judge.
Sec. 404. Judges' retired pay.
Sec. 405. Survivor annuities.
Sec. 406. Limitation on activities of retired judges.
Sec. 407. Early retirement authority for current judges in order to provide for staggered terms of judges.

TITLE V—OTHER MATTERS

Sec. 501. Repeal of certain sunset provisions.
Sec. 502. Enhanced quality assurance program within the Veterans Benefits Administration.
Sec. 503. Extension of Advisory Committee on Minority Veterans.
Sec. 504. Codification of recurring provisions in annual Department of Veterans Affairs Appropriations Acts.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—COMPENSATION

SEC. 101. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 1999, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under sections 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1999.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1999, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(e) PUBLICATION OF ADJUSTED RATES.—At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1999, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b), as increased pursuant to this section.

SEC. 102. PRESUMPTION THAT BRONCHIOLO-ALVEOLAR CARCINOMA IS SERVICE-CONNECTED.

Section 1112(c)(2) is amended by adding at the end the following new subparagraph:

''(P) Bronchiolo-alveolar carcinoma.''.

SEC. 103. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES OF FORMER PRISONERS OF WAR.

(a) ELIGIBILITY.—Section 1318(b) is amended—

(1) by striking ''that either—'' in the matter preceding paragraph (1) and inserting ''rated totally disabling if—''; and

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

''(3) the veteran was a former prisoner of war who died after September 30, 1999, and who had been diagnosed as having one of the diseases specified in section 1112(b) of this title.''.

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in paragraph (1)—

(A) by inserting ''the disability'' after ''(1)''; and

(B) by striking ''or'' after ''death;''; and

(2) in paragraph (2)—

(A) by striking ''if so rated for a lesser period, was so rated continuously'' and inserting ''the disability was continuously rated totally disabling''; and

(B) by striking the period at the end and inserting ''; or''.

SEC. 104. REINSTATEMENT OF CERTAIN BENEFITS FOR REMARRIED SURVIVING SPOUSES OF VETERANS UPON TERMINATION OF THEIR REMARRIAGE.

(a) RESTORATION OF PRIOR ELIGIBILITY.—Section 103(d) is amended—

(1) by inserting ''(1)'' after ''(d)''; and

(2) by adding at the end the following:

''(2) The remarriage of the surviving spouse of a veteran shall not bar the furnishing of benefits specified in paragraph (5) to such person as the surviving spouse of the veteran if the remarriage has been terminated by death or divorce unless the Secretary determines that the divorce was secured through fraud or collusion.

''(3) If the surviving spouse of a veteran ceases living with another person and holding himself or herself out openly to the public as that person's spouse, the bar to granting that person benefits as the surviving spouse of the veteran shall not apply in the case of the benefits specified in paragraph (5).

''(4) The first month of eligibility for benefits for a surviving spouse by reason of this subsection shall be the month after—

''(A) the month of the termination of such remarriage, in the case of a surviving spouse described in paragraph (2); or

''(B) the month of the cessation described in paragraph (3), in the case of a surviving spouse described in that paragraph.

''(5) Paragraphs (2) and (3) apply with respect to benefits under the following provisions of this title:

''(A) Section 1311, relating to dependency and indemnity compensation.

''(B) Section 1713, relating to medical care for survivors and dependents of certain veterans.

''(C) Chapter 35, relating to educational assistance.

''(D) Chapter 37, relating to housing loans.''.

(b) CONFORMING AMENDMENT.—Section 1311 is amended by striking subsection (e).

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the first day of the first month beginning after the month in which this Act is enacted or October 1, 1999, whichever is later.

(d) LIMITATION.—No payment may be made to a person by reason of paragraphs (2) and (3) of section 103(d) of title 38, United States Code, as added by subsection (a), for any period before the effective date specified in subsection (c).

TITLE II—MEMORIAL AFFAIRS

Subtitle A—American Battle Monuments Commission

SEC. 201. CODIFICATION AND EXPANSION OF AUTHORITY FOR WORLD WAR II MEMORIAL.

(a) CODIFICATION OF EXISTING AUTHORITY; EXPANSION OF AUTHORITY.—(1) Chapter 21 of title 36, United States Code, is amended by adding at the end the following new section:

''§ 2113. World War II memorial in the District of Columbia

''(a) SOLICITATION AND ACCEPTANCE OF CONTRIBUTIONS.—Consistent with its authority under section 2103(e) of this title, the American Battle Monuments Commission shall solicit and accept contributions for the memorial authorized by Public Law 103–32 (40 U.S.C. 1003 note) to be established by the Commission on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate the participation of the United States in that war (hereinafter in this section referred to as the 'World War II memorial').

''(b) CREATION OF MEMORIAL FUND.—(1) There is hereby created in the Treasury a fund for the World War II memorial. The fund shall consist of the following:

''(A) Amounts deposited, and interest and proceeds credited, under paragraph (2).

''(B) Obligations obtained under paragraph (3).

''(C) The amount of surcharges paid to the Commission for the World War II memorial under the World War II 50th Anniversary Commemorative Coins Act (31 U.S.C. 5112 note).

''(D) Amounts borrowed using the authority provided under subsection (d).

''(E) Any funds received by the Commission under section 2114 of this title in exchange for use of, or the right to use, any mark, copyright or patent.

''(2) The Chairman of the Commission shall deposit in the fund the amounts accepted as contributions under subsection (a). The Secretary of the Treasury shall credit to the fund the interest on, and the proceeds from sale or redemption of, obligations held in the fund.

''(3) The Secretary shall invest any portion of the fund that, as determined by the Chairman, is not required to meet current expenses. Each investment shall be made in an interest-bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States that the Chairman determines has a maturity suitable for the fund.

''(c) USE OF FUND.—The fund shall be available to the Commission—

''(1) for the expenses of establishing the World War II memorial, including the maintenance and preservation amount provided for in section 8(b) of the Commemorative Works Act (40 U.S.C. 1008(b));

''(2) for such other expenses, other than routine maintenance, with respect to the World War II memorial as the Commission considers warranted; and

''(3) to secure, obtain, register, enforce, protect, and license any mark, copyright or patent that is owned by, assigned to, or licensed to the Commission under section 2114 of this title to aid or facilitate the construction of the World War II memorial.

''(d) SPECIAL BORROWING AUTHORITY.—(1) To assure that groundbreaking, construction, and dedication of the World War II memorial are carried out on a timely basis, the Commission may borrow money from the Treasury of the United States in such amounts as the Commission considers necessary, but not to exceed a total of $65,000,000. Borrowed amounts shall bear interest at a rate determined by the Secretary

of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the month in which the obligations of the Commission are issued. The interest payments on such obligations may be deferred with the approval of the Secretary, but any interest payment so deferred shall also bear interest.

''(2) The borrowing of money by the Commission under paragraph (1) shall be subject to such maturities, terms, and conditions as may be agreed upon by the Commission and the Secretary, except that the maturities may not exceed 20 years and such borrowings may be redeemable at the option of the Commission before maturity.

''(3) The obligations of the Commission shall be issued in amounts and at prices approved by the Secretary. The authority of the Commission to issue obligations under this subsection shall remain available without fiscal year limitation. The Secretary of the Treasury shall purchase any obligations of the Commission to be issued under this subsection, and for such purpose the Secretary of the Treasury may use as a public debt transaction of the United States the proceeds from the sale of any securities issued under chapter 31 of title 31. The purposes for which securities may be issued under such chapter are extended to include any purchase of the Commission's obligations under this subsection.

''(4) Repayment of the interest and principal on any funds borrowed by the Commission under paragraph (1) shall be made from amounts in the fund. The Commission may not use for such purpose any funds appropriated for any other activities of the Commission.

''(e) TREATMENT OF BORROWING AUTHORITY.—In determining whether the Commission has sufficient funds to complete construction of the World War II memorial, as required by section 8 of the Commemorative Works Act (40 U.S.C. 1008), the Secretary of the Interior shall consider the funds that the Commission may borrow from the Treasury under subsection (d) as funds available to complete construction of the memorial, whether or not the Commission has actually exercised the authority to borrow such funds.

''(f) VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, the Commission may accept from any person voluntary services to be provided in furtherance of the fund-raising activities of the Commission relating to the World War II memorial.

''(2) A person providing voluntary services under this subsection shall be considered to be a Federal employee for purposes of chapter 81 of title 5, relating to compensation for work-related injuries, and chapter 171 of title 28, relating to tort claims. A volunteer who is not otherwise employed by the United States shall not be considered to be a Federal employee for any other purpose by reason of the provision of such voluntary service, except that any volunteers given responsibility for the handling of funds or the carrying out of a Federal function are subject to the conflict of interest laws contained in chapter 11 of title 18 and the administrative standards of conduct contained in part 2635 of title 5 of the Code of Federal Regulations.

''(3) The Commission may provide for reimbursement of incidental expenses that are incurred by a person providing voluntary services under this subsection. The Commission shall determine those expenses that are eligible for reimbursement under this paragraph.

''(4) Nothing in this subsection shall be construed to require any Federal employee to work without compensation or to allow the use of volunteer services to displace or replace any Federal employee.

''(g) TREATMENT OF CERTAIN CONTRACTS.—A contract entered into by the Commission for the design or construction of the World War II memorial is not a funding agreement as that term is defined in section 201 of title 35.

''(h) EXTENSION OF AUTHORITY TO ESTABLISH MEMORIAL.—Notwithstanding section 10 of the Commemorative Works Act (40 U.S.C. 1010), the authority for the construction of the World War II memorial provided by Public Law 103–32 (40 U.S.C. 1003 note) expires on December 31, 2005.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2113. World War II memorial in the District of Columbia.''.

(b) CONFORMING AMENDMENTS.—Public Law 103–32 (40 U.S.C. 1003 note) is amended by striking sections 3, 4, and 5.

(c) EFFECT OF REPEAL OF CURRENT MEMORIAL FUND.—Upon the enactment of this Act, the Secretary of the Treasury shall transfer amounts in the fund created by section 4(a) of Public Law 103–32 (40 U.S.C. 1003 note) to the fund created by section 2113(b) of title 36, United States Code, as added by subsection (a).

SEC. 202. GENERAL AUTHORITY TO SOLICIT AND RECEIVE CONTRIBUTIONS.

Subsection (e) of section 2103 of title 36, United States Code, is amended to read as follows:

''(e) SOLICITATION AND RECEIPT OF CONTRIBUTIONS.—(1) The Commission may solicit and receive funds and in-kind donations and gifts from any State, municipal, or private source to carry out the purposes of this chapter. The Commission shall deposit such funds in a separate account in the Treasury. Funds from that account shall be disbursed upon vouchers approved by the Chairman.

''(2) The Commission shall establish written guidelines setting forth the criteria to be used in determining whether the acceptance of funds and in-kind donations and gifts under paragraph (1) would—

''(A) reflect unfavorably on the ability of the Commission, or any member or employee of the Commission, to carry out the responsibilities or official duties of the Commission in a fair and objective manner; or

''(B) compromise the integrity or the appearance of the integrity of the programs of the Commission or any official involved in those programs.''.

SEC. 203. INTELLECTUAL PROPERTY AND RELATED ITEMS.

(a) IN GENERAL.—Chapter 21 of title 36, United States Code, as amended by section 201(a)(1), is further amended by adding at the end the following new section:

''§ 2114. Intellectual property and related items

''(a) AUTHORITY TO USE AND REGISTER INTELLECTUAL PROPERTY.—The American Battle Monuments Commission may—

''(1) adopt, use, register, and license trademarks, service marks, and other marks;

''(2) obtain, use, register, and license the use of copyrights consistent with section 105 of title 17;

''(3) obtain, use, and license patents; and

''(4) accept gifts of marks, copyrights, patents and licenses for use by the Commission.

''(b) AUTHORITY TO GRANT LICENSES.—The Commission may grant exclusive and nonexclusive licenses in connection with any mark, copyright, patent, or license for the use of such mark, copyright or patent, except to the extent the grant of such license by the Commission would be contrary to any contract or license by which the use of the mark, copyright, or patent was obtained.

''(c) ENFORCEMENT AUTHORITY.—The Commission may enforce any mark, copyright, or patent by an action in the district courts under any law providing for the protection of such marks, copyrights, or patents.

''(d) LEGAL REPRESENTATION.—The Attorney General shall furnish the Commission with legal representation as the Commission may require under subsection (c). The Secretary of Defense shall provide representation for the Commission in administrative proceedings before the Patent and Trademark Office and Copyright Office.

''(e) IRREVOCABILITY OF TRANSFERS OF COPYRIGHTS TO COMMISSION.—Section 203 of title 17 shall not apply to any copyright transferred in any manner to the Commission.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 201(a)(2), is further amended by adding at the end the following new item:

''2114. Intellectual property and related items.''.

SEC. 204. TECHNICAL AMENDMENTS.

Chapter 21 of title 36, United States Code, is amended as follows:

(1) In section 2101(b)—

(A) by striking ''title 37, United States Code,'' in paragraph (2) and inserting ''title 37''; and

(B) by striking ''title 5, United States Code,'' in paragraph (3) and inserting ''title 5''.

(2) In section 2102(a)(1), by striking ''title 5, United States Code'' and inserting ''title 5''.

(3) In section 2103—

(A) by striking ''title 31, United States Code'' in subsection (h)(2)(A)(i) and inserting ''title 31'';

(B) by striking ''title 44, United States Code'' in subsection (i) and inserting ''title 44''; and

(C) by striking ''chairman'' each place it appears and inserting ''Chairman''.

Subtitle B—National Cemeteries

SEC. 211. ESTABLISHMENT OF ADDITIONAL NATIONAL CEMETERIES.

(a) ESTABLISHMENT.—The Secretary of Veterans Affairs shall establish, in accordance with chapter 24 of title 38, United States Code, a national cemetery in each of the four areas in the United States that the Secretary determines to be most in need of such a cemetery to serve the needs of veterans and their families.

(b) OBLIGATION OF FUNDS IN FISCAL YEAR 2000.—The Secretary shall obligate from the advance planning fund in the Construction, Major Projects account appropriated to the Department of Veterans Affairs for fiscal year 2000 such amounts for costs that the Secretary estimates are required for the planning and commencement of the establishment of national cemeteries under this section.

(c) REPORTS.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the establishment of the national cemeteries under subsection (a). The report shall set forth the four areas identified by the Secretary for such establishment, a schedule for such establishment, an estimate of the costs associated with such establishment, and the amount obligated from the advance planning fund under subsection (b).

(2) Not later than one year after the date on which the report described in paragraph (1) is submitted to Congress, and annually thereafter until the establishment of the national cemeteries under subsection (a) is complete, the Secretary shall submit to Congress a report that updates the information included in the report described in paragraph (1).

SEC. 212. INDEPENDENT STUDY ON IMPROVEMENTS TO VETERANS' CEMETERIES.

(a) STUDY.—Not later than 180 days after the date of the enactment of this Act, the

Secretary of Veterans Affairs shall enter into a contract with one or more qualified organizations to conduct a study of national cemeteries described in subsection (b). For purposes of this section, an entity of Federal, State, or local government is not a qualified organization.

(b) MATTERS STUDIED.—(1) The study conducted pursuant to the contract entered into under subsection (a) shall include an assessment of each of the following:

(A) The one-time repairs required at each national cemetery under the jurisdiction of the National Cemetery Administration of the Department of Veterans Affairs to ensure a dignified and respectful setting appropriate to such cemetery, taking into account the variety of age, climate, and burial options at individual national cemeteries.

(B) The feasibility of making standards of appearance of such national cemeteries commensurate with standards of appearance of the finest cemeteries in the world.

(C) The number of additional national cemeteries that will be required for the interment and memorialization in such cemeteries of individuals qualified under chapter 24 of title 38, United States Code, who die after 2005.

(D) Improvements to burial benefits under chapter 23 of title 38, United States Code, including a proposal to increase the amount of the benefit for plot allowances under section 2303(b) of such title, to better serve veterans and their families.

(2) In presenting the assessment of additional national cemeteries required under paragraph (1)(C), the report shall identify by five-year period, beginning with 2005 and ending with 2020, the following:

(A) The number of additional national cemeteries required during each such five-year period.

(B) With respect to each such five-year period, the areas in the United States with the greatest concentration of veterans whose needs are not served by national cemeteries or State veterans' cemeteries.

(c) REPORT.—(1) Not later than one year after the date on which a qualified organization enters into a contract under subsection (a), the organization shall submit to the Secretary a report setting forth the results of the study conducted and conclusions of the organization with respect to such results.

(2) Not later than 120 days after the date on which a report is submitted under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a copy of such report, together with any comments on the report that the Secretary considers appropriate.

TITLE III—HOUSING

SEC. 301. PERMANENT ELIGIBILITY FOR HOUSING LOANS FOR FORMER MEMBERS OF THE SELECTED RESERVE.

Section 3702(a)(2)(E) is amended by striking ''For the period beginning on October 28, 1992, and ending on September 30, 2003, each veteran'' and inserting ''Each veteran''.

SEC. 302. HOMELESS VETERANS' REINTEGRATION PROGRAMS.

(a) IN GENERAL.—Chapter 41 is amended by adding at the end the following new section:

''§ 4111. Homeless veterans' reintegration programs

''(a) IN GENERAL.—The Secretary, acting through the Assistant Secretary of Labor for Veterans' Employment and Training, shall conduct, directly or through grant or contract, such programs as the Secretary determines appropriate to expedite the reintegration of homeless veterans into the labor force.

''(b) AUTHORITY TO MONITOR EXPENDITURE OF FUNDS.—The Secretary may collect such information as the Secretary considers appropriate to monitor and evaluate the distribution and expenditure of funds appropriated to carry out this section, and such information shall be furnished to the Secretary in such form as the Secretary determines appropriate.

''(c) DEFINITION.—As used in this section, the term 'homeless veteran' has the meaning given that term by section 3771(2) of this title.

''(d) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section amounts as follows:

''(A) $10,000,000 for fiscal year 2000.

''(B) $15,000,000 for fiscal year 2001.

''(C) $20,000,000 for fiscal year 2002.

''(D) $25,000,000 for fiscal year 2003.

''(E) $30,000,000 for fiscal year 2004.

''(2) Funds obligated for any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4111. Homeless veterans' reintegration programs.''.

SEC. 303. TRANSITIONAL HOUSING LOAN GUARANTEE PROGRAM TECHNICAL AMENDMENT.

Section 3775 is amended—

(1) by inserting ''(a)'' before ''During each''; and

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

''(b) After the first 3 years of operation of such a multifamily transitional housing project, the Secretary may provide for periodic audits of the project.''.

TITLE IV—COURT OF APPEALS FOR VETERANS CLAIMS

SEC. 401. AUTHORITY TO PRESCRIBE RULES AND REGULATIONS.

Section 7254 is amended by adding at the end the following new subsection:

''(f) The Court may prescribe rules and regulations to carry out this chapter.''.

SEC. 402. RECALL OF RETIRED JUDGES.

(a) AUTHORITY TO RECALL RETIRED JUDGES.—Chapter 72 is amended by inserting after section 7256 the following new section:

''§ 7257. Recall of retired judges

''(a)(1) A retired judge of the Court may be recalled for further service on the Court in accordance with this section. To be eligible to be recalled for such service, a retired judge must at the time of the judge's retirement provide to the chief judge of the Court (or, in the case of the chief judge, to the clerk of the Court) notice in writing that the retired judge is available for further service on the Court in accordance with this section and is willing to be recalled under this section. Such a notice provided by a retired judge is irrevocable.

''(2) For the purposes of this section—

''(A) a retired judge is a judge of the Court of Veterans Appeals who retires from the Court under section 7296 of this title or under chapter 83 or 84 of title 5; and

''(B) a recall-eligible retired judge is a retired judge who has provided a notice under paragraph (1).

''(b)(1) The chief judge may recall for further service on the court a recall-eligible retired judge in accordance with this section. Such a recall shall be made upon written certification by the chief judge that substantial service is expected to be performed by the retired judge for such period, not to exceed 90 days (or the equivalent), as determined by the chief judge to be necessary to meet the needs of the Court.

''(2) A recall-eligible retired judge may not be recalled for more than 90 days (or the equivalent) during any calendar year without the judge's consent or for more than a total of 180 days (or the equivalent) during any calendar year.

''(3) If a recall-eligible retired judge is recalled by the chief judge in accordance with this section and (other than in the case of a judge who has previously during that calendar year served at least 90 days (or the equivalent) of recalled service on the court) declines (other than by reason of disability) to perform the service to which recalled, the chief judge shall remove that retired judge from the status of a recall-eligible judge.

''(4) A recall-eligible retired judge who becomes permanently disabled and as a result of that disability is unable to perform further service on the court shall be removed from the status of a recall-eligible judge. Determination of such a disability shall be made in the same manner as is applicable to judges of the United States under section 371 of title 28.

''(c) A retired judge who is recalled under this section may exercise all of the powers and duties of the office of a judge in active service.

''(d)(1) The pay of a recall-eligible retired judge who retired under section 7296 of this title is specified in subsection (c) of that section.

''(2) A judge who is recalled under this section who retired under chapter 83 or 84 of title 5 shall be paid, during the period for which the judge serves in recall status, pay at the rate of pay in effect under section 7253(e) of this title for a judge performing active service, less the amount of the judge's annuity under the applicable provisions of chapter 83 or 84 of title 5.

''(e)(1) Except as provided in subsection (d), a judge who is recalled under this section who retired under chapter 83 or 84 of title 5 shall be considered to be a reemployed annuitant under that chapter.

''(2) Nothing in this section affects the right of a judge who retired under chapter 83 or 84 of title 5 to serve as a reemployed annuitant in accordance with the provisions of title 5.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7256 the following new item:

''7257. Recall of retired judges.''.

SEC. 403. CALCULATION OF YEARS OF SERVICE AS A JUDGE.

Section 7296(b) is amended by adding at the end the following new paragraph:

''(4) For purposes of calculating the years of service of an individual under this subsection and subsection (c), only those years of service as a judge of the Court shall be credited. In determining the number of years of such service, that portion of the aggregate number of years of such service that is a fractional part of one year shall be disregarded if less than 183 days and shall be credited as a full year if 183 days or more.''.

SEC. 404. JUDGES' RETIRED PAY.

(a) IN GENERAL.—Subsection (c)(1) of section 7296 is amended by striking ''at the rate of pay in effect at the time of retirement.'' and inserting the following: ''as follows:

''(A) In the case of a judge who is a recall-eligible retired judge under section 7257 of this title or who was a recall-eligible retired judge under that section and was removed from recall status under subsection (b)(4) of that section by reason of disability, the retired pay of the judge shall be the pay of a judge of the court (or of the chief judge, if the individual retired from service as chief judge).

''(B) In the case of a judge who at the time of retirement did not provide notice under section 7257 of this title of availability for

service in a recalled status, the retired pay of the judge shall be the rate of pay applicable to that judge at the time of retirement.

''(C) In the case of a judge who was a recall-eligible retired judge under section 7257 of this title and was removed from recall status under subsection (b)(3) of that section, the retired pay of the judge shall be the pay of the judge at the time of the removal from recall status.''.

(b) COST-OF-LIVING ADJUSTMENTS.—Subsection (f) of such section is amended by adding at the end the following new paragraph:

''(3)(A) A cost-of-living adjustment provided by law in annuities payable under civil service retirement laws shall apply to retired pay under this section only in the case of retired pay computed under paragraph (2) of subsection (c).

''(B)(i) If such a cost-of-living adjustment would (but for this subparagraph) result in the retired pay of a retired chief judge being in excess of the annual rate of pay in effect for the chief judge of the court as provided in section 7253(e)(1) of this title, such adjustment may be made in the retired pay of that retired chief judge only in such amount as results in the retired pay of the retired chief judge being equal to that annual rate of pay (as in effect on the effective date of such adjustment).

''(ii) If such a cost-of-living adjustment would (but for this subparagraph) result in the retired pay of a retired judge (other than a retired chief judge) being in excess of the annual rate of pay in effect for judges of the court as provided in section 7253(e)(2) of this title, such adjustment may be made only in such amount as results in the retired pay of the retired judge being equal to that annual rate of pay (as in effect on the effective date of such adjustment).''.

(c) COORDINATION WITH MILITARY RETIRED PAY.—Subsection (f) of such section is further amended by adding after paragraph (3), as added by subsection (b), the following new paragraph:

''(4) Notwithstanding subsection (c) of section 5532 of title 5, if a regular or reserve member of a uniformed service who is receiving retired or retainer pay becomes a judge of the court, or becomes eligible therefor while a judge of the court, such retired or retainer pay shall not be paid during the judge's regular active service on the court, but shall be resumed or commenced without reduction upon retirement as a judge.''.

SEC. 405. SURVIVOR ANNUITIES.

(a) SURVIVING SPOUSE.—Subsection (a)(5) of section 7297 is amended by striking ''two years'' and inserting ''one year''.

(b) ELECTION TO PARTICIPATE.—Subsection (b) of such section is amended in the first sentence by inserting before the period ''or within six months after the date on which the judge marries if the judge has retired under section 7296 of this title''.

(c) REDUCTION IN CONTRIBUTIONS.—Subsection (c) of such section is amended by striking ''3.5 percent of the judge's pay'' and inserting ''that percentage of the judge's pay that is the same as provided for the deduction from the salary or retirement salary of a judge of the United States Court of Federal Claims for the purpose of a survivor annuity under section 376(b)(1)(B) of title 28''.

(d) INTEREST PAYMENTS.—Subsection (d) of such section is amended—

(1) by inserting ''(1)'' after ''(d)''; and

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

''(2) The interest required under the first sentence of paragraph (1) shall not be required for any period—

''(A) during which a judge was separated from any service described in section 376(d)(2) of title 28; and

''(B) during which the judge was not receiving retired pay based on service as a judge or receiving any retirement salary as described in section 376(d)(1) of title 28.''.

(e) SERVICE ELIGIBILITY.—(1) Subsection (f) of such section is amended—

(A) in paragraph (1), in the matter preceding subparagraph (A)—

(i) by striking ''at least 5 years'' and inserting ''at least 18 months''; and

(ii) by striking ''last 5 years'' and inserting ''last 18 months''; and

(B) by adding at the end the following new paragraph:

''(5) If a judge dies as a result of an assassination and leaves a survivor or survivors who are otherwise entitled to receive annuity payments under this section, the 18-month requirement in the matter in paragraph (1) preceding subparagraph (A) shall not apply.''.

(2) Subsection (a) of such section is further amended—

(A) in paragraph (2), by inserting ''who is in active service or who has retired under section 7296 of this title'' after ''Court'';

(B) in paragraph (3), by striking ''7296(c)'' and inserting ''7296'';

(C) by adding at the end the following new paragraph:

''(8) The term 'assassination' as applied to a judge shall have the meaning provided that term in section 376(a)(7) of title 28 as applied to a judicial official.''.

(f) AGE REQUIREMENT OF SURVIVING SPOUSE.—Subsection (f) of such section is further amended by striking ''or following the surviving spouse's attainment of the age of 50 years, whichever is the later'' in paragraph (1)(A).

SEC. 406. LIMITATION ON ACTIVITIES OF RETIRED JUDGES.

(a) IN GENERAL.—Chapter 72 is amended by adding at the end the following new section:

''§ 7299. Limitation on activities of retired judges

''(a) A retired judge of the Court who is recall-eligible under section 7257 of this title and who in the practice of law represents (or supervises or directs the representation of) a client in making any claim relating to veterans' benefits against the United States or any agency thereof shall, pursuant to such section, be considered to have declined recall service and be removed from the status of a recall-eligible judge. The pay of such a judge, pursuant to section 7296 of this title, shall be the pay of the judge at the time of the removal from recall status.

''(b) A recall-eligible judge shall be considered to be an officer or employee of the United States, but only during periods when the judge is serving in recall status. Any prohibition, limitation, or restriction that would otherwise apply to the activities of a recall-eligible judge shall apply only during periods when the judge is serving in recall status.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''7299. Limitation on activities of retired judges.''.

SEC. 407. EARLY RETIREMENT AUTHORITY FOR CURRENT JUDGES IN ORDER TO PROVIDE FOR STAGGERED TERMS OF JUDGES.

(a) RETIREMENT AUTHORIZED.—One eligible judge may retire in accordance with this section with respect to each year beginning in 1999 and ending in 2003.

(b) ELIGIBLE JUDGES.—For purposes of this section, an eligible judge is an associate judge of the United States Court of Appeals for Veterans Claims who—

(1) has at least 10 years of service creditable under section 7296 of title 38, United States Code;

(2) has made an election to receive retired pay under section 7296 of such title;

(3) has at least 20 years of service described in section 7297(l) of such title; and

(4) is at least 55 years of age.

(c) MULTIPLE ELIGIBLE JUDGES.—If for any year specified in subsection (a) more than one eligible judge provides notice in accordance with subsection (d), the judge who has the greatest seniority as a judge of the United States Court of Appeals for Veterans Claims shall be the judge who is eligible to retire in accordance with this section in that year.

(d) NOTICE.—An eligible judge who desires to retire in accordance with this section with respect to any year covered by subsection (a) shall provide to the President and the chief judge of the United States Court of Appeals for Veterans Claims written notice to that effect not later than April 1 of that year, except that in the case of an eligible judge desiring to retire with respect to 1999, such notice shall be provided not later than November 1, 1999, or 15 days after the date of the enactment of this Act, whichever is later. Such a notice shall specify the retirement date in accordance with subsection (e). Notice provided under this subsection shall be irrevocable.

(e) DATE OF RETIREMENT.—A judge who is eligible to retire in accordance with this section shall be retired during the fiscal year in which notice is provided pursuant to subsection (d), but not earlier than 90 days after the date on which that notice is provided, except that a judge retired in accordance with this section with respect to 1999 shall be retired not earlier than 90 days, and not later than 150 days, after the date on which notice is provided pursuant to subsection (d).

(f) APPLICABLE PROVISIONS.—Except as provided in subsection (g), a judge retired in accordance with this section shall be considered for all purposes to be retired under section 7296(b)(1) of title 38, United States Code.

(g) RATE OF RETIRED PAY.—The rate of retired pay for a judge retiring in accordance with this section is—

(1) the rate applicable to that judge under section 7296(c)(1) of title 38, United States Code, multiplied by

(2) the fraction (not in excess of 1) in which—

(A) the numerator is the sum of (i) the number of years of service of the judge as a judge of the United States Court of Appeals for Veterans Claims creditable under section 7296 of such title, and (ii) the age of the judge; and

(B) the denominator is 80.

(h) ADJUSTMENTS IN RETIRED PAY FOR JUDGES AVAILABLE FOR RECALL.—Subject to section 7296(f)(3)(B) of title 38, United States Code, an adjustment provided by law in annuities payable under civil service retirement laws shall apply to retired pay under this section in the case of a judge who is a recall-eligible retired judge under section 7257 of such title, or who was a recall-eligible retired judge under that section and was removed from recall status under subsection (b)(4) of that section by reason of disability.

(i) DUTY OF ACTUARY.—Section 7298(e)(2) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) For purposes of subparagraph (B), the term 'present value' includes a value determined by an actuary with respect to a payment that may be made under subsection (b) from the retirement fund within the contemplation of law.''.

TITLE V—OTHER MATTERS

SEC. 501. REPEAL OF CERTAIN SUNSET PROVISIONS.

(a) ENHANCED LOAN ASSET SALE AUTHORITY.—Section 3720(h) is amended—

(1) by striking ''(1)'' after ''(h)''; and

(2) by striking paragraph (2).

(b) PROCEDURES APPLICABLE TO LIQUIDATION SALES ON DEFAULTED HOME LOANS.—Section 3732(c) is amended by striking paragraph (11).

(c) INCOME VERIFICATION AUTHORITY.—Section 5317(g) is repealed.

SEC. 502. ENHANCED QUALITY ASSURANCE PROGRAM WITHIN THE VETERANS BENEFITS ADMINISTRATION.

(a) IN GENERAL.—(1) Chapter 77 is amended by adding at the end the following new subchapter:

''SUBCHAPTER III—QUALITY ASSURANCE

''§ 7731. Establishment

''(a) The Secretary shall carry out a quality assurance program in the Veterans Benefits Administration. The program may be carried out through a single quality assurance division in the Administration or through separate quality assurance entities for each of the principal organizational elements (known as 'services') of the Administration.

''(b) The Secretary shall ensure that any quality assurance entity established and operated under subsection (a) is established and operated so as to meet generally applicable governmental standards for independence and internal controls for the performance of quality reviews of Government performance and results.

''§ 7732. Functions

''The Under Secretary for Benefits, acting through the quality assurance entities established under section 7731(a), shall on an ongoing basis perform and oversee quality reviews of the functions of each of the principal organizational elements of the Veterans Benefits Administration.

''§ 7733. Personnel

''The Secretary shall ensure that the number of full-time employees of the Veterans Benefits Administration assigned to quality assurance functions under this subchapter is adequate to perform the quality assurance functions for which they have responsibility.

''§ 7734. Annual report to Congress

''The Secretary shall include in the annual report to the Congress required by section 529 of this title a report on the quality assurance activities carried out under this subchapter. Each such report shall include—

''(1) an appraisal of the quality of services provided by the Veterans Benefits Administration, including—

''(A) the number of decisions reviewed;

''(B) a summary of the findings on the decisions reviewed;

''(C) the number of full-time equivalent employees assigned to quality assurance in each division or entity;

''(D) specific documentation of compliance with the standards for independence and internal control required by section 7731(b) of this title; and

''(E) actions taken to improve the quality of services provided and the results obtained;

''(2) information with respect to the accuracy of decisions, including trends in that information; and

''(3) such other information as the Secretary considers appropriate.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new items:

''SUBCHAPTER III—QUALITY ASSURANCE

''7731. Establishment.

''7732. Functions.

''7733. Personnel.

''7734. Annual report to Congress.''.

(b) EFFECTIVE DATE.—Subchapter III of chapter 77 of title 38, United States Code, as added by subsection (a), shall take effect on the later of October 1, 1999, or at the end of the 60-day period beginning on the date of the enactment of this Act.

SEC. 503. EXTENSION OF ADVISORY COMMITTEE ON MINORITY VETERANS.

Section 544(e) is amended by striking ''December 31, 1999'' and inserting ''December 31, 2004''.

SEC. 504. CODIFICATION OF RECURRING PROVISIONS IN ANNUAL DEPARTMENT OF VETERANS AFFAIRS APPROPRIATIONS ACTS.

(a) CODIFICATION OF RECURRING PROVISIONS.—(1) Section 313 is amended by adding at the end the following new subsections:

''(c) COMPENSATION AND PENSION.—Funds appropriated for Compensation and Pensions are available for the following purposes:

''(1) The payment of compensation benefits to or on behalf of veterans as authorized by section 107 and chapters 11, 13, 51, 53, 55, and 61 of this title.

''(2) Pension benefits to or on behalf of veterans as authorized by chapters 15, 51, 53, 55, and 61 of this title and section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978.

''(3) The payment of benefits as authorized under chapter 18 of this title.

''(4) Burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payments of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.), and other benefits as authorized by sections 107, 1312, 1977, and 2106 and chapters 23, 51, 53, 55, and 61 of this title and the World War Adjusted Compensation Act (43 Stat. 122, 123), the Act of May 24, 1928 (Public Law No. 506 of the 70th Congress; 45 Stat. 735), and Public Law 87–875 (76 Stat. 1198).

''(d) MEDICAL CARE.—Funds appropriated for Medical Care are available for the following purposes:

''(1) The maintenance and operation of hospitals, nursing homes, and domiciliary facilities.

''(2) Furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department, including care and treatment in facilities not under the jurisdiction of the Department.

''(3) Furnishing recreational facilities, supplies, and equipment.

''(4) Funeral and burial expenses and other expenses incidental to funeral and burial expenses for beneficiaries receiving care from the Department.

''(5) Administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department.

''(6) Oversight, engineering, and architectural activities not charged to project cost.

''(7) Repairing, altering, improving, or providing facilities in the medical facilities and homes under the jurisdiction of the Department, not otherwise provided for, either by contact or by the hire of temporary employees and purchase of materials.

''(8) Uniforms or uniform allowances, as authorized by sections 5901 and 5902 of title 5.

''(9) Aid to State homes, as authorized by section 1741 of this title.

''(10) Administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under chapter 17 of this title and Public Law 87–693, popularly known as the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.).

''(e) MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES.—Funds appropriated for Medical Administration and Miscellaneous Operating Expenses are available for the following purposes:

''(1) The administration of medical, hospital, nursing home, domiciliary, construction, supply, and research activities authorized by law.

''(2) Administrative expenses in support of planning, design, project management, architectural work, engineering, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department, including site acquisition.

''(3) Engineering and architectural activities not charged to project costs.

''(4) Research and development in building construction technology.

''(f) GENERAL OPERATING EXPENSES.—Funds appropriated for General Operating Expenses are available for the following purposes:

''(1) Uniforms or allowances therefor.

''(2) Hire of passenger motor vehicles.

''(3) Reimbursement of the General Services Administration for security guard services.

''(4) Reimbursement of the Department of Defense for the cost of overseas employee mail.

''(5) Administration of the Service Members Occupational Conversion and Training Act of 1992 (10 U.S.C. 1143 note).

''(g) CONSTRUCTION.—Funds appropriated for Construction, Major Projects, and for Construction, Minor Projects, are available, with respect to a project, for the following purposes:

''(1) Planning.

''(2) Architectural and engineering services.

''(3) Maintenance or guarantee period services costs associated with equipment guarantees provided under the project.

''(4) Services of claims analysts.

''(5) Offsite utility and storm drainage system construction costs.

''(6) Site acquisition.

''(h) CONSTRUCTION, MINOR PROJECTS.—In addition to the purposes specified in subsection (g), funds appropriated for Construction, Minor Projects, are available for—

''(1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by a natural disaster or catastrophe; and

''(2) temporary measures necessary to prevent or to minimize further loss by such causes.''.

(2)(A) Chapter 1 is amended by adding at the end the following new section:

''§ 116. Definition of cost of direct and guaranteed loans

''For the purpose of any provision of law appropriating funds to the Department for the cost of direct or guaranteed loans, the cost of any such loan, including the cost of modifying any such loan, shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).''.

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''116. Definition of cost of direct and guaranteed loans.''.

(b) EFFECTIVE DATE.—Subsections (c) through (h) of section 313 of title 38, United States Code, as added by subsection (a)(1), and section 116 of such title, as added by subsection (a)(2), shall take effect with respect to funds appropriated for fiscal year 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. STUMP) and the gentleman

from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. STUMP).

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2280.

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

There was no objection.

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

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

Mr. Speaker, H.R. 2280, the Veterans Benefit Improvement Act of 1999, is an important bill that is strongly supported by veterans and their service organizations. It contains a list of provisions affecting many benefit categories, including the cost of living adjustment for veterans receiving disability compensation and their surviving family members, improvements in the benefits for surviving spouses of former prisoners of war and others receiving dependency and indemnity compensation, and a significant increase in the authorization for the Veterans Homeless Reintegration Program at the Department of Labor.

The bill also makes home loan eligibility for members of the National Guard and Reserve components permanent, as well as requiring the VA to begin planning for four new national cemeteries.

Additionally, H.R. 2280 helps assure that ground breaking for the World War II memorial can take place on Veterans' Day next year by expanding the fund-raising authorities of the American Battle Monuments Commission. Mr. Speaker, we must complete this World War II memorial as quickly as possible. For those who have not made a contribution to this very worthy project, I would urge them to do so.

Veterans of World War II are passing on at the astonishing rate of 1,000 a day. We must not allow any further unnecessary delay in the memorial's construction schedule. Without this legislation, another half a million veterans could pass away before construction even begins on our national tribute to their heroic deeds. It has already taken longer to get the memorial project from inception to ground breaking than it did to win the war. I urge my colleagues to support the passage of 2280 as amended, and reserve the balance of my time.

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

Mr. Speaker, I rise in strong support of H.R. 2280, as amended. I want to thank the gentleman from Arizona (Mr. STUMP) for his leadership on this important piece of legislation and for his continuing efforts on behalf of this country's veterans. I also want to thank the gentleman from New York (Mr. QUINN), the chairman of the Subcommittee on Benefits, and the gentleman from California (Mr. FILNER) the ranking Democratic member of the subcommittee, for their hard work in crafting this important legislation.

The Veterans Benefits Improvement Act of 1999 is an excellent bill, providing improvements to a number of veterans benefit programs. I am very pleased some of the provisions in this bill are based on measures that I authored and introduced. H.R. 2280 is yet another example of our ability to work together in a bipartisan fashion to improve the lives of America's veterans and their families. It deserves the support of every member of this body. I urge my colleagues to vote for this legislation.

Mr. Speaker, I rise in strong support of H.R. 2280, as amended.

I thank the gentleman from Arizona, Mr. STUMP, for his leadership on this important legislation and for his continuing efforts on behalf of the Nation's veterans.

I also thank the gentleman from New York, Mr. QUINN, the chairman of the Subcommittee on Benefits, and the gentleman from California Mr. FILNER, the ranking Democratic member of the subcommittee, for their hard work in crafting this important legislation.

H.R. 2880, the Veterans Benefits Improvements Act of 1999, provides improvements to a number of veterans benefit programs. In addition, it supports the timely construction of the World War II Memorial which will recognize the contributions made by all Americans to the war effort. This measure is deserving of the support of every member of this body.

I am pleased several of the provisions in this bill are based on measures I authored and introduced.

Section 104 of H.R. 2280 is taken from H.R. 708. It will restore eligibility for CHAMP–VA medical care, education benefits and home loan assistance to remarried surviving spouses who lost eligibility for these benefits upon remarriage and whose subsequent marriage has ended. During the 105th Congress, legislation was enacted allowing for reinstatement of eligibility for dependency and indemnity compensation (DIC) cash benefits after termination of the remarriage. The present measure completes the restoration of eligibility for all VA benefits to surviving spouses if the subsequent marriage is ended.

I am very pleased that section 211 of H.R. 2280 includes the provisions of my bill, H.R. 1476, the National Cemetery Act of 1999. This section would require the Secretary of Veterans Affairs to establish four new national cemeteries, each of which would be established in an area of the country, determined by the Secretary, to be most in need of cemetery space to serve veterans and their families. Although VA statistics show that the demand for burial benefits will increase sharply in the near future, with interments increasing 42% from 1995 to 2010, the Administration's FY 2000 VA budget proposal did not include funding for additional national cemeteries. Unless new cemeteries are established soon, however, VA will not be able to meet the need for burial services for veterans in several metropolitan areas of the country. In response to this situation, I introduced H.R. 1476.

Section 301 includes the provisions of my bill, H.R. 1603, the Selected Reserve Housing Loan Fairness Act of 1999. This section would provide for permanent eligibility for veterans' housing loans for members of the Selected Reserve who complete six years of service. Last year, Public Law 105–368 extended Guard and Reserve eligibility for VA housing loans, which was to expire this year, through fiscal year 2003.

The Enlisted Association of the National Guard of the United States pointed out, however, that this benefit cannot be used as a recruiting incentive because recruits must serve in the Selected Reserve for 6 years before they may participate in the VA housing loan program. Under current law, a recruit enlisting today will not be eligible for a VA loan before the authority for the loan expires. H.R. 1603, by making the home loan eligibility permanent, will give the Selected Reserve the incentive they need to recruit ''the best and the brightest.''

Section 502 of H.R. 2280 is drawn from H.R. 1214 which I introduced to assure that the Veterans Benefits Administration's (VBA) internal quality assurance activities meet the recognized appropriate governmental standards for independence and internal control. This measure requires VBA to have a quality assurance program which comports with generally accepted government standards for performance audits.

Because of the fundamental importance of accurate and effective claims processing and adjudication by VA regional offices, and the need for effective oversight of regional office claims processing and adjudication by the Veterans' Benefits Administration (VBA), in July of 1997, I requested the Government Accounting Office (GAO) to review the quality assurance policies and practices of the VBA. On March 1, 1999, GAO issued its report which determined that further improvement is needed in claims-processing accuracy. In particular, GAO determined that VBA's quality assurance activities do not meet the standards for independence and internal control.

While VBA has made some improvements by developing an accuracy measurement which focuses on VA's core benefit work—rating claims for benefits—further improvements are needed in claims processing. In fiscal year 2000, the VA will pay over $22 billion in monetary benefits to veterans. Without a mandated program of quality assurance, which meets generally accepted governmental auditing standards for program performance audits, impartial and independent oversight of the quality of claims adjudication decisions will not be assured.

With the establishment of independent oversight of the quality of claims adjudication decisions, veterans can have more confidence in the decisions made by VA and the number of claims which are remanded because of the poor quality of claims adjudication will be reduced. With better initial decisions and fewer remands for re-adjudication, veterans will receive a quicker and a more accurate response. More claims will be adjudicated correctly the first time. This will not occur overnight, but without an independent oversight of the quality of claims adjudication decisions it may never exist.

H.R. 2280 is yet another example of our ability to work together in a bipartisan fashion to improve the lives of our Nation's veterans

and their families. I strongly support all provisions of H.R. 2280 and urge my colleagues to approve this important legislation.

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

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. QUINN), the chairman of the Subcommittee on Benefits.

Mr. QUINN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am pleased to rise today also in support of H.R. 2280, the bipartisan Veterans Benefits Improvement Act of 1999. The bill provides a cost of living adjustment for disability compensation, dependency and indemnity compensation, and other related benefits. The adjustment is computed using the same percentage increase as given to all other Social Security recipients.

In addition, the bill makes a number of needed improvements to programs serving veterans, some of which we want to highlight briefly today during the time we have on the floor.

With respect to burial needs of veterans, in addition to directing the Secretary of Veterans Affairs to establish four badly needed new national cemeteries, the bill would require the Secretary to contract for an independent, comprehensive assessment of VA national cemeteries, including the number of cemeteries that will be needed through the year 2020.

The bill would also authorize the American Battle Monuments Commission to borrow money from the Department of Treasury in order to begin construction of the monument that the gentleman from Arizona (Mr. STUMP) just spoke about. It is time to remind the American people as well as all the veterans who served the country that they have raised over $57 million already for this effort.

Mr. Speaker, to me World War II veterans and their generation, as Tom Brokaw has said, is, in fact, the greatest generation. One of the greatest forms of thanks America can give to those veterans would be to build their memorial and to build it now.

In other areas, H.R. 2280 would permanently extend the Home Loan Program to former members of the Selected Reserve and aggressively authorize appropriations to the Department of Labor for the Homeless Veterans Reintegration Program. More specifically here, Mr. Speaker, we remind all Americans and Members of the House that of all the homeless people in this country, fully one-third, almost 33 percent of those homeless people on our streets, are veterans of wars for our country.

H.R. 2280 aims to help many of our almost 300,000 homeless veterans find jobs by authorizing a 5-year increase in the Labor Department funding for this competitively bid, nationwide community-based employment program. It would double the current authorization for all such programs to $10 million in fiscal year 2000, and increase that amount by $5 million per year, until it finally tops out at $30 million in fiscal year 2004. I know of no group that wants to break the cycle of homelessness more than those who have worn the uniform of our country.

Finally, Mr. Speaker, H.R. 2280 would make improvements to the retirement and survivor annuity programs at the Court of Appeals for veterans claims. This is where our veterans see their claims and their questions about their benefits adjudicated. Our intent here is to encourage staggered retirements since five of the remaining six original appointees will be eligible for retirement within one 11 month period beginning in 2004, and we would like to try to make personnel policy affecting the judges of this court more consistent with those of other Federal judges. These provisions passed the House, of course, last year, but because the Senate did not concur and act, they did not become law.

Mr. Speaker, I believe and others believe that this is a very timely bill and benefits many veterans. H.R. 2280 is the result of a lot of hard work in a bipartisan fashion, for which I thank the members of the full committee, the gentleman from Arizona (Mr. STUMP) and the ranking member, the gentleman from Illinois (Mr. EVANS), but I also want to specifically thank the members of our subcommittee.

First of all, the gentleman from California (Mr. FILNER), the ranking member of the subcommittee, as well as the gentleman from Arizona (Mr. HAYWORTH), the gentleman from Illinois (Mr. LAHOOD), the gentleman from Utah (Mr. HANSEN), the gentleman from Nevada (Mr. GIBBONS), the gentleman from Texas (Mr. REYES), and the gentlewoman from Nevada (Ms. BERKLEY), all members of the subcommittee and hard workers when it comes to our job. I appreciate and recognize those unique contributions of all of our Members and urge my colleagues to support H.R. 2280.

Mr. EVERETT. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Filner)

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, as ranking Democrat on the Subcommittee on Benefits, I rise in strong support of H.R. 2280, the Veterans Benefits Improvement Act of 1999. As the gentleman from New York (Mr. QUINN), the chairman of the subcommittee just indicated, we worked closely together on development of this measure, which includes provisions of bills introduced by Members from both sides of the aisle. This is the way the legislative process ought to work, and the real winners are America's veterans.

The bill, as amended, includes many important provisions. Under this measure, the national cemetery system would be expanded and much needed burial space provided. Construction of the World War II memorial, as we have heard, would be expedited and certain members of the Selected Reserve would be permanently eligible for VA home loans.

□ 1430

I am particularly pleased that the legislation reauthorizes and increases funding for the Homeless Veterans' Reintegration Program. Although this provision does not increase the program funding as much or as quickly as it would under the bill I introduced, H.R. 1484, it is a very, very satisfactory compromise.

The graduated funding increase included in this bill will enable the Department of Labor's Veterans' Employment and Training Service to effectively administer the program, and the increased funding will give thousands of homeless veterans the assistance they need to reenter employment.

Let me also take a minute to thank the chairman of the Committee on Small Business, the gentleman from Missouri (Mr. TALENT), and the ranking Democrat on that committee, the gentlewoman from New York (Ms. VELAZQUEZ), for bringing a later bill on the floor today, H.R. 1568, the Veterans' Entrepreneurship and Small Business Development Act of 1999. The gentleman from Missouri has worked hard to craft this excellent bill, which is similar to H.R. 366, the Veterans' Entrepreneurship and Promotion Act, which I have introduced in the last two Congresses. H.R. 1568, which we will consider later, deserves the full support of all Members of our House.

In closing, the bill under consideration, H.R. 2280, is an excellent bill that will enhance the lives of millions and millions of veterans and their families. I urge my colleagues to vote in favor of the Veterans' Benefits Improvement Act of 1999.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH), a very valuable member of the Committee on Veterans' Affairs.

Mr. HAYWORTH. Mr. Speaker, I thank my committee chairman and the dean of our delegation from Arizona for yielding me this time; and, indeed, as I see him manage the time on our side of the aisle, I cannot help but note his record of service not only in this institution but in wearing the uniform of this country. He is far too modest and self-effacing to speak of his war record. There was a job to be done and, as a younger man, he stepped forward to do it.

But, Mr. Speaker, our chairman bears living witness to the sacrifice of so many comrades in arms who fought in history's largest war and, indeed, in our greatest struggle to preserve our constitutional republic. And for those veterans and for those of us whom history has not called upon to sacrifice, this legislation provides a suitable, common-sense way to fund and expedite construction of a monument to remember all veterans of World War II.

It is perhaps a comment on Washington, Mr. Speaker, that, as our chairman very capably pointed out in passing, it has taken longer to get to this point in terms of funding this wonderfully proposed monument than it took for us to fight and win that war. Washington, Mr. Speaker, it seems, has a marvelous way of complicating matters. We can step into the elevator here that brings us to the floor and see 16 rules for House elevator operators. That, Mr. Speaker, when the Lord our God only gave us Ten Commandments to follow.

So again we are trying to cut through what that wonderful acronym of that war brought us, a snafu. I will not elaborate any further, Mr. Speaker, noting the decorum of this floor, and move to get this monument in fact created and realized.

But there is something else we should realize. No matter the conflict, no matter the time when men and women have worn the uniform of our country, this legislation also provides a much-needed cost of living adjustment for those veterans who have a service-related disability, for those veterans who depend on those benefits. Indeed, as our Constitution points out in its beautiful preamble, we are to provide for the common defense. But with this legislation, a common-sense, well-crafted, bipartisan piece of work, we help to provide for those who have provided for our common defense.

I would ask my colleagues to support H.R. 2280 as amended.

Mr. EVANS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON. Mr. Speaker, when we were in school we would often sing, ''My country tis of thee, sweet land of liberty, of thee I sing. Land where our fathers died, land of the pilgrim's pride,'' and that is very appropriate, I believe, for the consideration of H.R. 2280, the Veterans' Benefit Improvement Act of 1999.

I am very happy to be a member of the Committee on Veterans' Affairs, under the premier leadership of the gentleman from Arizona (Mr. STUMP) and certainly the ranking member, the gentleman from Illinois (Mr. EVANS), when they deliberated on this piece of legislation, even though it does not include everything that we would like to see in behalf of our veterans. We have sat there and saw that veterans' programs have been the bank that we have been able to draw from to fund other programs, a bank capitalized with worthless currency and of broken promises. This country promised our veterans certain things when they offered themselves, their sacrifice, their families, to preserve the freedom across this land.

So we have taken up the duty of looking after the needs of our veterans. We must also realize that we have an even more important duty that involves teaching and preaching to make the whole Nation understand all that we owe to our veterans.

I am very happy to suggest items that have already been mentioned here today: The cost of living adjustment estimated to be 2.4 percent to the rates of disability compensation for veterans with service-connected disabilities; the expansion of the fund-raising authorities of the American Battle Monuments Commission to expedite the establishment of the World War II memorial in our Nation's capital.

And I might mention that one of our premier actors, Tom Hanks, has been on a crusade in behalf of the World War II memorial, and I hope that from the sunny hills of California that he understands that his message is loud and clear, that this is a salute overdue to the 16 million Americans who answered the Nation's call to duty in World War II, because, Mr. Speaker, fewer than 7 million are alive today, and we lose 1,000 more every day.

This bill also makes eligible members of the Reserves and National Guard who served at least 6 years eligible for housing loans on a permanent basis. It authorizes $100 million in fiscal years 2000 to 2004 to the Department of Labor for the Homeless Veterans Reintegration Program and will help homeless veterans find jobs through increased funds for community-based employment programs.

I remember my chagrin when I saw on a national news program that the majority of the homelessness in this Nation is comprised by veterans.

The bill also directs the Secretary of Veterans' Affairs to establish four new national cemeteries.

Mr. Speaker, I would strongly urge my colleagues on both sides of the aisle to support House Resolution 2280.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN), one of our World War II veterans and the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of H.R. 2280. I commend the distinguished committee chairman, the gentleman from Arizona (Mr. STUMP), for bringing this measure to the floor, and also the chairman of the Subcommittee on Benefits of the Committee on Veterans' Affairs, the gentleman from New York (Mr. QUINN), and the subcommittee ranking member, the gentleman from California (Mr. FILNER), for their work on this measure.

This measure authorizes a cost of living adjustment for veterans who receive disability compensation and dependency and indemnity compensation to surviving spouses of prisoners of war who received full disability at the time of death due to service-related injuries and becomes effective in December of this year.

It also restores CHAMPVA medical care, which is a Veterans' Affairs health benefits program that shares the cost of certain health care services and supplies for eligible beneficiaries. Those eligible include the spouses and children of totally disabled veterans and the survivors of veterans who died as a result of service-connected injuries or illnesses. And I want to commend the committee for undertaking that portion of this measure.

It also expands fund-raising authorities and authorizes $65 million in loans from the Treasury for the American Battle Monuments Commission to hasten construction of the long overdue World War II memorial. In addition, it authorizes $100 million for the Labor Department to administer the Homeless Veterans Reintegration Program. That program uses community resources to help our homeless veterans, and there are too many of them out there this day.

It also addresses a potential future problem for the Court of Veterans Appeals beginning in the year 2004. Five of the six original appointees on this court are going to be eligible for retirement, and this measure allows them to continue. The goal of this provision is to broaden effective measures to help reduce overall workloads and shorten the time veterans must wait for a decision on their appeals.

Moreover, this measure makes permanent the authority of the VA to guarantee home loans for our National Guard and Reserve members. That authority was previously set to expire in September of this year.

Mr. Speaker, I believe that this is a worthy piece of legislation, an appropriate response by this legislative body to the sacrifices made by our Nation's veterans and their families.

Mr. EVANS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding me this time; and as a member of the Committee on Veterans' Affairs, I am proud we are considering today H.R. 2280, the Veterans Benefits Improvement Act of 1999.

This bill is truly a product of our concerns and the input and concerns of all the Members of this House, the VA, our veterans service organizations, and the rest of our committee. It improves veterans benefits on many issues of vital importance to our veterans and their families.

Mr. Speaker, this bill recognizes the needs of our aging veterans; and we can all be proud of this bill's provisions that provide for additional borrowing which gives authority for the World War II memorial. This will expedite the construction of this monument and allow for its completion.

In addition, the bill will establish four new cemeteries and requires a complete study to improve and enlarge all of our existing national cemeteries. Our veterans deserve nothing less. And they deserve to be buried with dignity and honor, and their families deserve to have the ability to pay their respects without any further sacrifices.

I am also encouraged that this bill assists our homeless veterans by expanding upon the Homeless Veterans Reintegration Program. Too many of our brave men and women are out on the streets without shelter and without hope. This bill will expand the outreach of this program.

Let me also say that I am pleased that this bill improves benefits in a number of other areas that reflects on our Nation's commitment to our veterans. A key provision of the bill will provide permanent eligibility of our reservists who spend more than 6 years and will qualify them for VA housing benefits. Also, the bill expands eligibility for surviving spouses of former POWs who are currently disqualified from receiving dependency and indemnity compensation.

The bill, as has been mentioned this morning, will further provide for annual cost of living allowances for those veterans receiving this kind of compensation. All of these provisions will enhance our commitment to our veterans and their loved ones.

In addition, I am pleased we are continuing to work to recognize the circumstances of our atomic era veterans through an additional presumption of service-connected disability for a rare form of cancer.

Finally, Mr. Speaker, as a veteran myself and someone that represents over 50,000 veterans in my district, I can tell my colleagues that the delays and errors in the veterans' benefits claims process are very frustrating. The enhanced quality assurance program set forth in this bill will help to address this very serious situation for all our veterans.

Given the courage and the valor of our veterans and the sacrifices that have been made by them for our country, we owe them nothing less. I strongly support this legislation and urge my colleagues and the entire House to join in the passage of this comprehensive veterans legislation.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. BARR).

(Mr. BARR of Georgia asked and was given permission to revise and extend his remarks.)

Mr. BARR of Georgia. Mr. Speaker, I wish to thank the distinguished chairman and ranking member for their work on behalf of our veterans and also thank the chairman of the subcommittee, the gentleman from New York (Mr. QUINN), for the tremendous work that he has done and continues to do, and certainly as reflected in this bill, is doing with regard to so many matters that affect our veterans.

I would like, Mr. Speaker, to address one particular aspect of this bill to which I would urge Members on both sides of the aisle to support, and that is section 211 regarding authorizing the Secretary of Veterans' Affairs to establish a national cemetery in each of the four areas of the country that he deems most in need.

Specifically, Mr. Speaker, I direct the Members' attention to the greater Atlanta metropolitan area in Georgia. For 21 years, the national cemetery in Marietta, Georgia, which is the only one in the greater Atlanta metropolitan area, has been full; and over those 21 years, Mr. Speaker, the population, both the veterans as well as the civilian population of Atlanta and northwest Georgia, has grown immensely. The population during 1980 to 1996 has grown from 2 million people to well over 7.4 million in the greater Georgia area, and in metropolitan Atlanta the increases have been just as startling.

□ 1445

As well, Mr. Speaker, the increases in our veterans population, which, as other speakers have mentioned today, is unfortunately aging, necessarily so. It has increased dramatically.

Studies have shown, Mr. Speaker, that families of loved ones who have veterans in their family who are entitled to be buried in our national cemeteries will not travel long distances to a national cemetery. The studies have indicated that the furthest that families will be able or willing to go is about 75 miles. There is no national cemetery anywhere near 75 miles from the Greater Atlanta Metropolitan area, Mr. Speaker. And that is why, with the tremendous increase in the veterans population, the tremendous increase in the population generally in west Georgia, it is so essential that we have, as one of those cities, a new national cemetery in Atlanta. There is plenty of land in the area.

I would urge certainly that this particular section of the bill, section 211, which moves us in that direction and which reflects legislation, H.R. 1249, that I introduced earlier this year with the support of the entire Georgia Delegation, including our two senators, Senators CLELAND and COVERDELL. It also reflects the needs and desires of the Georgia delegation.

So I would commend the gentleman from New York (Mr. QUINN), the chairman of the committee, and the ranking member and others for moving this bill forward. I would urge its adoption and would urge particular attention be paid and urge the Secretary of Veterans' Affairs, Mr. West, to include Atlanta as one of those four areas.

Mr. Speaker, I rise today in support of the Veterans' Benefits Improvement Act, H.R. 2280. This legislation touches on a number of issues important to the veterans community. While, I support the provisions of the bill, I want to take a moment to focus especially on Section 211.

Section 211 directs the Secretary of Veterans Affairs to establish, in accordance with Chapter 24 of Title 38, United States Code, national cemeteries in the four areas in the United States, which the Secretary determines to be most in need of such a cemetery to serve the needs of veterans and their families. I believe once the Secretary looks carefully, at this matter he will determine that a national cemetery is a high priority for the Atlanta metropolitan area in the state of Georgia.

On March 24, 1999, I introduced H.R. 1249, with the full support of the entire Georgia delegation, including Senators CLELAND and COVERDELL. This legislation authorizes the Secretary of Veterans Affairs to establish a national cemetery for veterans in the Atlanta, Georgia metropolitan area. Today, with the actions of the House of Representatives, the veterans in Georgia are a major step closer to having a new national cemetery located in the state.

The metropolitan Atlanta area has been at the top of the list for a new national cemetery for 21 years. During this time, the population of the Atlanta metropolitan area has undergone dramatic change. According to the 1980 census, Georgia had a population of nearly five and a half million, over two million of which resided within the metropolitan Atlanta area. By 1996, the population of Georgia had increased two million, to nearly 7.4 million and that of metropolitan Atlanta had exploded to more than three and a half million. Included in this population, are 450,000 veterans in the metropolitan area, and 700,000 state-wide. Clearly, the need for an easily accessible national cemetery has increased significantly in the past several years.

Studies in 1987 and 1994, both titled Report on National Cemetery System in Regard to Public Law 99–576 sec. (4.2), again reiterated the need for a new national cemetery in the metro-Atlanta area. Presently, the National Cemetery System ranks Atlanta as the number one city in need of a national cemetery. There are several reasons why this need has been recognized for the past 21 years. Data regarding veterans, as well as the rapidly changing demographics of Atlanta and north Georgia, create a compelling case for a new facility to be created immediately. Since a consensus among Veterans Administration officials, veterans groups and politicians has been reached, the next step is to choose the most logical and cost-effective site for the project.

There are no open national cemeteries in the state of Georgia. Veterans residing in metropolitan Atlanta, who desire to be interred in a national cemetery, must either go 298 miles to Beaufort, South Carolina; 128 miles to Chattanooga, Tennessee; or 100 miles to Fort Mitchell, Alabama. Studies have shown that veterans and their families rarely choose to be buried in national cemeteries more than 75 miles from their residence. It is also established that surviving spouses visit the grave sites of the deceased located farther than 75 miles from their home, much less frequently than grave sites located closer. In this context, the three aforementioned cemeteries (South Carolina, Tennessee and Alabama) clearly do not adequately serve the veteran population of metropolitan Atlanta.

Currently, there are national cemeteries scheduled to open in the near future in Saratoga, New York; Chicago, Illinois; Dallas, Texas; and Cleveland, Ohio. Two years ago, a new cemetery opened in Tacoma, Washington near Seattle. Obviously, none of these cemeteries are expected to alleviate the demand for new burial space in the southeastern United States.

The growth in the number of veterans in Georgia, has led to several trends that point to an increased demand in burial space in national cemeteries for the coming years. Currently, the median age of World War II veterans is more than 70 years. These veterans

are passing on at the rate of more than 1,000 per day (some 377,000 per year). This number will continue to increase; and when including all vets, should peak at 620,000 per year by the year 2008. These same studies have shown that the years 2005 to 2015 will continue to exhibit especially high mortality rates among veterans. When factoring in peacetime veterans of the post-Vietnam era as well as Gulf War veterans, mortality rates will continue to remain high well into the next century, at least until the year 2040. On average, ten percent of the veteran population opts to be interred in a national cemetery. Past experience has shown it takes approximately five to seven years to construct one of these sites. Therefore, in considering the above statistics, it is imperative that we immediately begin the process of establishing a national cemetery in metropolitan Atlanta in order to meet the current and certainly the unavoidable demands in the next decade.

When choosing a location for a new national cemetery, two factors must be addressed. First, it should be situated in an area that will serve the greatest number of veterans. Second, it must be cost-effective to taxpayers. As noted previously, veterans tend to choose to be interred within 75 miles of their residence. Atlanta's veteran population of 450,000 is the largest in the nation not served directly by a national cemetery, and establishing a national cemetery in or near a population center with a large amount of veterans is the best way to ensure that the facility will be utilized by veterans. (Instances where this was not done, indicate clearly that veterans and families will not patronize a national cemetery located far from a metropolitan area.)

When developing new cemeteries, the National Cemetery System is also aware of economics of scale. There are many factors, such as land prices and availability that must be considered, and those who administer the Cemetery System certainly try to buy larger plots of land, which will serve for years to come. The cemeteries currently under development are evidence of this, with Saratoga having 273 acres, Chicago 980 acres, Dallas 673 acres, Cleveland 250 acres and Tacoma 158 acres. These sized lots are able to accommodate the net burial acreage plus the amount of additional land required for roads, easements, and drainage. The net burial acreage is arrived at by analyzing the demographic factors of the local veterans population as well as recognizing the standard of 800 burials per acre. In general, the net acreage is then doubled to determine the optimum size of the facility. These larger cemeteries not only meet the demand exerted by the local veterans populations, they also prove to be more cost-effective than smaller facilities.

Consideration of the factors presented here are paramount in the successful choice of a new location for a national cemetery. The first step in rectifying this current and anticipated critical shortfall is to authorize the construction of a new national cemetery in metropolitan Atlanta. With the passage of this bill today we begin to move in that direction. We then need to appropriate the funds, and begin construction; which will likely take up to five years. Time is of the essence. This commitment we ask today will fulfill the promise to the veterans who have for 29 years been without reasonable access to a national cemetery. Even though land in the immediately vicinity of Atlanta has become heavily developed, there are numerous potential locations suitable for a new national cemetery.

Our nation has a sacred obligation to fulfill the promises we made to our veterans when they agreed to risk and, in many cases, give their lives to protect the freedoms we all enjoy. One such commitment is a military burial in a national cemetery. Establishing a national cemetery in Georgia would provide veterans and their accessibility and the recognition they deserve. This has been a long-awaited process for Georgia veterans. These men and women deserve a proper resting place in their home state.

I want to thank Committee Chairman STUMP and Ranking Democrat LANE EVANS, as well as Benefits Subcommittee Chairman JACK QUINN for all their work on this very important legislation. On behalf of all veterans, and especially the veterans of the state of Georgia, I ask my colleague to support this very important legislation.

Mr. QUINN. Mr. Speaker, if the gentleman would yield, it is important to point out I think at this time that the gentleman from Georgia (Mr. BARR) has worked with the full committee and the subcommittee to make sure that this is brought to our attention. We appreciate his efforts all along the way.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Speaker, I thank the chairman of the Committee on Veterans' Affairs for yielding me the time.

Mr. Speaker, I rise in strong support of H.R. 2280, the Veterans Benefit Improvement Act.

Veterans have sacrificed to defend our Nation and have earned health care and other benefits through their service. They came forward when America needed them. Now Congress must continue to keep its promises to those who served.

H.R. 2280 keeps our promises to veterans by increasing the Cost of Living Adjustment to millions of disabled veterans. It also restores medical, educational, and housing loans to surviving spouses who have remarried.

Consideration of this legislation is timely since it helps to remind us to commemorate the anniversary of the Veterans of Foreign Wars. For 100 years, the VFW has been active not only with veterans programs but also with a host of civic and volunteer activities. During 1997 and 1998, the VFW and the Ladies Auxiliary contributed over 12 million hours of volunteer services and donated nearly $55 million to various community service projects.

I would also like to single out the Heart O' The Hills VFW Post in my district in the Hill Country of Texas. It is one of the oldest and most active in the State. Two weeks ago, it celebrated its 84th anniversary. It is because of the selfless dedication of the veterans in the Hill Country and veterans around the Nation that we enjoy prosperity and freedom today.

Mr. Speaker, our veterans willingly served to defend our Nation. They were there when we needed them, and now we must be there when they need us.

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

Mr. Speaker, I want to take this opportunity to thank the gentleman from Illinois (Mr. EVANS), the ranking member on the Committee on Veterans' Affairs, as well as the gentleman from New York, the chairman of the subcommittee, and the gentleman from California (Mr. FILNER) and the rest of the members of the committee that have done such a great job in helping formulate this bill and bring it to the floor.

This is a bipartisan bill, and I urge everyone to support it.

Mr. BEREUTER. Mr. Speaker, this Member wishes to add his strong support for H.R. 2280, the Veterans' Benefits Improvement Act, and would also commend the chairman and ranking Member of the House Committee on Veterans Affairs for bringing this important legislation to the House floor today.

This Member wishes to express his belief that even more attention needs to be paid to the needs of America's veterans; in fact, these essential benefits must be met to the fullest extent possible. Veterans fought to protect our freedom and way of life. As they served our nation in a time of need, the Federal Government must remember them in their time of need. The people of the United States owe our veterans a great deal and should keep the promises made to them.

It is important to note some of the important provisions of this legislation, including a cost-of-living adjustment for disability compensation, permanent eligibility of housing loans, further authorization of payment of Dependency and Indemnity Compensation for surviving spouses, provisions for homeless veterans, and recognizing the 100th anniversary of the Veterans of Foreign Wars.

While the veterans legislation appearing on the House floor today is commendable and significant for our nation's veterans and their families, it must also be noted that we must continue to give veterans the benefits they need and deserve, including health benefits. As a greater number of veterans, especially World War II veterans, are reaching the stage in life where they need more health care, Congress must insure that there are adequate funds and services available for these veterans, and that the current Veterans Equity Resource Allocation (VERA) formula should be changed since it is very unfair to sparsely settled states like Nebraska, Wyoming, and the Dakotas.

Mr. Speaker, this Member is committed to insuring that veterans receive the benefits they deserve; benefits they have been promised and which the American people support. As additional legislation appears before the House of Representatives, be assured that this Member will continue to support necessary and meaningful veterans legislation.

Mr. EVERETT. Mr. Speaker, I rise in strong support of H.R. 2280, the Veterans' Benefits Improvement Act of 1999. The provisions of this bill include: a disability compensation cost of living adjustment for fiscal year 2000; permanent housing loan eligibility for veterans

who have served in the selected reserve; expanded authority to solicit and receive contributions for the World War II Memorial; and increased funding for the reintegration of homeless veterans into the labor force.

H.R. 2280 also incorporates provisions of H.R. 2040 that would direct the Secretary of Veterans Affairs to build four new national cemeteries in areas of the country most in need of such a cemetery. The bill also would require the VA to contract for a study to assess the one-time repairs needed at each national cemetery and the feasibility of making standards of appearance of our national cemeteries commensurate with the finest cemeteries in the world.

On May 20, 1999, the Veterans' Affairs Subcommittee on Oversight and Investigations, which I chair, held a hearing that addressed planning for new national cemeteries and cemetery maintenance. Following the hearing, the Subcommittee issued a report with recommendations for legislation requiring the VA to submit a cemetery construction plan and identify locations for new national cemeteries, based upon demographic priority. The Subcommittee report also recommended increasing the National Cemetery. Administration budget by $6 million for routine and deferred maintenance, and equipment needs. Finally, the report recommended increasing the budget for Arlington National Cemetery by $3 million for construction and maintenance projects. The Subcommittee's report gives strong support to this legislation.

Mr. Speaker, America's national cemeteries are not adequate to serve the needs of veterans over the next decade. The demand for burial space in national cemeteries will be one of the greatest in the country's history as World War II veterans reach the end of their lives. Unless new national cemeteries are funded and planning for them begins soon, veterans in major population areas will be effectively denied the final honor of burial in a national cemetery.

Funding for maintenance of America's national cemeteries, including Arlington National Cemetery, is insufficient. Unless national cemeteries receive increased funding for their maintenance needs, necessary work will be deferred, and their appearance will not meet public expectations for these national shrines as places of honor for the men and women who have defended our freedom.

I would like to thank Mr. QUINN, chairman of the Veterans' Affairs Subcommittee on Benefits, for his cooperation regarding these very important issues for our veterans and for his initiative in moving H.R. 2280 through his subcommittee. I would also like to commend Chairman STUMP of the full committee for his leadership on issues affecting national cemeteries and for his authorship of this important legislation.

This is bipartisan legislation, and I want to recognize the active contributions in the formulation of H.R. 2280 by Mr. EVANS, the full committee's ranking Democrat; Mr. FILNER, the ranking Democrat on the Subcommittee on Benefits; and Ms. BROWN, the ranking Democrat on the Subcommittee on Oversight and Investigations.

Mr. Speaker, I urge my colleagues to approve this significant veterans legislation.

Mr. SMITH of New Jersey. Mr. Speaker, today the House is considering H.R. 2280, the Veterans' Benefits Improvement Act of 1999. I am particularly pleased this legislation includes the provisions of H.R. 690, legislation I have introduced to add bronchiole-alveolar carcinoma to the VA's list of diseases that are service-connected due to radiation exposure. I testified on behalf of H.R. 690 before the House Veterans' Affairs Benefits Subcommittee just three weeks ago and I had the opportunity recognize Joan McCarthy, a resident of New Jersey who first brought the need for this legislation to my attention ten years ago.

This bill needs to be enacted as a matter of fairness. The provisions of H.R. 690 included in today's bill essentially state that if you were a veteran exposed to ionizing radiation in a government nuclear test, like those in Operation Wigwam (a nuclear test in Pacific during 1955), and you develop a rare form of lung cancer unrelated to smoking tobacco, our government will take care of you. Sadly, this is not the case today. For the families of veterans and for widows, like Joan McCarthy, the enactment of H.R. 2280 is necessary to ensure that America does not abandon those who suffered and died solely because of their selfless, faithful services in the United States Armed Forces.

Joan's husband, Tom McCarthy, participated in Operation Wigwam, a nuclear test on May 14, 1955 which involved a deep underwater detonation of a 30-kiloton plutonium bomb in the Pacific Ocean, about 500 miles Southwest of San Diego, California.

Tom served as a navigator on the U.S.S. *McKinley,* one of the ships assigned to monitor the Operation Wigwam test. The detonation of the nuclear weapon broke the surface of the water, creating a giant wave and bathing the area with a radioactive mist. Government reports produced by the Defense Nuclear Agency indicate that the entire test area was awash with the airborne toxins from the detonation. The spray from the explosion was described in the official government reports as an ''insidious hazard which turned into an invisible radioactive aerosol.'' Tom spent four days in this environment while serving abroad the U.S.S. *McKinley.*

In April of 1981, at the age of 44, Tom McCarthy died of a rare form of lung cancer, bronchiolo-alveolar pulmonary carcinoma. This is an important point, because Tom was a non-smoker, and this illness is a non-smoking related lung cancer. Indeed, according to he American Cancer Society, 87% of all lung cancers are related to smoking. On his deathbed, Tom told Joan, his wife, about his involvement in Operation Wigwam and wondered about the fate of the other men who were also stationed on the U.S.S. *McKinley* and on the other ships in the area.

As my colleagues on the committee will remember, Congress passed H.R. 690 at the end of the 105th Congress. Unfortunately, our Senate colleagues failed to take up this legislation before Congress adjourned. However, I am happy to report that our former colleague on the committee. Senator TIM HUTCHINSON is sponsoring this legislation on the Senate side and believe that our early consideration of H.R. 690 in the House will help in his efforts in the other chamber. The enactment of H.R. 690 is long overdue and I would like to thank Chairman STUMP, Subcommittee Chairman QUINN, Ranking Member EVANS, as well as the other members of the committee have lent their support as cosponsors of H.R. 690.

I urge my colleagues to vote in favor of H.R. 2280 so that the Senate may move expeditiously on this legislation and so that Joan McCarthy and the handful of widows around the United States who have lost their husbands to this cancer may finally receive the recognition and Disability and Indemnity Compensation (DIC) benefits from the VA which they so rightly deserve.

Mr. WEYGAND. Mr. Speaker, I rise in support of the Veteran's Benefits Improvement Act, HR 2280 and urge my colleagues to do the same.

This bill will provide a cost-of-living adjustment (COLA) for veterans with service connected disabilities, it will authorize $100 million to provide homeless veterans with job training, and it will add a form of lung cancer to the list of presumed to be service connected illnesses. All are steps in the right direction for veterans, all are steps we should be taking.

However, I take this opportunity to address a very serious problem facing our veterans. Funding for veterans' health care continues to be cut. The FY 2000 budget allocation is $66.2 billion, which is $5.8 billion lower than the FY 1999 enacted levels.

Last month VISNI was on Capitol Hill updating member offices on the financial status of veterans' health care in the region. One glaring fact brought to light during these briefings was that further cuts to the veterans health care budget would mean a reduction in services for our veterans. It is time that we stop this downward trend and begin restoring the necessary funds to provide our veterans with the quality health care they deserve.

Recently, I along with several of my colleagues, wrote to the Chairman and Ranking member of the VA/HUD and Independent Agencies Appropriations Subcommittee asking that they provide $1.2 billion above the current budget resolution to address the medical crisis facing our veterans. I strongly urge my colleagues to do the same.

Mr. BILIRAKIS. Mr. Speaker, I rise in strong support of H.R. 2280, the Veterans' Benefits Improvement Act of 1999. In addition to providing veterans and their dependents with a cost-of-living adjustment (COLA), H.R. 2280 includes a bill that I introduced to assist the surviving spouses of certain former prisoners-of-war. Specifically, the provisions included in H.R. 2280 will allow certain spouses of former POWs to quality for survivor benefits. These women might not otherwise be eligible for such benefits under current law.

The Dependency and Indemnity Compensation (DIC) program provides monthly benefits to the survivors of veterans who die of service-connected conditions. Under current law, DIC payments may also be authorized for the survivors of veterans whose deaths were not the result of their service-connected disability. In this case, a spouse only qualifies for DIC benefits if the former POW was rated totally disabled for a period of 10 years or more immediately preceding his death.

There are approximately 20 presumptive service-connected conditions for former POWs who were detained or interned for at least 30 days. Unfortunately, some of these presumptions have been in effect for less than 10 years. This means that a spouse of a former POW may not qualify for DIC benefits if the veteran dies of a non-service-connected condition before meeting the 10 year time requirement.

Even if a presumption has been in effect for 10 or more years, many ex-POWs will not have been rated as totally disabled for the minimum period required at the time of their deaths. This may occur for a variety of reasons. For example, the POW may not have filed a disability claim as soon as the presumption was enacted, or it may have taken a while for his claim to be adjudicated. Alternatively, the POW could have had a lower disability rating that worsened over time.

This issue was first brought to my attention by a very close friend of mine, Wayne Hitchcock. Wayne is the past National Commander of the American Ex-Prisoners of War and is now seriously ill.

After talking to Wayne, I introduced a bill to waive the 10-year time requirement for the surviving spouses of former POWs. H.R. 784, has received strong bipartisan support. To date, the bill has over 100 cosponsors, including 23 members of the Veterans' Affairs Committee. I would like to thank full Committee Chairman BOB STUMP and Ranking Minority Member LANE EVANS, as well as Benefits Subcommittee Chairman and Ranking Minority Member, JACK QUINN and BOB FILNER, for their strong support of my legislation.

We all know that military service does not take place in a vacuum. Many POWs experience unimaginable horrors. Today, many continue to experience prolonged battles with various illnesses and other disabilities. Consequently, their spouses have spent years caring for them after their release from prisoner-of-war camps. These women deserve DIC benefits.

I am pleased that the House of Representatives is acting on this important issue. I urge my colleagues to support H.R. 2280.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.R. 2280. This Veterans' Benefits Improvement Act of 1999, would give veterans a cost-of-living increase, expand eligibility for compensation and survivor's benefits, and accelerate progress on the World War II Memorial. This package contains a wide range of proposals to improve veteran's benefits.

Some 1,646,700 veterans live in the state of Texas alone. It is through their unwavering devotion to duty and country that our nation has come through two World Wars and numerous costly struggles against the forces of aggression. American veterans have provided the leadership, courage, and even their lives time and time again. These genuine heroes have often been ignored and denied their proper place in America's melting pot. We need to remember that America owes these men and women the best it can offer because they have given us the best they could when America was in need.

I am pleased that this bill will provide a cost of living adjustment to the rates of disability compensation for veterans with service-connected disabilities and the rates of Dependency and Indemnity Compensation.

In addition, the bill addresses the burial needs of veterans. It directs the Secretary of Veterans Affairs to establish four new national cemeteries. During a recent visit to Arlington National Cemetery, I was moved by the beauty and reference, which was reflected on this small hillside in Virginia. This bill will ensure that all of our veterans will receive the same compassionate treatment, which has already been shown to those soldiers who now rest in these grounds.

I am also pleased that this bill addresses America's homeless veterans. The measure authorizes $100 million over five years for the homeless veterans reintegration program. This provision will allow community based employment programs that are working with our homeless veterans to continue their work within the communities they serve.

Mr. Speaker, I hope that all of my colleagues will join me in supporting this bill which continues our nation's efforts to honor the commitment it made to the veterans.

Mr. RODRIGUEZ. Mr. Speaker, I rise in strong support of H.R. 2280, the Veterans' Benefits Improvement Act of 1999. I commend the Chairmen and Ranking Members of both the Full Committee and the Benefits Subcommittee for their work. This bill brings together elements on benefits improvements from numerous bills.

It would give veterans a cost-of-living increase expand eligibility for compensation and survivor's benefits, and accelerate progress on the World War II Memorial.

In addition to the approximate 2.4% COLA, this bill would improve the benefits claims for certain surviving spouses. This change is long overdue.

This bill would also enhance the oversight of the claims processing system. We have experienced long delays in Texas and throughout the country, and this bill takes steps at addressing this problem:

Enhancing the quality assurance program of the Veterans Benefits Administration; and

Requiring quality reviews at the Compensation and Pension Service, the Education Service, the Vocational Rehabilitation Service and other programs.

It expands to members of Reserves and National Guard who served at least six years eligible for housing loans on a permanent basis.

I look forward to these elements being included in any package which is ultimately enacted into law.

Mr. STUMP. Mr. Speaker, I have no further questions for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and pass the bill, H.R. 2280, as amended.

The question was taken.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

CONGRATULATING AND COMMENDING VETERANS OF FOREIGN WARS

Mr. STUMP. Mr. Speaker, I move to suspend the rules and agree to the joint resolution (H.J. Res. 34) congratulating and commending the Veterans of Foreign Wars.

The Clerk read as follows:

H.J. RES. 34

Whereas the organization now known as the Veterans of Foreign Wars of the United States was founded in Columbus, Ohio, on September 29, 1899;

Whereas the VFW represents approximately 2,000,000 veterans of the Armed Forces who served overseas in World War I, World War II, Korea, Vietnam, the Persian Gulf War, and Bosnia; and

Whereas the VFW has, for the past 100 years, provided voluntary and unselfish service to the Armed Forces and to veterans, communities, States, and the Nation and has worked toward the betterment of veterans in general and society as a whole: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) recognizes the historic significance of the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States (the VFW);

(2) congratulates the VFW on achieving that milestone;

(3) commends the approximately 2,000,000 veterans who belong to the VFW and thanks them for their service to their fellow veterans and the Nation; and

(4) calls upon the President to issue a proclamation recognizing the anniversary of the VFW and the contributions made by the VFW to veterans and the Nation and calling upon the people of the United States to observe such anniversary with appropriate ceremonies and activities.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. STUMP) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. STUMP).

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.J. Res. 34.

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

There was no objection.

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

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

Mr. STUMP. Mr. Speaker, H.J.Res. 34 is a joint resolution congratulating and commending the Veterans of Foreign Wars.

This year marks the VFW's 100th anniversary. The VFW consists of approximately two million veterans of the Armed Services who have served overseas in World War I, World War II, Korea, Vietnam, the Persian Gulf, and Bosnia. They have been very active in community and civic affairs.

Some of their more notable accomplishments are, Mr. Speaker, hundreds of thousands of volunteer work at VA hospitals, Veterans Services officers helping other veterans with their benefits claimed each year, and the Voice of

Democracy Scholarship program for high school students throughout the Nation.

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

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

Mr. Speaker, I am pleased to join with the gentleman from Arizona (Mr. STUMP), the chairman of the committee, in strong support of this resolution that salutes the Veterans of Foreign Wars on the occasion of their centennial anniversary. Throughout its century of existence, the VFW has provided 100 years of extraordinary service to our veterans and their families.

From the Buddy Poppy program to Operation Uplink, the VFW, through its century-long history, has provided support and assistance to men and women who have proudly worn the uniform of the United States.

In recognition of these and countless other good works, the two million members of the VFW are the epitome of the citizen-soldier upon whom this Nation has and continues to rely.

I am proud to be a cosponsor of H.J. Res. 34 and urge my colleagues to vote in favor of this measure.

I am pleased to join with the Chairman of the Committee, the gentleman from Arizona, in strong support of H.J. Res. 34, a resolution congratulating and commending the Veterans of Foreign Wars of the United States on the occasion of their centennial anniversary. Throughout its century of existence, the VFW has provided 100 years of extraordinary service to veterans and their families.

From the Buddy Poppy program, established in 1922 to raise funds for national veterans' service programs and to provide relief for local veterans and their families—to Operational Uplink, established just three years ago to enable hospitalized veterans and servicemembers stationed around the globe to "phone home"—the VFW, throughout its century-long history, has provided support and assistance to the men and women who have proudly worn the uniform of the United States.

The VFW should also be commended for the work its members have done in their communities across the country. The VFW Community Service Program, the Voice of Democracy essay competition, the VFW Safety Program, and VFW-sponsored youth activities have all contributed to the strength and stability of our great country.

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

Mr. STUMP. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise to express my strong support for H.J.Res. 34 commemorating the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States and directing the President to issue an appropriate proclamation recognizing the centennial celebration. I thank the distinguished chairman of the Veterans' Affairs Committee, the gentleman from Arizona (Mr. STUMP), for bringing this important resolution to the floor of the House at this time.

I take great comfort whenever drawing upon the origins of the VFW and what it has meant to the thousands of veterans throughout our Nation. As a veteran of World War II and a former VFW County Commander, I speak from experience that the VFW is a monumental pillar on which all Americans can lean. It is a true symbol of our unity, our brotherhood, and a testament to our soldiers' finest hours.

Since its founding in September of 1899, the VFW has grown to encompass more than two million veterans. It has assisted veterans in obtaining State and Federal entitlements, monitoring laws and pending legislation, and keeping our veterans up-to-speed on current, pressing foreign issues.

Despite all this, the VFW does much more. Each and every year, VFW members throughout the country are enmeshed in the activities of their communities, lending a helping hand to others, continuing to make a difference long after the wars of yesteryear.

In some of my own posts in my district in New York State, they bring in veterans from veterans' hospitals and entertain them at holiday time when many of their families are no longer near them. They make a difference long after these wars of yesteryear.

The VFW has sponsored both the Boy Scouts of America as well as Special Olympics, while also providing college scholarships to our Nation's young adults. Characterizing the organization's actions as anything less than exemplary is simply an understatement.

It is essential that we take time now to properly celebrate the impact of the VFW and the importance of this 100th anniversary that they are celebrating. In honoring the veterans and their ultimate display of patriotism by sacrificing their lives to this great Nation, we do ourselves justice by rejoicing all that is good in humanity. The VFW deserves our recognition and utmost respect. It is a torch blazing America's path into the future, fueled by their genuine courage and dignity.

It is my deepest hope that this issue receives the full support of all of our colleagues, and I urge my colleagues to see to it that the VFW is duly commemorated on its 100th anniversary.

Mr. EVANS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this legislation congratulating and commending the Veterans of Foreign Wars on their 100-year anniversary.

As a life member of the VFW and a proud member of the Northeast VFW Post 2451 in El Paso, I can tell my colleagues that the VFW is an outstanding organization. The work that the VFW carries on on behalf of our Nation's veterans is noteworthy and exemplary, as has been cited by a number of my colleagues. They are outstanding advocates for veterans, veterans' issues, and the issues that concern veterans' families both here in Washington and in the communities that they serve and literally communities throughout our country.

Their forceful testimony before the Committees on Veterans' Affairs each spring and throughout the year is an extremely valuable and noteworthy part of everything that we do for veterans on the Hill. Moreover, I welcome their visit to this Nation's Capitol as an excellent opportunity for all of us here in Washington to obtain their unique insights and to learn of their concerns as we work to maintain our commitment to our veterans.

In addition, the VFW makes a tremendous contribution towards protecting and enhancing veterans' health care and benefits with their part in the preparation of the ''independent budget'' each and every year. This document is a benchmark in the formulation of the annual veterans' budget, and I want to take this opportunity to say how much all of us in Congress appreciate the recommendations forwarded through this document on their behalf.

Through every generation, the VFW has stood up for our men and women who have served overseas in defense of our Nation and for the basic principles of freedom and liberty.

Finally, Mr. Speaker, let me say that a century of service, advocacy, and support on behalf of veterans is truly a milestone to commemorate. Let this anniversary serve to remind us all of the contributions of our veterans and never take for granted the sacrifices made on behalf of liberty.

I urge all my colleagues to join in support of this bill and look forward to the quick passage and enactment into law of this resolution recognizing the VFW on their 100th anniversary.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

Mr. Speaker, I would like to take this time to thank the gentleman from Illinois (Mr. EVANS) for his help in bringing this resolution to the floor in a speedy manner.

Let me say, Mr. Speaker, that we also owe another great debt of thanks to the VFW and their organization not only for the fine work they do and their patriotic activities, but last year they committed to raising $7.5 million towards this World War II memorial.

As most of my colleagues know, we have to have $100 million in the bank before we can turn one shovelful of dirt. And currently we stand at roughly $60 million. So, once again, I would urge those that have not contributed to do so.

Mr. FRELINGHUYSEN. I rise in support of H.J. Res. 34, which commemorates the 100th Anniversary of the Veterans of Foreign Wars, and honors the over 2 million men and women

who belong to this organization. I am pleased to be an original cosponsor of this legislation, and thank the gentleman from Arizona, Chairman STUMP, for his leadership in bringing this bill to the floor today.

For 100 years, the Veterans of Foreign Wars has been representing the interests of the men and women of our armed forces who have served our nation overseas. This group was founded in Columbus, Ohio on September 29th, 1899 by 13 decorated veterans who fought in Cuba during the Spanish-American War. These men gathered not only to remember those killed during the War, but also to see what they could do for those who remained.

One hundred years later, the VFW has maintained that commitment to helping their fellow veterans, and many others in our local communities. From 1997 to 1998, the VFW and the Ladies Auxiliary devoted over 12 million hours to volunteer service, and donated millions of dollars to various programs, including $2.7 million for college scholarships, $3 million for breast cancer research and over $15 million through the ''Buddy Poppy'' program to help needy veterans.

As a proud member of VFW Post 3401 in Morris Plains, New Jersey, I am very familiar with the contributions of this post, and many others across America, to their communities. I urge all my colleagues in joining me to pay tribute to these men and women who have given so generously of themselves, both in times of peace and in times of war.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.J. Res. 34. This resolution recognizes the historic significance of the 100th anniversary of the founding of the Veterans of Foreign Wars of the United States, and congratulates the VFW on achieving that milestone.

It is fitting that as we near the celebration of our nation's birth that we pause and remember the significant contribution, which the VFW has made to our nation. The VFW has become a national force representing veterans and their families, and in calling upon the government to maintain a strong national defense to prevent future wars. With over 100 years of experience the VFW has served the nation and its veterans in numerous ways.

The VFW has been and continues to be a leader in supporting our troops. Whether in Kosovo or in the heart of Texas the VFW has supported those who serve our nation. Through its use of letters, holiday cards, gift packages, USO shows, public rallies and with free phone cards the VFW has brought comfort and a touch of home to our soldiers serving throughout the world.

Perhaps its greatest contribution to the nation is the recognition and remembrance of the hardships and sacrifices made in the nation's defense. On the national level the VFW has made contributions to the Vietnam Memorial, the Korean War Veterans Memorial, the Vietnam Women's Memorial, and the Women in Military Service for America Memorial. They have been a major partner in the effort to honor our veterans from World War II with their own memorial on the national mall.

The VFW has closely heeded its motto, which is ''Honor the dead by helping the living.'' The collective experience of our 25 million living veterans encompass the turbulence and progress America has experienced throughout the twentieth century. The nation's veterans have written much of the history of the last hundred years. They have served this nation without reservation or hesitation during its darker moments.

The VFW has honored this service by establishing the first national veterans service office. This network provides assistance to veterans who need assistance in obtaining benefits, which they deserve from their service to the nation. In addition, this network provides service to many homeless veterans by providing care and counseling.

In pausing to remember the contributions which the VFW has made to the nation and to this nation's veterans, I am reminded of President Lincoln's call ''to care for him who shall have borne the battle.'' I know that the VFW has answered this challenge with dedication and tireless commitment to the 1,646,700 veterans living in Texas and to all the veterans across our nation.

Mr. Speaker, I ask all my colleagues to support H.J. Res. 34 and let us honor an organization, which has made such a strong commitment to our veterans.

Mr. SMITH of New Jersey. Mr. Speaker, as Vice Chairman of the House Committee on Veterans' Affairs, I rise today in support of H.J. Res. 34, a resolution recognizing the 100th anniversary of the founding of the Veterans of Foreign Wars. It is a credit to the VFW that as they celebrate their centennial this year, they continue to be such a strong, successful advocate and service provider for our nation's heroes.

In my own state of New Jersey, the role of the VFW cannot be overstated. Their willingness to speak out about the problems facing our veterans and bringing them to Congress' attention really helps the New Jersey Congressional delegation as it seeks to secure the funding needed for New Jersey's veterans. Having the insights, first hand knowledge, and research data of the VFW and its network of members is critical to our efforts as we prioritize federal programs in Congress and work to give America's veterans the benefits they earned.

Since their founding in 1921, the VFW, with a membership of 63,926 in my state alone, has successfully underscored the principles of love of country, sacrifice in the line of duty, and our collective responsibility as Americans to ensure that our veterans and their dependents are never forgotten.

Today, as we send our young men and women in uniform to Kosovo, Haiti, Korea, Bosnia, and the Persian Gulf, just to name a few places where the United States has sent our troops abroad, the VFW strives to ensure that they are fully supported while in the field, as well as when they return home.

Mr. Speaker, I ask my colleagues today to join with me in passing H.J. Res. 34, and I congratulate the VFW on their anniversary. If the next 100 years of service are as successful as the first 100 years, our future veterans will be in good hands.

Mr. RODRIGUEZ. Mr. Speaker, I take this opportunity to commend the Veterans of Foreign Wars (VFW) on this, their 100th Anniversary.

South Texas is home to several proud VFW chapters, making me especially proud to support the legislation and recognize the many accomplishments of the VFW.

This resolution calls upon the President to issue a proclamation recognizing the 100th anniversary of the VFW, and calls upon the people of the United States to observe the anniversary with appropriate ceremonies and celebrations.

For those VFW members back home, and to all 2 million VFW members across this country, I offer a heartfelt congratulations, and thank you for your service to our nation. We owe you our debt of gratitude.

Mr. STUMP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and agree to the joint resolution, H.J. Res. 34.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1500

VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999

Mr. TALENT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1568) to provide technical, financial, and procurement assistance to veteran owned small businesses, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1568

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 ''Veterans Entrepreneurship and Small Business Development Act of 1999''.

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.
TITLE I—GENERAL PROVISIONS
Sec. 101. Findings.
Sec. 102. Purpose.
Sec. 103. Definitions.
TITLE II—VETERANS BUSINESS DEVELOPMENT
Sec. 201. Veterans business development in the Small Business Administration.
Sec. 202. National Veterans Business Development Corporation.
Sec. 203. Advisory Committee on Veterans Business Affairs.
TITLE III—TECHNICAL ASSISTANCE
Sec. 301. SCORE program.
Sec. 302. Entrepreneurial assistance.
Sec. 303. Business development and management assistance for military reservists' small businesses.
TITLE IV—FINANCIAL ASSISTANCE
Sec. 401. General business loan program.
Sec. 402. Assistance to active duty military reservists.
Sec. 403. Microloan program.
Sec. 404. Delta loan program.
Sec. 405. State development company program.
TITLE V—PROCUREMENT ASSISTANCE
Sec. 501. Subcontracting.
Sec. 502. Participation in Federal procurement.

TITLE VI—REPORTS AND DATA COLLECTION
Sec. 601. Reporting requirements.
Sec. 602. Report on small business and competition.
Sec. 603. Annual report of the Administrator.
Sec. 604. Data and information collection.
TITLE VII—MISCELLANEOUS PROVISIONS
Sec. 701. Administrator's order.
Sec. 702. Small Business Administration Office of Advocacy.
Sec. 703. Study of fixed-asset small business loans.

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

Congress finds the following:

(1) Veterans of the United States Armed Forces have been and continue to be vital to the small business enterprises of the United States.

(2) In serving the United States, veterans often faced great risks to preserve the American dream of freedom and prosperity.

(3) The United States has done too little to assist veterans, particularly service-disabled veterans, in playing a greater role in the economy of the United States by forming and expanding small business enterprises.

(4) Medical advances and new medical technologies have made it possible for service-disabled veterans to play a much more active role in the formation and expansion of small business enterprises in the United States.

(5) The United States must provide additional assistance and support to veterans to better equip them to form and expand small business enterprises, thereby enabling them to realize the American dream that they fought to protect.

SEC. 102. PURPOSE.

The purpose of this Act is to expand existing and establish new assistance programs for veterans who own or operate small businesses. This Act accomplishes this purpose by—

(1) expanding the eligibility for certain small business assistance programs to include veterans;

(2) directing certain departments and agencies of the United States to take actions that enhance small business assistance to veterans; and

(3) establishing new institutions to provide small business assistance to veterans or to support the institutions that provide such assistance.

SEC. 103. DEFINITIONS.

(a) SMALL BUSINESS ACT.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

''(q) DEFINITIONS RELATING TO VETERANS.—In this Act, the following definitions apply:

''(1) SERVICE-DISABLED VETERAN.—The term 'service-disabled veteran' means a veteran with a disability that is service-connected (as defined in section 101(16) of title 38, United States Code).

''(2) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.—The term 'small business concern owned and controlled by service-disabled veterans' means a small business concern—

''(A) not less than 51 percent of which is owned by 1 or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by 1 or more service-disabled veterans; and

''(B) the management and daily business operations of which are controlled by 1 or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

''(3) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY VETERANS.—The term 'small business concern owned and controlled by veterans' means a small business concern—

''(A) not less than 51 percent of which is owned by 1 or more veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by 1 or more veterans; and

''(B) the management and daily business operations of which are controlled by 1 or more veterans.

''(4) VETERAN.—The term 'veteran' has the meaning given the term in section 101(2) of title 38, United States Code.''.

(b) APPLICABILITY TO THIS ACT.—In this Act, the definitions contained in section 3(q) of the Small Business Act, as added by this section, apply.

TITLE II—VETERANS BUSINESS DEVELOPMENT

SEC. 201. VETERANS BUSINESS DEVELOPMENT IN THE SMALL BUSINESS ADMINISTRATION.

(a) IN GENERAL.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended—

(1) in the 5th sentence, by striking ''four Associate Administrators'' and inserting ''five Associate Administrators''; and

(2) by inserting after the 5th sentence the following: ''One such Associate Administrator shall be the Associate Administrator for Veterans Business Development, who shall administer the Office of Veterans Business Development established under section 32.''.

(b) OFFICE OF VETERANS BUSINESS DEVELOPMENT; ASSOCIATE ADMINISTRATOR.—The Small Business Act (15 U.S.C. 631 et seq.) is further amended—

(1) by redesignating section 32 as section 34; and

(2) by inserting after section 31 the following:

''SEC. 32. VETERANS PROGRAMS.

''(a) OFFICE OF VETERANS BUSINESS DEVELOPMENT.—There is established in the Administration an Office of Veterans Business Development, which shall be administered by the Associate Administrator for Veterans Business Development (in this section referred to as the 'Associate Administrator') appointed under section 4(b)(1).

''(b) ASSOCIATE ADMINISTRATOR FOR VETERANS BUSINESS DEVELOPMENT.—The Associate Administrator—

''(1) shall be an appointee in the Senior Executive Service;

''(2) shall be responsible for the formulation, execution, and promotion of policies and programs of the Administration that provide assistance to small business concerns owned and controlled by veterans and small business concerns owned and controlled by service-disabled veterans. The Associate Administrator shall act as an ombudsman for full consideration of veterans in all programs of the Administration; and

''(3) shall report to and be responsible directly to the Administrator.''.

SEC. 202. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.

The Small Business Act (15 U.S.C. 631 et seq.) is further amended by adding after section 32 (as added by this Act) the following:

''SEC. 33. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.

''(a) ESTABLISHMENT.—There is established a federally chartered corporation to be known as the National Veterans Business Development Corporation (in this section referred to as the 'Corporation') which shall be incorporated under the laws of the District of Columbia and which shall have the powers granted in this section.

''(b) PURPOSES OF THE CORPORATION.—The purposes of the Corporation shall be—

''(1) to expand the provision of and improve access to technical assistance regarding entrepreneurship for the Nation's veterans; and

''(2) to assist veterans, including service-disabled veterans, with the formation and expansion of small business concerns by working with and organizing public and private resources, including those of the Small Business Administration, the Department of Veterans Affairs, the Department of Labor, the Department of Commerce, the Department of Defense, the Service Corps of Retired Executives (described in section 8(b)(1)(B) of this Act), the Small Business Development Centers (described in section 21 of this Act), and the business development staffs of each department and agency of the United States.

''(c) BOARD OF DIRECTORS.—

''(1) IN GENERAL.—The management of the Corporation shall be vested in a Board of Directors composed of 9 voting members and 3 nonvoting ex officio members.

''(2) APPOINTMENT OF VOTING MEMBERS.—The President shall appoint United States citizens to be voting members of the Board of Directors as follows:

''(A) 1 from a list of individuals nominated by the chairman of the Committee on Small Business of the House of Representatives.

''(B) 1 from a list of individuals nominated by the chairman of the Committee on Small Business of the Senate.

''(C) 1 from a list of individuals nominated by the ranking minority member of the Committee on Small Business of the House of Representatives.

''(D) 1 from a list of individuals nominated by the ranking minority members of the Committee on Small Business of the Senate.

''(E) 1 from a list of individuals nominated by the chairman of the Committee on Veterans' Affairs of the House of Representatives.

''(F) 1 from a list of individuals nominated by the chairman of the Committee on Veterans' Affairs of the Senate.

''(G) 1 from a list of individuals nominated by the ranking minority member of the Committee on Veterans' Affairs of the House of Representatives.

''(H) 1 from a list of individuals nominated the ranking minority member of the Committee on Veterans' Affairs of the Senate.

''(I) 1 of the President's own choosing.

''(3) EX OFFICIO MEMBERS.—The Administrator of the Small Business Administration, the Secretary of Defense, and the Secretary of Veterans Affairs shall serve as the nonvoting ex officio members of the Board of Directors.

''(4) CHAIRPERSON.—The members of the Board of Directors appointed under paragraph (2) shall elect one such member to serve as chairperson of the Board of Directors for a term of 2 years.

''(5) TERMS OF APPOINTED MEMBERS.—

''(A) IN GENERAL.—Each member of the Board of Directors appointed under paragraph (2) shall serve a term of 6 years, except as provided in subparagraph (B).

''(B) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed—

''(i) 3 shall be for a term of 2 years; and

''(ii) 3 shall be for a term of 4 years.

''(C) UNEXPIRED TERMS.—Any member of the Board of Directors appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of the term. A member may serve after the expiration of that member's term until a successor has taken office.

''(6) VACANCIES.—Any vacancy on the Board of Directors shall be filled in the manner in which the original appointment was

made. In the case of a vacancy in the office of the Administrator of the Small Business Administration or the Secretary of Veterans Affairs, and pending the appointment of a successor, an acting appointee for such vacancy may serve as an ex officio member.

''(7) INELIGIBILITY FOR OTHER OFFICES.—No voting member of the Board of Directors may be an officer or employee of the United States while serving as a member of the Board of Directors or during the 2-year period preceding such service.

''(8) IMPARTIALITY AND NONDISCRIMINATION.—The Board of Directors shall administer the affairs of the Corporation fairly and impartially and without discrimination.

''(9) OBLIGATIONS AND EXPENSES.—The Board of Directors shall prescribe the manner in which the obligations of the Corporation may be incurred and in which its expenses shall be allowed and paid.

''(10) QUORUM.—5 voting members of the Board of Directors shall constitute a quorum, but a lesser number may hold hearings.

''(d) CORPORATE POWERS.—On October 1, 1999, the Corporation shall become a body corporate and as such shall have the authority to do the following:

''(1) To adopt and use a corporate seal.

''(2) To have succession until dissolved by an Act of Congress.

''(3) To make contracts or grants.

''(4) To sue and be sued, and to file and defend against lawsuits in State or Federal court.

''(5) To appoint, through the actions of its Board of Directors, officers and employees of the Corporation, to define their duties and responsibilities, fix their compensations, and to dismiss at will such officers or employees.

''(6) To prescribe, through the actions of its Board of Directors, bylaws not inconsistent with Federal law and the law of the State of incorporation, regulating the manner in which its general business may be conducted and the manner in which the privileges granted to it by law may be exercised.

''(7) To exercise, through the actions of its Board of Directors or duly authorized officers, all powers specifically granted by the provisions of this section, and such incidental powers as shall be necessary.

''(8) To solicit, receive, and disburse funds from private, Federal, State and local organizations.

''(9) To accept and employ or dispose of in furtherance of the purposes of this section any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise.

''(10) To accept voluntary and uncompensated services.

''(e) CORPORATE FUNDS.—

''(1) DEPOSIT OF FUNDS.—The Board of Directors shall deposit all funds of the Corporation in federally chartered and insured depository institutions until such funds are disbursed under paragraph (2).

''(2) DISBURSEMENT OF FUNDS.—Funds of the Corporation may be disbursed only for purposes that are—

''(A) approved by the Board of Directors by a recorded vote with a quorum present; and

''(B) in accordance with the purposes of the Corporation as specified in subsection (b).

''(f) NETWORK OF INFORMATION AND ASSISTANCE CENTERS.—In carrying out the purpose described in subsection (b), the Corporation shall establish and maintain a network of information and assistance centers for use by veterans and the public.

''(g) ANNUAL REPORT.—On or before October 1 of each year, the Board of Directors shall transmit a report to the President and Congress describing the activities and accomplishments of the Corporation for the preceding year and the Corporation's findings regarding the efforts of Federal, State and private organizations to assist veterans in the formation and expansion of small business concerns.

''(h) ASSUMPTION OF DUTIES OF ADVISORY COMMITTEE.—On October 1, 2004, the Corporation established under this section shall assume the duties, responsibilities, and authority of the Advisory Committee on Veterans Affairs established under section 203 of this Act.

''(i) USE OF MAILS.—The Corporation may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

''(j) PROFESSIONAL CERTIFICATION ADVISORY BOARD.—

''(1) IN GENERAL.—Acting through the Board of Directors, the Corporation shall establish a Professional Certification Advisory Board to create uniform guidelines and standards for the professional certification of members of the Armed Services to aid in their efficient and orderly transition to civilian occupations and professions and to remove potential barriers in the areas of licensure and certification.

''(2) MEMBERSHIP.—The members of the Advisory Board shall serve without compensation, shall meet in the District of Columbia no less than quarterly, and shall be appointed by the Board of Directors as follows:

''(A) PRIVATE SECTOR MEMBERS.—The Corporation shall appoint not less than 7 members for terms of 2 years to represent private sector organizations and associations, including the American Association of Community Colleges, the Society for Human Resource Managers, the Coalition for Professional Certification, the Council on Licensure and Enforcement, and the American Legion.

''(B) PUBLIC SECTOR MEMBERS.—The Corporation shall invite public sector members to serve at the discretion of their departments or agencies and shall—

''(i) encourage the participation of the Under Secretary of Defense for Personnel and Readiness;

''(ii) encourage the participation of 2 officers from each branch of the Armed Forces to represent the Training Commands of their branch; and

''(iii) seek the participation and guidance of the Assistant Secretary of Labor for Veterans' Employment and Training.

''(k) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to the Corporation to carry out this section the following amounts:

''(A) $2,000,000 for fiscal year 2000;

''(B) $4,000,000 for fiscal year 2001;

''(C) $4,000,000 for fiscal year 2002; and

''(D) $2,000,000 for fiscal year 2003.

''(2) PRIVATIZATION.—The Corporation shall institute and implement a plan to raise private funds and become a self-sustaining corporation.''.

SEC. 203. ADVISORY COMMITTEE ON VETERANS BUSINESS AFFAIRS.

(a) IN GENERAL.—There is established an advisory committee to be known as the ''Advisory Committee on Veterans Business Affairs'' (in this section referred to as the ''Committee''), which shall serve as an independent source of advice and policy recommendations to—

(1) the Administrator of the Small Business Administration (in this section referred to as the ''Administrator'');

(2) the Associate Administrator for Veterans Business Development of the Small Business Administration;

(3) Congress;

(4) the President; and

(5) other United States policymakers.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall be composed of 15 members, of whom—

(A) 8 shall be veterans who are owners of small business concerns (within the meaning of the term under section 3 of the Small Business Act (15 U.S.C. 632)); and

(B) 7 shall be representatives of veterans organizations.

(2) APPOINTMENT.—

(A) IN GENERAL.—The members of the Committee shall be appointed by the Administrator in accordance with this section.

(B) INITIAL APPOINTMENTS.—Not later than 90 days after the date of enactment of this Act, the Administrator shall appoint the initial members of the Committee.

(3) POLITICAL AFFILIATION.—Not more than 8 members of the Committee shall be of the same political party as the President.

(4) PROHIBITION ON FEDERAL EMPLOYMENT.—

(A) IN GENERAL.—Except as provided in subsection (B), no member of the Committee may serve as an officer or employee of the United States.

(B) EXCEPTION.—A member of the Committee who accepts a position as an officer or employee of the United States after the date of the member's appointment to the Committee may continue to serve on the Committee for not more than 30 days after such acceptance.

(5) TERM OF SERVICE.—

(A) IN GENERAL.—Subject to subparagraph (B), the term of service of each member of the Committee shall be 3 years.

(B) TERMS OF INITIAL APPOINTEES.—As designated by the Administrator at the time of appointment, of the members first appointed—

(i) 6 shall be appointed for a term of 4 years; and

(ii) 5 shall be appointed for a term of 5 years.

(6) VACANCIES.—The Administrator shall fill any vacancies on the membership of the Committee not later than 30 days after the date on which such vacancy occurs.

(7) CHAIRPERSON.—

(A) IN GENERAL.—The members of the Committee shall elect one of the members to be Chairperson of the Committee.

(B) VACANCIES IN OFFICE OF CHAIRPERSON.—Any vacancy in the office of the Chairperson of the Committee shall be filled by the Committee at the first meeting of the Committee following the date on which the vacancy occurs.

(c) DUTIES.—The duties of the Committee shall be the following:

(1) Review, coordinate, and monitor plans and programs developed in the public and private sectors, that affect the ability of small business concerns owned and controlled by veterans to obtain capital and credit and to access markets.

(2) Promote the collection of business information and survey data as they relate to veterans and small business concerns owned and controlled by veterans.

(3) Monitor and promote plans, programs, and operations of the departments and agencies of the United States that may contribute to the formation and growth of small business concerns owned and controlled by veterans.

(4) Develop and promote initiatives, policies, programs, and plans designed to foster small business concerns owned and controlled by veterans.

(5) In cooperation with the National Veterans Business Development Corporation, develop a comprehensive plan, to be updated annually, for joint public-private sector efforts to facilitate growth and development of small business concerns owned and controlled by veterans.

(d) POWERS.—

(1) HEARINGS.—Subject to subsection (e), the Committee may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Committee considers advisable to carry out its duties.

(2) INFORMATION FROM FEDERAL AGENCIES.—Upon request of the Chairperson of the Committee, the head of any department or agency of the United States shall furnish such information to the Committee as the Committee considers to be necessary to carry out its duties.

(3) USE OF MAILS.—The Committee may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) GIFTS.—The Committee may accept, use, and dispose of gifts or donations of services or property.

(e) MEETINGS.—

(1) IN GENERAL.—The Committee shall meet, not less than three times per year, at the call of the Chairperson or at the request of the Administrator.

(2) LOCATION.—Each meeting of the full Committee shall be held at the headquarters of the Small Business Administration located in Washington, District of Columbia. The Administrator shall provide suitable meeting facilities and such administrative support as may be necessary for each full meeting of the Committee.

(3) TASK GROUPS.—The Committee may, from time to time, establish temporary task groups as may be necessary in order to carry out its duties.

(f) COMPENSATION AND EXPENSES.—

(1) NO COMPENSATION.—Members of the Committee shall serve without compensation for their service to the Committee.

(2) EXPENSES.—The members of the Committee shall be reimbursed for travel and subsistence expenses in accordance with section 5703 of title 5, United States Code.

(g) REPORT.—Not later than 30 days after the end of each fiscal year beginning after the date of enactment of this section, the Committee shall transmit to Congress and the President a report describing the activities of the Committee and any recommendations developed by the Committee for the promotion of small business concerns owned and controlled by veterans.

(h) TERMINATION.—The Committee shall terminate its business on September 30, 2004.

TITLE III—TECHNICAL ASSISTANCE

SEC. 301. SCORE PROGRAM.

(a) IN GENERAL.—The Administrator of the Small Business Administration shall enter into a memorandum of understanding with the Service Core of Retired Executives (described in section 8(b)(1)(B) of the Small Business Act (15 U.S.C. 637(b)(1)(B)) and in this section referred to as ''SCORE'') to provide for the following:

(1) The appointment by SCORE in its national office of an individual to act as National Veterans Business Coordinator, whose duties shall relate exclusively to veterans business matters, and who shall be responsible for the establishment and administration of a program to coordinate counseling and training regarding entrepreneurship to veterans through the chapters of SCORE throughout the United States.

(2) The assistance of SCORE in the establishing and maintaining a toll-free telephone number and an Internet website to provide access for veterans to information about the counseling and training regarding entrepreneurship available to veterans through SCORE.

(3) The collection of statistics concerning services provided by SCORE to veterans, including service-disabled veterans, for inclusion in each annual report published by the Administrator under section 4(b)(2)(B) of the Small Business Act (15 U.S.C. 633(b)(2)(B)).

(b) RESOURCES.—The Administrator shall provide to SCORE such resources as the Administrator determines necessary for SCORE to carry out the requirements of the memorandum of understanding specified in paragraph (1).

SEC. 302. ENTREPRENEURIAL ASSISTANCE.

Not later than 180 days after the date of enactment of this Act, the Secretary of Veterans Affairs, the Administrator of the Small Business Administration, and the head of the association formed pursuant to section 21(a)(3)(A) of the Small Business Act (15 U.S.C. 648(a)(3)(A)) shall enter into a memorandum of understanding with respect to entrepreneurial assistance to veterans, including service-disabled veterans, through Small Business Development Centers (described in section 21 of the Small Business Act (15 U.S.C. 648)) and facilities of the Department of Veterans Affairs. Such assistance shall include the following:

(1) Conducting of studies and research, and the distribution of information generated by such studies and research, on the formation, management, financing, marketing, and operation of small business concerns by veterans.

(2) Provision of training and counseling to veterans concerning the formation, management, financing, marketing, and operation of small business concerns.

(3) Provision of management and technical assistance to the owners and operators of small business concerns regarding international markets, the promotion of exports, and the transfer of technology.

(4) Provision of assistance and information to veterans regarding procurement opportunities with Federal, State, and local agencies, especially such agencies funded in whole or in part with Federal funds.

(5) Establishment of an information clearinghouse to collect and distribute information, including by electronic means, on the assistance programs of Federal, State, and local governments, and of the private sector, including information on office locations, key personnel, telephone numbers, mail and electronic addresses, and contracting and subcontracting opportunities.

(6) Provision of Internet or other distance learning academic instruction for veterans in business subjects, including accounting, marketing, and business fundamentals.

(7) Compilation of a list of small business concerns owned and controlled by service-disabled veterans that provide products or services that could be procured by the United States and delivery of such list to each department and agency of the United States. Such list shall be delivered in hard copy and electronic form and shall include the name and address of each such small business concern and the products or services that it provides.

SEC. 303. BUSINESS DEVELOPMENT AND MANAGEMENT ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.

(a) IN GENERAL.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by adding at the end the following:

''(l) MANAGEMENT ASSISTANCE FOR SMALL BUSINESSES AFFECTED BY MILITARY OPERATIONS.—The Administration shall utilize, as appropriate, its entrepreneurial development and management assistance programs, including programs involving State or private sector partners, to provide business counseling and training to any small business concern adversely affected by the deployment of units of the Armed Forces of the United States in support of a period of military conflict (as defined in section 7(n)(1)).''.

(b) ENHANCED PUBLICITY DURING OPERATION ALLIED FORCE.—For the duration of Operation Allied Force and for 120 days thereafter, the Administration shall enhance its publicity of the availability of assistance provided pursuant to the amendment made by this section, including information regarding the appropriate local office at which affected small businesses may seek such assistance.

(c) GUIDELINES.—Not later than 30 days after the date of enactment of this section, the Administrator of the Small Business Administration shall issue such guidelines as the Administrator determines to be necessary to carry out this section and the amendment made by this section.

TITLE IV—FINANCIAL ASSISTANCE

SEC. 401. GENERAL BUSINESS LOAN PROGRAM.

(a) DEFINITION OF HANDICAPPED INDIVIDUAL.—Section 3(f) of the Small Business Act (15 U.S.C. 632(f)) is amended to read as follows:

''(f) For purposes of section 7 of this Act, the term 'handicapped individual' means an individual—

''(1) who has a physical, mental, or emotional impairment, defect, ailment, disease, or disability of a permanent nature which in any way limits the selection of any type of employment for which the person would otherwise be qualified or qualifiable; or

''(2) who is a service-disabled veteran.''.

(b) AUTHORIZATION TO MAKE LOANS.—Section 7(a)(10) of the Small Business Act (15 U.S.C. 636(a)(10)) is amended—

(1) by inserting ''guaranteed'' after ''provide''; and

(2) by inserting, '', including service-disabled veterans,'' after ''handicapped individual''.

SEC. 402. ASSISTANCE TO ACTIVE DUTY MILITARY RESERVISTS.

(a) REPAYMENT DEFERRAL FOR ACTIVE DUTY RESERVISTS.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end the following:

''(n) REPAYMENT DEFERRED FOR ACTIVE DUTY RESERVISTS.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELIGIBLE RESERVIST.—The term 'eligible reservist' means a member of a reserve component of the Armed Forces ordered to active duty during a period of military conflict.

''(B) ESSENTIAL EMPLOYEE.—The term 'essential employee' means an individual who is employed by a small business concern and whose managerial or technical expertise is critical to the successful day-to-day operations of that small business concern.

''(C) PERIOD OF MILITARY CONFLICT.—The term 'period of military conflict' means—

''(i) a period of war declared by Congress;

''(ii) a period of national emergency declared by Congress or by the President; or

''(iii) a period of a contingency operation, as defined in section 101(a) of title 10, United States Code.

''(D) QUALIFIED BORROWER.—The term 'qualified borrower' means—

''(i) an individual who is an eligible reservist and who received a direct loan under subsection (a) or (b) before being ordered to active duty; or

''(ii) a small business concern that received a direct loan under subsection (a) or (b) before an eligible reservist, who is an essential employee, was ordered to active duty.

''(2) DEFERRAL OF DIRECT LOANS.—

''(A) IN GENERAL.—The Administration shall, upon written request, defer repayment of principal and interest due on a direct loan made under subsection (a) or (b), if such loan was incurred by a qualified borrower.

''(B) PERIOD OF DEFERRAL.—The period of deferral for repayment under this paragraph shall begin on the date on which the eligible reservist is ordered to active duty and shall

terminate on the date that is 180 days after the date such eligible reservist is discharged or released from active duty.

''(C) INTEREST RATE REDUCTION DURING DEFERRAL.—Notwithstanding any other provision of law, during the period of deferral described in subparagraph (B), the Administration may, in its discretion, reduce the interest rate on any loan qualifying for a deferral under this paragraph.

''(3) DEFERRAL OF LOAN GUARANTEES AND OTHER FINANCINGS.—The Administration shall—

''(A) encourage intermediaries participating in the program under subsection (m) to defer repayment of a loan made with proceeds made available under that subsection, if such loan was incurred by a small business concern that is eligible to apply for assistance under subsection (b)(3); and

''(B) not later than 30 days after the date of enactment of this subsection, establish guidelines to—

''(i) encourage lenders and other intermediaries to defer repayment of, or provide other relief relating to, loan guarantees under subsection (a) and financings under section 504 of the Small Business Investment Act of 1958 that were incurred by small business concerns that are eligible to apply for assistance under subsection (b)(3), and loan guarantees provided under subsection (m) if the intermediary provides relief to a small business concern under this paragraph; and

''(ii) implement a program to provide for the deferral of repayment or other relief to any intermediary providing relief to a small business borrower under this paragraph.''.

(b) DISASTER LOAN ASSISTANCE FOR MILITARY RESERVISTS' SMALL BUSINESSES.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after the undesignated paragraph that begins with ''*Provided*, That no loan'', the following:

''(3)(A) In this paragraph—

''(i) the term 'essential employee' means an individual who is employed by a small business concern and whose managerial or technical expertise is critical to the successful day-to-day operations of that small business concern;

''(ii) the term 'period of military conflict' has the meaning given the term in subsection (n)(1); and

''(iii) the term 'substantial economic injury' means an economic harm to a business concern that results in the inability of the business concern—

''(I) to meet its obligations as they mature;

''(II) to pay its ordinary and necessary operating expenses; or

''(III) to market, produce, or provide a product or service ordinarily marketed, produced, or provided by the business concern.

''(B) The Administration may make such disaster loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to assist a small business concern that has suffered or that is likely to suffer substantial economic injury as the result of an essential employee of such small business concern being ordered to active military duty during a period of military conflict.

''(C) A small business concern described in subparagraph (B) shall be eligible to apply for assistance under this paragraph during the period beginning on the date on which the essential employee is ordered to active duty and ending on the date that is 90 days after the date on which such essential employee is discharged or released from active duty.

''(D) Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

''(E) No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such applicant constitutes a major source of employment in its surrounding area, as determined by the Administration, in which case the Administration, in its discretion, may waive the $1,500,000 limitation.

''(F) For purposes of assistance under this paragraph, no declaration of a disaster area shall be required.''.

(c) ENHANCED PUBLICITY DURING OPERATION ALLIED FORCE.—For the duration of Operation Allied Force and for 120 days thereafter, the Administration shall enhance its publicity of the availability of assistance provided pursuant to the amendments made by this section, including information regarding the appropriate local office at which affected small businesses may seek such assistance.

(d) GUIDELINES.—Not later than 30 days after the date of enactment of this section, the Administrator of the Small Business Administration shall issue such guidelines as the Administrator determines to be necessary to carry out this section and the amendments made by this section.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this section.

(2) DISASTER LOANS.—The amendments made by subsection (b) shall apply to economic injury suffered or likely to be suffered as the result of a period of military conflict occurring or ending on or after March 24, 1999.

SEC. 403. MICROLOAN PROGRAM.

Section 7(m)(1)(A)(i) of the Small Business Act (15 U.S.C. 636(m)(1)(A)(i)) is amended by inserting ''veteran (within the meaning of such term under section 3(q)),'' after ''low-income,''.

SEC. 404. DELTA LOAN PROGRAM.

Section 7(a)(21)(A) Small Business Act (15 U.S.C. 636(a)(21)(A)) is amended in subclause (ii) by inserting ''or a veteran'' after ''qualified individual''.

SEC. 405. STATE DEVELOPMENT COMPANY PROGRAM.

Section 501(d)(3) of the Small Business Investment Act (15 U.S.C. 695(d)(3)) is amended—

(1) by redesignating subparagraphs (E), (F), and (G) as subparagraphs (F), (G), and (H), respectively; and

(2) by inserting after subparagraph (D) the following:

''(E) expansion of small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), especially service-disabled veterans, as defined in such section 3(q),''.

TITLE V—PROCUREMENT ASSISTANCE

SEC. 501. SUBCONTRACTING.

(a) STATEMENT OF POLICY.—Section 8(d)(1) of the Small Business Act (15 U.S.C. 637(d)(1)) is amended by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns,'' the first place it appears in the first and second sentences.

(b) CONTRACT CLAUSE.—The contract clause specified in section 8(d)(3) of the Small Business Act (15 U.S.C. 637(d)(3)) is amended as follows:

(1) Subparagraph (A) of such clause is amended by inserting ''small business concerns owned and controlled by veterans,'' after ''small business concerns,'' the first place it appears in the first and second sentences.

(2) Subparagraphs (E) and (F) of such clause are redesignated as subparagraphs (F) and (G), respectively, and the following new subparagraph is inserted after subparagraph (D) of such clause:

''(E) The term 'small business concern owned and controlled by veterans' shall mean a small business concern—

''(i) which is at least 51 per centum owned by one or more eligible veterans; or, in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more veterans; and

''(ii) whose management and daily business operations are controlled by such veterans. The contractor shall treat as veterans all individuals who are veterans within the meaning of the term under section 3(q) of the Small Business Act.''.

(3) Subparagraph (F) of such clause, as redesignated by paragraph (2) of this subsection, is amended by inserting ''small business concern owned and controlled by veterans,'' after ''small business concern,'' the first place it appears.

(c) CONFORMING AMENDMENTS.—Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is further amended by inserting ''small business concerns owned and controlled by veterans,'' after ''small business concerns,'' the first place it appears in paragraphs (4)(D), (4)(E), (6)(A), (6)(C), (6)(F), and (10)(B).

SEC. 502. PARTICIPATION IN FEDERAL PROCUREMENT.

(a) GOVERNMENT-WIDE PARTICIPATION GOALS.—Subsection (g)(1) of section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) in the first sentence, by inserting ''small business concerns owned and controlled by service disabled veterans,'' after ''small business concerns,'' the first place it appears;

(2) by inserting after the second sentence, the following: ''The Government-wide goal for participation by small business concerns owned and controlled by service-disabled veterans shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each fiscal year.''; and

(3) in the second to last sentence, by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns,'' the first place it appears.

(b) AGENCY PARTICIPATION GOALS.—Subsection (g)(2) of section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) in the first sentence, by inserting ''by small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns,''; the first place it appears;

(2) in the second sentence, by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns,'' the first place it appears; and

(3) in the fourth sentence, by inserting ''small business concerns owned and controlled by service-disabled veterans, by'' after ''including participation by''.

TITLE VI—REPORTS AND DATA COLLECTION

SEC. 601. REPORTING REQUIREMENTS.

(a) REPORTS TO SMALL BUSINESS ADMINISTRATION.—Subsection (h)(1) of section 15 of the Small Business Act (15 U.S.C. 644) is amended by inserting ''small business concerns owned and controlled by veterans (including service-disabled veterans),'' after ''small business concerns,'' the first place it appears.

(b) REPORTS TO THE PRESIDENT AND CONGRESS.—Subsection (h)(2) of section 15 of the

Small Business Act (15 U.S.C. 644) is amended—

(1) by inserting ''and Congress'' before the period at the end of first sentence; and

(2) in subparagraphs (A), (D), and (E), by inserting ''small business concerns owned and controlled by service-disabled veterans,'' after ''small business concerns,'' the first place it appears.

SEC. 602. REPORT ON SMALL BUSINESS AND COMPETITION.

Section 303(e) of the Small Business Economic Policy Act of 1980 (15 U.S.C. 631b(e)) is amended—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), and small business concerns owned and controlled by service-disabled veterans, as defined in such section 3(q).''.

SEC. 603. ANNUAL REPORT OF THE ADMINISTRATOR.

The Administrator of the Small Business Administration shall transmit annually to the Committees on Small Business and Veterans Affairs of the House of Representatives and the Senate a report on the needs of small business concerns owned and controlled by veterans and small business concerns owned and controlled by service-disabled veterans, which shall include information on—

(1) the availability of Small Business Administration programs for such small business concerns and the degree of utilization of such programs by such small business concerns during the preceding 12-month period, including statistical information on such utilization as compared to the small business community as a whole;

(2) the percentage and dollar value of Federal contracts awarded to such small business concerns during the preceding 12-month period; and

(3) proposals to improve the access of such small business concerns to the assistance made available by the United States.

SEC. 604. DATA AND INFORMATION COLLECTION.

(a) INFORMATION ON FEDERAL PROCUREMENT PRACTICES.—The Administrator of the Small Business Administration shall, for each fiscal year—

(1) collect information concerning the procurement practices and procedures of each department and agency of the United States having procurement authority;

(2) publish and disseminate such information to procurement officers in all Federal agencies; and

(3) make such information available to any small business concern requesting such information.

(b) IDENTIFICATION OF SMALL BUSINESS CONCERNS OWNED BY ELIGIBLE VETERANS.—Each fiscal year, the Secretary of Veterans Affairs shall, in consultation with the Assistant Secretary of Labor for Veterans' Employment and Training and the Administrator of the Small Business Administration, identify small business concerns owned and controlled by veterans in the United States. The Secretary shall inform each small business concern identified under this paragraph that information on Federal procurement is available from the Administrator.

(c) SELF-EMPLOYMENT OPPORTUNITIES.—The Secretary of Labor, the Secretary of Veterans Affairs, and the Administrator of the Small Business Administration shall enter into a memorandum of understanding to provide for coordination of vocational rehabilitation services, technical and managerial assistance, and financial assistance to veterans, including service-disabled veterans, seeking to employ themselves by forming or expanding small business concerns. The memorandum of understanding shall include recommendations for expanding existing programs or establishing new programs to provide such services or assistance to such veterans.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. ADMINISTRATOR'S ORDER.

The Administrator of the Small Business Administration shall strengthen and reissue the Administrator's order regarding the 3d sentence of section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)), relating to nondiscrimination and special considerations for veterans, and take all necessary steps to ensure that its provisions are fully and vigorously implemented.

SEC. 702. SMALL BUSINESS ADMINISTRATION OFFICE OF ADVOCACY.

Section 202 of Public Law 94–305 (15 U.S.C. 634b) 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 ''; and''; and

(3) by adding at the end the following:

''(12) evaluate the efforts of each department and agency of the United States, and of private industry, to assist small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), and small business concerns owned and controlled by service-disabled veterans, as defined in such section 3(q), and to provide statistical information on the utilization of such programs by such small business concerns, and to make appropriate recommendations to the Administrator of the Small Business Administration and to Congress in order to promote the establishment and growth of those small business concerns.''.

SEC. 703. STUDY OF FIXED-ASSET SMALL BUSINESS LOANS.

(a) IN GENERAL.—The Comptroller General shall conduct a study on whether there would exist any additional risk or cost to the United States if—

(1) up to 10 percent of the loans guaranteed under chapter 37 of title 38, United States Code, were made for the acquisition or construction of fixed assets used in a trade or business rather than for the construction or purchase of residential buildings; and

(2) such loans for acquisition or construction of fixed assets were for a term of not more than 10 years and the terms regarding eligibility, loan limits, interest, fees, and down payment were the same as for other loans guaranteed under such chapter.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the enactment of this Act, the Comptroller General shall transmit the report described in subsection (a) to the Committees on Veterans' Affairs and the Committees on Small Business of the House of Representatives and the Senate.

(2) CONTENTS OF REPORT.—The report required by paragraph (1) shall specifically address the following:

(A) With respect to the change in the veterans' housing loan program contemplated under subsection (a):

(i) The increase or decrease in administrative costs to the Department of Veterans Affairs.

(ii) The increase or decrease in the degree of exposure of the United States as the guarantor of the loans.

(iii) The increase or decrease in the Federal subsidy rate that would be possible.

(iv) Any increase in the interest rate or fees charged to the borrower or lender that would be required to maintain present program costs.

(B) Information regarding the delinquency rates, default rates, length of time required for recovery after default, for fixed-asset business loans, of a size and duration comparable to those contemplated under subsection (a), made available in the private market or under section 503 of the Small Business Investment Act.

The SPEAKER pro tempore (Mr. PEASE). Pursuant to the rule, the gentleman from Missouri (Mr. TALENT) and the gentlewoman from New York (Mrs. MCCARTHY) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri (Mr. TALENT).

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

Mr. Speaker, in November 1998, the Small Business Administration's Veterans Affairs Task Force for Entrepreneurship filed its report. The task force examined all SBA programs, including business development, education and training, financial assistance, government contracting and advocacy to determine ways to improve SBA's ability to assist veterans. The task force identified certain high priority recommendations. It is the purpose of this bill, H.R. 1568, to implement those high priority recommendations.

First, the task force recommended guaranteed loan opportunities. H.R. 1568 makes veterans eligible for funds under the microloan, Delta Loan and State Development Company programs. This enables veterans to access capital markets currently available to women, low-income, minority entrepreneurs and other business owners possessing the capability to operate successful business concerns.

Second, the task force identified an outreach program to assist disabled veterans in business training and management assistance. H.R. 1568 amends the Small Business Development Act to require the Secretary of Veterans Affairs, the Administrator of the Small Business Administration and the small business development center associations to train all veterans, including disabled veterans, in business training and management assistance, procurement opportunities and other business areas.

Third, the task force urged a veterans company or corporation to address veterans small business issues. The Veterans Entrepreneurship and Small Business Development Act creates the National Veterans Business Development Corporation. This corporation will coordinate private and public resources from Federal organizations, for example, the SBA and the Department of Veterans Affairs, to establish and maintain a network of information and assistance centers for use by veterans and the public. H.R. 1568 requires the National Veterans Business Development Corporation to become self-sustaining by eliminating the corporation's minimal Federal funding in 4 years.

Fourth, the task force sought a regulation classifying veteran-owned businesses as a socially and economically

disadvantaged business group. Rather than a regulation, H.R. 1568 affords veteran-owned small businesses an opportunity to compete on the same level with small business concerns owned and controlled by socially and economically disadvantaged individuals.

Finally, Mr. Speaker, I want to thank the gentleman from Illinois (Mr. PHELPS) for offering his amendment which guarantees that reservists in different businesses, say, plumbing, electrician or contractor small business owners who are called to active duty, guarantees them the ability to access loans to keep the business afloat while the reservist/small business owner serves our country. Mr. Speaker, the law already protects employees called to active duty as it should. Thanks to this amendment, it will soon provide some protection to the small business owner.

Mr. Speaker, we all recognize our Armed Forces safeguard our freedoms and liberty at great sacrifice to our servicemen. Our veterans liberated Europe and the Pacific in the 1940s, they stopped the spread of communism in the 1950s, 1960s and 1970s, and they freed oppressed peoples in the 1980s and 1990s. These men and women willingly sacrificed for their country. H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999, provides them the opportunity to enjoy the fruits of their labor and the blessings of liberty which they secured.

Mr. Speaker, I urge my colleagues to support H.R. 1568.

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

Mrs. MCCARTHY of New York. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from Missouri (Mr. TALENT) who is the chairman of the Committee on Small Business and I thank the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member. I think this is something that can show that our committee works very well together, certainly for our veterans but also for our small businesses.

Mr. Speaker, I rise in support of an important piece of legislation that ensures our veterans the resources and access to capital needed to start or expand a small business. As a cosponsor of this legislation, I believe the Veterans Entrepreneurship and Small Business Development Act of 1999 remedies many of the inequities veterans face when looking for small business assistance. Thousands of brave men and women have fought for our country and the freedoms we cherish. Unfortunately when they return to civilian life, veterans encounter numerous barriers when they are attempting to start up or expand their businesses.

This can range from a lack of training to difficulty securing adequate capital. H.R. 1568 helps these men and women become entrepreneurs and embrace the American dream for which they fought so hard to preserve. It is apparent that small businesses have become the backbone of our economy and continue to provide invaluable services. Currently, out of a total business population of 23.2 million, 5.5 million are owned or operated by veterans.

The district I represent on Long Island, New York, is dependent on the success of veteran-owned small businesses. Although a number of programs exist at the Small Business Administration to provide assistance, many are not targeted at veterans.

One obvious concern involves the lack of centralized resources from which veterans can obtain information on programs and capital specifically created for them. This legislation would create an Office of Veterans Business Development and an associate administrator within the SBA to promote veteran opportunities. In addition, it calls for the creation of an Advisory Committee on Veterans Business Affairs to serve as an independent source of advice, policy and recommendations to the SBA, the Congress and the President.

Lastly, H.R. 1568 also addresses concerns raised by disabled veterans. Currently there are over 104,000 service-disabled veterans in the business community. The Veterans Entrepreneurship and Small Business Development Act establishes a 5 percent subcontracting goal for service disabled veterans. By taking this step, we are ensuring that veterans, especially those injured fighting for their country, have equal opportunity to government contracts. Too often we see our veterans neglected in their time of need. Under this legislation, veterans will receive greater access to capital and training, programs that will allow them to succeed in a market system they fought so hard to protect. I urge my colleagues to support this legislation.

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

Mr. TALENT. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland. Mr. Speaker, it is time we keep our promises to veterans. I am proud to be a supporter of H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999. This is a bill which deserves the support of every Member of the House.

It was almost a year ago at a joint House subcommittee hearing on May 20, 1998, that representatives of veterans advocacy groups universally blasted the Small Business Administration, SBA, for decades of ignoring congressional mandates to give veterans and veteran-owned small businesses appropriate consideration. That was a hearing I cochaired of the Subcommittee on Government Programs and Oversight of the Committee on Small Business along with the gentleman from New York (Mr. QUINN), who chairs the Subcommittee on Benefits of the Committee on Veterans' Affairs.

We as a Nation must keep the promises we have made to those who served in our Armed Forces. If we do not keep our promises to veterans, we suffer more than shame and dishonor. How this Nation treats our veterans directly impacts the lives and the families of veterans and those currently on active duty. It also affects our ability to recruit capable men and women to serve in the future.

It is ironic that SBA would have had such a shameful record when entrepreneurial assistance to veterans dates back to World War II and is one of the great success stories of the Federal Government under the GI bill. This current bill is all about keeping promises. H.R. 1568 incorporates the recommendations from that May 20 hearing. It is a good bill. It is a bill that I hope will help restore the faith of our veterans.

Mrs. MCCARTHY of New York. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member.

Ms. VELÁZQUEZ. Mr. Speaker, I rise today in strong support of H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999. I would like to take this opportunity to thank the gentleman from Missouri (Mr. TALENT), the chairman of the Committee on Small Business, for introducing this legislation and for his continuing commitment to our veteran community. I would also like to thank the gentlewoman from New York (Mrs. MCCARTHY) for her work on behalf of veterans both in the committee and in the House.

Throughout America's history, countless men and women have served our country and fought for its ideals as members of our armed services. However, when veterans return to civilian life, they have also encountered barriers to starting or expanding a business.

Although there are a number of programs at the SBA to provide assistance, many of these are not specifically targeted at veterans. The legislation before us today seeks to remedy some of the inequalities that our service men and women face upon their return to civilian life. In doing so, H.R. 1568 will provide greater opportunity for the 5.5 million businesses owned or operated by veterans. Additionally, this bill will help the 104,000 service disabled veterans within the business community.

This legislation, H.R. 1568, will give a boost to veterans seeking to start their own business by creating a National Veterans Development Corporation to provide training and counseling. Additionally, it establishes a veterans advisory board to counsel SBA on veterans issues and expands veterans' access to capital and Federal contracting opportunities.

Often overlooked is the fact that many current small business owners also serve in the Reserves or National Guard. When the call to serve comes, they selflessly heed it and leave their

business behind. Unfortunately, too often this results in economic hardship. I would like to thank the gentleman from Illinois (Mr. PHELPS) for offering an amendment that provides these individuals with the capital and expertise they need to continue their businesses. The call-up during Kosovo has demonstrated the importance of our Reserves, and I commend the gentleman from Illinois for helping our service men and women.

This is the time of year in which we celebrate the liberties that members of our armed services have fought so hard to attain for every citizen of this great Nation. This legislation will help ensure that those individuals that have placed their lives in jeopardy for this country will be able to fulfill the American dream. With all they have done for us, this is the least that we can do. I strongly support the goals of this legislation, and I urge my colleagues to do the same.

Mr. Speaker, at this time I would also like to take this opportunity to recognize Mike Klier, one of the Democratic committee staff who worked on this legislation and will be leaving shortly. Mike has been a valuable member of the Committee on Small Business staff and will be sorely missed. On behalf of the members of the committee, I want to thank him and wish him good luck.

Mr. TALENT. Mr. Speaker, I yield myself 15 seconds to thank the distinguished ranking member for her comments and join her in her comments about Mike. We wish him all the best.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today to pledge my support for this measure, the Veterans Entrepreneurship and Small Business Development Act which authorizes technical, financial and procurement assistance to veteran-owned businesses through a variety of ways. I commend the gentleman from Missouri (Mr. TALENT) and the gentlewoman from New York (Mrs. MCCARTHY) for bringing this measure to the floor at this time.

As veterans make the transition from honorably serving their Nation to the competitive business world of our Nation, they confront many obstacles that stand in their way of achieving success. As national leaders, we have a responsibility to help these men and women in helping them realize their dreams. The Veterans Small Business Act has the power to do just that, to return hope to the courageous many who find themselves currently slipping on once sturdy ground.

H.R. 1568 effectively expands the eligibility for certain small business assistance programs to include veterans, while additionally directing the SBA to assist veteran-owned small businesses through the creation of new development agencies and offices, such as the National Veterans Business Development Center. This bill will strengthen and expand existing small business assistance programs to ensure the longevity of programs already proven to work, like the renowned microloan and Delta Loan programs. In doing so, veterans will receive a much needed boost economically in the small business sector, an area that has been dampened by insufficient funding and technical assistance in the past.

With the economy still booming as we approach the millennium, it is imperative that we act sensibly and provide for veterans in small businesses while we have the funding to do so. Veterans affairs should be our top priority in this Congress. It is our duty as patriots to aid those who were willing to sacrifice for our Nation.

In closing, I urge my colleagues to support this worthy legislation providing small business assistance to veterans as we work to improve their welfare in this country.

Mrs. MCCARTHY of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. PASCRELL).

☐ 1515

Mr. PASCRELL. Mr. Speaker, as a member of the Committee on Small Business and as a veteran myself, I rise today to encourage the swift passage of the Veterans Entrepreneurship and Small Business Development Act of 1999. It is an outstanding piece of legislation that will go a long way in assisting the veterans of our Nation.

Last week our chairman, the gentleman from Missouri (Mr. TALENT), and our ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ) once again demonstrated their commitment to passing meaningful bipartisan legislation when our committee voted unanimously in support of the measure now before the House. I want to credit both of them for their dedication to our Nation's small businesses and to our nation's veterans. H.R. 1568 will help veterans who are attempting to start their own small businesses. It will accomplish this in several ways:

First, by creating an Associate Administrator for Veterans Business Development at the Small Business Administration. The bill ensures that veterans will have full access to all SBA programs and will guarantee them a seat at the table, and they have earned it.

It will accomplish and establish a national veterans' business development corporation which will organize public and private resources to help assist veterans with financing and advice.

The legislation will establish also within a very successful SCORE program the appointment of a national veterans business coordinator. The program is comprised of retired executives who provide advice and technical assistance through a network of volunteers.

And lastly, this measure provides a 5 percent goal for government contracting with small business concerns owned and controlled by service disabled veterans.

We have adjusted the wheels of other SBA programs, Mr. Speaker, in order to respond to the needs of women and minorities. We are right to do so today for veterans. We need to readjust them to respond to the needs of our veterans, and that is exactly what this bill accomplishes.

Members of the military put themselves at a great risk to protect American interests around the world. And in return for this service, the Federal Government has made a commitment to both active duty and retired military personnel to provide certain benefits. With the measure before us today, we attempt to go beyond those benefits that the VA provides. We aim to bring veteran owned businesses into the winners circle of those small businesses that thrive and prosper year after year.

As a veteran, I have always maintained a personal commitment to protecting the rights of those who have served, and I have striven to be an advocate on their behalf. Two weekends ago in our district, we had a veterans registration drive, Mr. Speaker. Four hundred fifty veterans signed up, bringing those heroes to the point where they can access the benefits they have earned. Many of our veterans do not even know what they are entitled to. We cannot sit by idly and let that exist.

This bill is another aspect of that commitment to those who have made the ultimate commitment to our Nation. It will ensure that veterans have greater access to capital and business training programs, and for those entrepreneurial veterans, among them 48,000 in my own district, I believe throughout America making access, making veterans available and reaching out to them in a very positive way is what we should be all about. I believe this measure will lower the barriers they face, our veterans, help them build and develop businesses that will flourish.

Our veterans helped shape the prosperity our Nation currently enjoys. This bill, will help these veterans share in that very prosperity. It is the right thing to do.

As a cosponsor of this legislation, I urge my colleagues to support H.R. 1568, the Veterans Entrepreneurship Small Business Development Act of 1999.

Mr. TALENT. Mr. Speaker, I yield myself 1 minute just to comment to the gentleman's speech. As always, he inspires me and particularly in this field. There is no stronger advocate for veterans than the gentleman from New Jersey. He is absolutely correct, and

maybe I should quote one of the witnesses from one of the veterans organizations who testified in support of this bill, when one of the members of the committee asked him what was available in terms of outreach programs for veterans, and he responded by saying:

''Look, the good thing about this bill is it lets us help ourselves. We set up these assistance centers, and then we will have veterans in these communities networking and connecting veterans with entrepreneurship opportunities and, by the way, going beyond that, to do other things that can help veterans and their families. I think it's a tremendous way of increasing the infrastructure available for veterans' assistance.''

Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. STUMP), the chairman of the Committee on Veterans' Affairs, and I want to thank him for his work on this bill and his advocacy on behalf of veterans.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding me this time. I just want to take this opportunity to thank the chairman, the gentleman from Missouri (Mr. TALENT) of the Committee on Small Business, and his ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ), and all of the members of this committee for the tremendous efforts that they have put forth in bringing this bill before the House today.

I think that the reasoned report of the Congressional Commission of Veterans Transition Assistance pretty much says it all with regards to this bill, and I quote: As a matter of fundamental fairness, Congress should accord veterans a full opportunity to participate in the economic system that their services sustained. That certainly is this bill's objective, and many of our veterans will benefit from this.

And once again my congratulations to the chairman of the committee on this.

Mrs. MCCARTHY of New York. Mr. Speaker, I yield as much time as he may consume to the gentleman from Illinois (Mr. PHELPS).

(Mr. PHELPS asked and was given permission to revise and extend his remarks.)

Mr. PHELPS. Mr. Speaker, I want to thank first the gentlewoman from New York (Mrs. MCCARTHY) for yielding me the time and the opportunity. I certainly want to thank the gentleman from Missouri (Mr. TALENT) for his hard work on such a valuable piece of legislation and for allowing me to incorporate my bill, the Military Reservists Small Business Act to the Veterans Entrepreneurship and Small Business Act and also not to overlook the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ), for her leadership and her help and assistance. As a new Member, I certainly appreciate it.

Mr. Speaker, I rise today to support this very important legislation which I have cosponsored. The Veterans Entrepreneurship and Small Business Development Act will ensure that those who have helped sustain the American economy through their military service and sacrifice will deservedly receive a fair share of assistance through the Small Business Administration.

This legislation includes veterans in the full range of programs and services at SBA and establishes some key additional programs specifically for veterans. I specially support the program which incorporates my legislation to assist military reservists who have been called to service in Kosovo. This program ensures that reservists who are small business owners or entrepreneurs do not have to risk their business while risking their lives for the principles of freedom and human rights.

This program offers three types of assistance by first authorizing a deferral of loan repayments on any direct loan from the SBA; secondly, establish a low-interest loan, economic injury loan program to provide interim operating capital to any small business if the departure of a military reservist to key active duty causes economic harm. And finally, directing SBA and all of its private sector partners to engage in outreach training and counseling programs to assist businesses that might experience significant disruption due to the effects of military reservists reporting to duty in Kosovo.

The upcoming Fourth of July holiday reminds us all of the importance of independence and freedom. Veterans have fought hard for their country, and this measure gives us the opportunity to recognize their efforts by supporting their entrepreneurial efforts. We can never repay veterans for their sacrifices, but we can certainly assist their efforts to become as successful in business as they have been in the military.

This legislation ensures that veterans even after their service is over have the opportunity to continue contributing to our national security by creating jobs and strengthening our economy.

Mr. Speaker, I urge you and colleagues to join me in supporting H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999.

Mr. TALENT. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. BONO).

Mrs. BONO. Mr. Speaker, I am proud to rise in support of H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999. Of all individuals Congress attempts to assist, I believe the men and women who served our country in war and peace are especially deserving of our help and special consideration. Over 30 military and veterans service organizations representing more than 12 million veterans support H.R. 1568. These organizations are not asking for a handout. All they want is for us to let them help themselves.

One of the most important functions of this bill is to create a national veterans' business development corporation. This corporation will fund centers throughout the country to provide technical assistance for interested veterans, and with the support of veterans groups there is a provision in this bill to make certain that after 4 years these centers will become self-sufficient. I can think of no better way for Congress to give veterans a means toward achieving financial independence.

H.R. 1568 also establishes an Office of Veterans Business Development at the Small Business Administration. Over the years, Congress has encouraged the SBA to take up the cause of helping veterans. However, it is apparent that we need to strengthen our will. Hopefully this office within the SBA will serve as a means to highlight and serve the needs of veterans in business.

Riverside County in California, a significant part of which I represent, has 143,380 veterans. My resolve to help these brave men and women will never wane. Mr. Speaker, I want to make sure our veterans have the best chance available to make it on their own. With a little bit of technical assistance, our veterans will take charge and find the success they so rightly deserve.

Mrs. MCCARTHY of New York. Mr. Speaker, I yield as much time as she may consume to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Speaker, I thank my colleague for yielding this time to me. Mr. Speaker, I rise today in support of H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999, to also commend our chairman, the gentleman from Missouri (Mr. TALENT) for introducing this bill and to commend both him and our ranking member for their untiring efforts on behalf of small businesses in this country.

Mr. Speaker, there have been several bills brought to this floor today that recognize meaningful and tangible ways the contributions our Nation's veterans have made and the debt this country owes to them. I am proud to support them all.

As we all are aware, veterans, particularly those who served during and since Vietnam, encounter many barriers in transitioning to civilian life. Part of this transitioning includes obtaining meaningful employment or starting their own businesses. Our disabled veterans, like other citizens and residents with special health care needs, have particularly difficult times entering the economic mainstream. H.R. 1568 seeks to break down many of those barriers.

One of the most significant things this legislation does is to create a national veterans business development corporation charged with increasing entrepreneurship and technical assistance to veterans. It also requires that small businesses owned by veterans be included in all government contracting and sets a goal. And it creates a small

business relief program for reservists and members of the National Guard who own small businesses when they are called up to active duty. Passage of the Veterans Entrepreneurship and Small Business Development Act of 1999 will ensure that veterans, even after their service is over, have the opportunity to pursue their dreams to achieve success and to share in the prosperity of this great Nation.

In sum, this bill enables our veterans to become self-sufficient. With all that they have done for this country, as has been said earlier, this is the least that we can do for them. I urge my colleagues to vote in favor of H.R. 1568.

Mrs. MCCARTHY of New York. Mr. Speaker, we have no additional speakers, and if the chairman is prepared, I can go ahead and close?

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

We called upon our veterans to endure the hardships of war and being away from home. They serve proudly without question. Many have made a career out of this service, however when we continue downsizing in our military force an influx of servicemen and women are entering civilian life only to encounter a lack of assistance when attempting to start a business for themselves. The Veterans Entrepreneurship and Small Business Development Act provides the resources they need to succeed in their transition to private sector. Their success not only benefits them but also the surrounding community overall economy.

As we approach July 4 weekend and reflect upon the liberties that we fought so hard to obtain, we should not forget the men and women who continue to fight to protect these liberties. By passing this legislation, we are providing our veterans with the tools that will allow them to make that dream they fought for a reality.

□ 1530

I urge my colleagues to support this bill and help veterans succeed in the business community.

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

Mr. Speaker, I do not know what more could be said about this bill. It has the broadest coalition that I have ever seen supporting a veterans bill in terms of the veterans service organizations. As I said before, it helps these veterans in helping themselves and I think remedies some injustices from long past in terms of how we treat them in terms of procurement and loans and entrepreneurial opportunities.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this important piece of legislation will help veterans establish and develop small businesses. By creating an Office of Veterans Business Development within the Small Business Administration, we will ensure that our veterans will be able to compete in the small business world. This office will formulate, execute, and promote the policies and programs of the Small Business Administration that provide assistance to small business concerns owned and controlled by veterans, including service-disabled veterans. It is important that we reward these important citizens with business opportunities such as these.

This bill directs the Veterans Affairs Secretary and the Small Business Administration's Administrator to enter into a memorandum of understanding with respect to entrepreneurial assistance to veterans, including service-disabled veterans, through small business development centers and Veterans Affairs facilities. I find it encouraging that this assistance includes the conducting of studies concerning the operation of small businesses by veterans, the training of veterans in small business management, and the teaching of Internet and other academic instruction. This bill also provides assistance and information to veterans concerning Federal, State and local agencies and helps to address the concerns of these veterans.

Finally, the creation of the 15 member advisory committee will also greatly assist the veterans. This committee will work in conjunction with the Small Business Administration to review programs in the public and private sectors that may affect small businesses owned by veterans. This committee also will collect business information and monitor other programs and agencies that may affect the growth and development of small businesses owned by veterans.

Small business is a vital sector of the business world. In my home State of Texas, almost four million Texans work in businesses with less than 500 employees, generating a total payroll of about $100 billion a year. This sector of business is growing. From 1992 to 1996, small businesses have added 162,201 new jobs. In 1998, Texas businesses with less than 100 employees employed 42.4 percent of the Texas, non-farm workforce (up from 40.6 percent in 1996). Small and medium businesses account for more than 67 percent of the Texas workforce.

Small businesses are the economic backbone for many of our communities throughout this nation. This legislation is designed to allow our veterans to prosper in this business world. It is our way of paying them back for years of service to our Nation.

Mr. EVANS. Mr. Speaker, I rise in strong support of H.R. 1568, the Veterans Entrepreneurship and Small Business Development Act of 1999. As a long-time supporter of veterans' small business efforts and veterans' employment programs, I commend Congressman JIM TALENT, Chairman of the House Committee on Small Business, and Congresswoman NYDIA VELÁZQUEZ, the Committee's Ranking Democrat, for bringing this important legislation before the House. In developing this legislation, JIM listened to hard-working veterans business owners and veterans' advocates who strongly encouraged creation of a National Veterans Business Development Corporation. Additionally, H.R. 1568 provides a clear mandate for the Small Business Administration to not just support, but champion, veteran entrepreneurs to gain access to business opportunities.

Small businesses are the engines that drive job creation in America. Most net job growth in the last 10 to 15 years in the United States has resulted from small businesses. Not only does America need small business, it needs the networking skills, the inventiveness, the can-do attitude of veterans that have been gained during their military service. Our country has an investment in the success of veteran-entreprenuers—including many disabled veterans—and this legislation will help protect our investment.

Veterans who establish their own businesses are a double asset to America. They contribute their service-honed skills to the development of our economy, and they are a key link in the expansion of employment opportunities for others. It is simply good sense to give them meaningful support in today's global economy. After serving this nation in uniform, our ''Private Ryans'' have come home to contribute to America's economic success—not only after World War II, but after every subsequent conflict. Using skills gained during their military service, veterans have become successful entrepreneurs, continuing to contribute to our Nation. We can never repay these men and women for their sacrifices, but we can certainly support their efforts to become successful enterpreneurs—success which will benefit all Americans.

H.R. 1568 is an excellent bill, and I again thank Chairman JIM TALENT and Congresswoman VELÁZQUEZ, the Ranking Democratic Member of the Small Business Committee, for their strong support for America's veterans.

Mrs. CAPPS. Mr. Speaker, I would like to take this opportunity to speak on behalf of two important veterans' bills today—H.R. 1568 and H.J. Res. 34.

H.R. 1568, the Veteran's Entrepreneurship and Small Business Development Act of 1999 will significantly improve services to veterans by the Small Business Administration. Many veterans have the necessary skills and motivation to successfully operate their own businesses, but lack the resources to initiate such enterprise. This bipartisan legislation, supported by veterans all over the country and by organizations such as the Vietnam Veterans of America, the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, and the Reserve Officers Association, will provide a substantial boost to the entrepreneurial aspirations of the nation's veterans, especially veterans with service-related disabilities.

This important legislation will establish a National Veterans Business Development Center to provide small business assistance to veterans through public and private sector initiatives and partnerships. It will also strengthen the SBA's Office of Veterans Business Development and create a permanent advisory committee on veteran's business affairs. In addition, the Microloan and Delta Loan Program will be made available to veterans to finance a new business or expand an already existing company.

I am also pleased to speak on behalf of H.J. Res. 34, a Resolution congratulating and commending the Veterans of Foreign Wars (VFW). This admirable organization is celebrating its 100th anniversary this year in working for the rights and needs of American veterans. The VFW currently represents the interests of 2,000,000 veterans who have served in wars ranging from World War I and II, to Korea and Vietnam, to the more recent Persian Gulf War and conflict in Bosnia.

Mr. Speaker, our veterans have served this nation with honor and dignity, they have made tremendous sacrifices for our liberty, and they

deserve our utmost support. That is why I intend to vote in favor of H.R. 1568 and H.R. Res. 34.

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered the gentleman from Missouri (Mr. TALENT) that the House suspend the rules and pass the bill, H.R. 1568, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TALENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on H.R. 1568, the bill just passed.

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

There was no objection.

PROHIBITING STATES FROM IMPOSING DISCRIMINATORY COMMUTER TAXES

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2014) to prohibit a State from imposing a discriminatory commuter tax on nonresidents.

The Clerk read as follows:

H.R. 2014

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

SECTION 1. PROHIBITION ON IMPOSING DISCRIMINATORY COMMUTER TAX ON NONRESIDENTS.

(a) PROHIBITION.—A State may not impose a tax on the income earned in the State by nonresidents unless the tax is of substantial equality of treatment for the citizens of the State and the nonresidents so commuting.

(b) STATE.—For purposes of subsection (a), the term ''State'' includes the District of Columbia and any political subdivision of a State.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous materials, on H.R. 2014, the bill under consideration.

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

There was no objection.

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

Mr. Speaker, this piece of legislation is to mend a very peculiar and unique situation that has arisen between the States of New Jersey and New York. By virtue of a tax that was imposed by New York City, it appears and does still appear that a commuter tax for people who live in New Jersey but work in New York City was asserted against those commuters in a situation different from New York State residents outside New York City who worked in New York City, thereby setting up a discriminatory set of taxes for these commuters.

The Supreme Court acted in a similar case in what is called the Austin case, finding this kind of discriminatory commuter tax unconstitutional and recently, just a couple of days ago, the New York statute itself that we are trying to amend or trying to work through that, too, was found to be unconstitutional. But we have it on good report that this might be appealed. Therefore, the question occurs for the Congress to do something about making sure that this does not continue.

In that regard, this piece of legislation was approved by the subcommittee, and we will have Members from New Jersey fully explain the contents and the aims of the legislation.

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

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

Mr. Speaker, I rise in opposition to this legislation. Perhaps some of my colleagues are wondering why we are wasting taxpayers' time and money today debating a bill directed at a tax that was declared unconstitutional last Friday. In fact, as of Friday's ruling, no person on the face of the earth, not from New Jersey, Connecticut or anywhere else, is faced with this tax. It does not exist.

I realize that this is a hot political issue in some other States and so we are going to waste time talking about it, but the fact of the matter is we are talking about nothing. The bill passed in New York was atrocious. I say it about my own State legislature. It was atrocious and flatly unconstitutional, flatly against the Supreme Court's prior rulings, and the State Supreme Court in New York last Friday said it was facially unconstitutional.

Now, the gentleman from Pennsylvania (Mr. GEKAS) says it may be appealed. Yes, it will be appealed but by the City of New York, not by the State of New York, and the grounds for the appeal of the city is that the State had no right to pass the law in the first place under State law because it violated the State's home rule provision with respect to cities.

If the city wins its lawsuit, the law will be reinstated, but it will be equal. That is, it will apply to commuters from within the State and from other States equally, as was the case for the last 30 years prior to the State legislature's atrocious actions a few weeks ago. If the city loses its appeal, the tax will not exist. In either event, this bill has no impact and can have no impact on the situation with respect to New York, New Jersey and Connecticut.

The situation the bill's authors mean to address is the fact that the bill by its terms, the bill the legislature passed by its terms, said that New York City cannot levy a commuter tax on commuters from elsewhere in the State but can on commuters from other States.

The Supreme Court knocked that down, and it is out. So why are we dealing with this bill? For political reasons. Now that I understand. We do a lot of things here for political reasons. That is not so terrible, but the fact is this bill would affect the tax laws in every State.

The bill has not been properly considered. There have been no hearings on this bill. The bill was not considered or voted on by the subcommittee. It went straight to the committee without any hearings. And we do not understand, in the rush to get this bill to the floor, the Republican majority which cites that the committee process would have given us a chance to look the bill over more carefully.

It deals with a very complex area of interstate taxation. While it was written specifically to address the New York-New Jersey-Connecticut situation, it applies to every jurisdiction in the United States. I think it is a mistake to consider it before the subcommittee has had a chance to have hearings and to really understand the implications of the bill the way it is drafted.

To the extent the bill reflects the current state of constitutional jurisprudence, I have no objections, but we should take the time to understand what other unforeseen effects it may have nationally on various State tax laws across the country. We have not done this, and it is a mistake.

Congress needs to consider that this legislation would apply to every State which taxes income earned within its borders by nonresidents. The normal process served by the Committee on the Judiciary would be able to assess the impact this legislation would have on the myriad State tax laws nationally rather than focusing on one cross-border tax dispute which is no longer at issue since the State courts have thrown out the law as unconstitutional.

I understand this is a political hot potato in New Jersey and Connecticut, but that is no reason to rush the legislation through the process without any review, especially now that the tax that has the residents of those States upset no longer exists.

Mr. Speaker, I submit that this is an unnecessary bill at this time; and we should send it back, not pass it. Let the committee consider it properly and see how it impacts on the States other than New York, Connecticut and New Jersey, on which States it will have no impact at all.

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

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

Mr. Speaker, I would first like to respond to what the gentleman from New York (Mr. NADLER) has just said. It was not acted upon by our subcommittee but, rather, by the full committee.

Number two, however, I want to put the record straight on another assertion that the gentleman has made, that this is a peculiar situation just between New York and New Jersey. That is, of course, the reason that the bill is here, but the bill, as drafted and which will eventually pass the Congress, applies to all States of the Union and asserts a very important principle.

Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. FRANKS), the author of the legislation.

Mr. FRANKS of New Jersey. Mr. Speaker, last month New York Governor George Pataki repealed the New York City commuter tax but only for New York residents. His goal was laudable. He was trying to give 450,000 New York City commuters living in New York State a $210 million tax cut, but at the same time he wanted to force the residents of Connecticut and New Jersey who work in New York City to pick up the tab.

Every year, 250,000 residents in my home State of New Jersey shell out $110 million in taxes to the City of New York. All commuters, whether they live in Rockland County, New York; Union County, New Jersey; or Fairfield County, Connecticut; rely on the same services and transportation infrastructure provided by the City of New York. They should not be taxed differently merely because they live in a State other than New York.

Late last Friday, as was indicated, a New York State Supreme Court judge ruled that the targeted repeal of the New York City commuter tax was unconstitutional. The judge said it offends the provisions that govern privileges and immunities, equal protection for all citizens, and the provision that assigns regulation of interstate commerce to the Federal Government.

While New Jersey and New York commuters have won a temporary victory, the commuter tax border war is far from over. New York City has already announced that it will appeal the lower court ruling.

It is time we in Congress put this issue to rest once and for all. We must send a clear and definitive message, that tax wars between neighboring States will no longer be tolerated.

The bill before us would prevent any State, including New York, from taxing the income of citizens from other States at a higher rate than they tax the income of their own residents. This legislation would impose a permanent cease-fire in the battle over commuter taxes by making it clear that taxes imposed by one State cannot discriminate against out-of-State residents.

Finally, it would prevent politicians from ever again using the threat of a commuter tax to score political points at home at the expense of its neighbors and the economic well-being of the region.

In a larger sense, Mr. Speaker, this issue should remind us of how much commuters have in common. They work side by side. They use the same rails and roadways to get to work. They cannot and should not be taxed differently solely because they live in different States.

I urge my colleagues to support the legislation.

Mr. NADLER. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from New Jersey (Mr. ROTHMAN).

(Mr. ROTHMAN asked and was given permission to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Speaker, I rise in support of H.R. 2014. This legislation is important to protect the ability of people to live in one State and work in another. Very simply, the purpose of this bill is to prohibit a State from imposing a discriminatory commuter tax on nonresidents.

H.R. 2014 was introduced 3 weeks ago, after the State of New York repealed its commuter tax for suburban New Yorkers who commute to work in New York City; but the State of New York decided that the hundreds of thousands of commuters from New Jersey, Connecticut and Pennsylvania who commute into New York City should continue to be taxed. Had the New York Supreme Court not recently held this law unconstitutional, it would have gone into effect on July 1 and would have amounted to an unfair tax of several hundred dollars per commuter per year.

With 240,000 New Jersey residents working in New York City alone, the result of this law would have been to give a huge tax break to the suburban residents of New York at the expense of suburbanites in New Jersey, Connecticut and Pennsylvania.

Mr. Speaker, as well as being blatantly unfair, the New York law is blatantly unconstitutional. Two hundred twenty years ago, the framers of the Constitution decided that they did not want 13 separate fiefdoms once they decided to declare ourselves one Nation. They did not want members from one newly-formed State to have to show a passport at the checkpoint or a borderline of one of the new other 13 States in our new United States. They passed the Constitution to prevent that. In particular, the Privileges and Immunities clause in article 4, Section 2 of the United States Constitution says, and I quote, citizens of each State shall be entitled to all privileges and immunities of citizens in the several States, unquote.

The law passed by the State of New York flies in the face of the United States Constitution. It clearly gives privileges to commuters from the suburbs of New York at the expense of commuters from the suburbs of New Jersey, Connecticut and Pennsylvania. The New York law also violates the Commerce clause of the United States Constitution, which allows citizens to travel freely throughout the different States of the United States.

☐ 1545

It also violates the due process and equal protection clauses, which protect Americans from being discriminated against unfairly by the States or the Federal government. The United States Supreme Court has consistently held that States may not impose a tax on nonresident taxpayers simply because they reside in another State.

Fortunately, last Friday the New York Supreme Court held that the New York law is unconstitutional. However, this ruling does not change the need for us today to act here in the House of Representatives. The State of New York could still appeal the ruling, and the New York Court of Appeals could reverse the lower court's decision.

It is imperative that this matter go forward today; that H.R. 2014 pass today, not just for the residents of New Jersey, Connecticut, and Pennsylvania, but for the residents of every State in the United States of America. Mr. Speaker, a tax that unfairly penalizes Americans solely because of the State that they live in is inherently unconstitutional and un-American. It deserves to be overturned. Thus, I ask my colleagues to pass H.R. 2014.

Mr. GEKAS. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding time to me.

I want to express my appreciation both to the chairman of the subcommittee as well as my colleagues and the gentleman from New Jersey (Mr. FRANKS) who has given such leadership here on this very important issue.

Mr. Speaker, I see this has been adequately outlined by both gentlemen from New Jersey, Mr. FRANKS and Mr. ROTHMAN. But I want to underscore the fact that we are not just talking about New York and New Jersey here, and Connecticut, we are talking about something that is going to preserve all the States, the commuters in all the States, from this kind of outright blatant discrimination that was brashly put into place by the Governor of New York.

I also want to say that the fact that the State court has already acted on this does not negate the necessity for this. It underscores the necessity for this protection to be extended to all 50 States. There should not be this kind of discrimination.

As has also been stated, and I think it bears strong repeating now, this is an underscoring of a constitutional right, not only the equal protection clause but the interstate commerce provisions of the Constitution. This

bill reaffirms the proper Federal-State relationship in terms of commerce.

I guess I have to say here, Mr. Speaker, it is very important to extend this to all 50 States so that we can foreclose and forestall any kind of thought that we are going to have a commuter tax war here State to State at any time in the future.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Connecticut (Mr. MALONEY).

Mr. MALONEY of Connecticut. Mr. Speaker, I rise in support of H.R. 2014.

Let me start by making an observation. We have talked earlier about the New York Supreme Court. Many people in this Chamber I am sure understand that the New York Supreme Court is the trial court in the State of New York. It is the lowest level of State judiciary. So unlike perhaps common intention or common understanding, we are not talking about the New York judiciary having decided this, we are only talking about an individual judge. So this matter is still very, very much alive, even as to this legislation, and New York City has indicated that it will appeal this case.

This bill needs to pass because the New York legislature needs to be told that this simply was outrageous and cannot be allowed. The bill as it stands in New York says that if it is found unconstitutional in any part, it will be unconstitutional in all parts. That puts the matter back in the General Assembly of New York for reconsideration.

As the distinguished gentleman from New York indicated earlier, it was unwise of the New York General Assembly to pass this bill. I want to make sure they do not have the opportunity to act unwisely a second time. The best way to do that is to make sure that this bill passes in this House and in this Congress immediately.

Let me conclude by saying not only is this bill unconstitutional and unfair, it is also very, very much unwise. Both Connecticut and New Jersey have reverse commuters, so there may be 90,000 people a day who travel from Connecticut to New York City. There are a substantial number of people who travel from New York back to Connecticut.

We can imagine if this legislation were allowed to stand that the State of Connecticut and the State of New Jersey would quickly come to the conclusion that it needed to enact appropriate legislation in response. That is exactly what the commerce clause in the Constitution attempts to prohibit. We should make sure it is prohibited by statute.

Mr. GEKAS. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding time to me.

We would do New York a tremendous favor by passing this legislation, because clearly New York got itself in a box. I cannot imagine any member of a State assembly or a mayor or a Governor who does not recognize the pitfalls of starting warfare from one State to another where they start to say, ''we can solve all our problems, just tax everyone who works in our State who does not happen to live here because they do not happen to vote here.''

I rise in support of the bill offered by the gentleman from New Jersey (Mr. FRANKS), H.R. 2014, and thank him for introducing it. I thank him for all the communities in all the States around the country that need to make sure that if you tax someone from out of State, you must tax someone from within your State. If you do not tax someone within your State, you also must not tax someone out of the State.

I also commend the gentleman from Connecticut (Mr. MALONEY) for his fine statement.

Mr. NADLER. Mr. Speaker, I yield 2¼ minutes to the distinguished gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I would like to thank the gentleman from New York for yielding time to me.

Mr. Speaker, last week New York Supreme Court Justice Barry Cozier struck down a law passed by the legislature in New York that would have repealed the commuter tax for New York residents, but kept that tax in place for out-of-State residents.

Mr. Speaker, there are two major issues here. The bigger issue, which has not even been addressed today, is what the Supreme Court did just a few days ago when it tied the hands of the Congress of the United States of America in the issue of States' rights. The bill by the gentleman from New Jersey (Mr. FRANKS) becomes even more important, more significant, and more timely.

Read that decision, I ask Members from both sides of the aisle, the 5–4 decision. That is the big issue that is involved here. New York City's Council responded to the ruling by stating that the city would immediately appeal the ruling. Wonderful. It is my sincere hope that Justice Cozier's ruling and H.R. 2014 will give the city pause.

As I stated when the gentleman from New Jersey (Mr. FRANKS) introduced this bill several weeks ago, New Jerseyans do not mind paying for their services they use in the State of New York. We are not simply talking about New York and New Jersey here, we are talking about every State in the Union where the possibility exists of inequity.

This does not mean that our commuters should become an ATM for a State that does not want its own residents to pay their own way. That is political nonsense. The action of New York's legislature takes parochialism to its irrational extreme and invites tit for tat countermeasures that will only hurt one group in the end, of course, the taxpayer.

Mr. Speaker, it is my hope that the passage of H.R. 2014 will put an end once and for all to those fruitless attempts to pass harmful tax increases on those people who cannot hold these New Jersey legislators accountable, the residents of New Jersey and Connecticut.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. WEINER).

(Mr. WEINER asked and was given permission to revise and extend his remarks.)

Mr. WEINER. Mr. Speaker, I thank the gentleman from New York for yielding me the time.

Mr. Speaker, I have great respect for my colleagues from New Jersey and Connecticut and Pennsylvania who are fighting so vigorously for this, but we really have to wonder what indeed is behind this.

It does not seem to be the substance of the issue. The courts are handling the substance of this issue as we speak. If substance had anything to do with this debate, perhaps we would have had a hearing in the full committee, or even a hearing in the subcommittee, or even any kind of a hearing before this came to the House floor under the suspension calendar.

Mr. Speaker, this is entirely about politics, but in that debate about politics, we must not lose sight of some of the facts here. This is not about one State's ability to tax another State. That is done commonly. It is going to continue to be done even after this bill is passed.

One State can tax the income derived in another State. It happens in States all around this country. The fact of the matter is that residents of other States who come in and derive income, for example, in New York City derive great benefits from that, great benefits that without this type of a tax structure they would do nothing to pay for.

People every day come into New York City. New York City provides the economic engine for the entire region of the country. We are proud of that. All we are doing is trying to find a fair and equitable and balanced way to pay for those expenses.

Now the courts have decided that the construct the New York State legislature has arrived at is unconstitutional, period. It is the end of the story. Yet we are here, frankly, throwing aside all of our concerns about States' rights, tossing all of our conservative instincts away.

Mr. PASCRELL. Mr. Speaker, will the gentleman yield?

Mr. WEINER. I yield to the gentleman from New Jersey.

Mr. PASCRELL. Mr. Speaker, I just listened to what the gentleman said very carefully. Would the gentleman be willing to recommend to those who want to appeal the decision of the court to remove their appeal, and maybe we would not have a need for this decision?

Mr. WEINER. If the gentleman would understand.

Mr. PASCRELL. Does the gentleman support that?

Mr. WEINER. Here is what I do support, Mr. Speaker. I support this body being somewhat deliberative some of the time. I believe that this is something that is clearly moving its way in a very expeditious way through the courts, and it has ruled in their favor. Yet we are here instead trying to chalk up political points, rather than trying to deal with the real issue, which is how those people who commute into New York City pay their fair share.

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

Mr. Speaker, most of the debate on this bill, with all due respect on all sides, has missed the point. New York City has had a commuter tax levied equally on residents of New York State and residents of other States for 30 years, 33 years.

The State legislature, for local political reasons, and the Governor, for local political reasons, abolished that tax, but only for residents of New York State, not for residents of neighboring States, a clearly unconstitutional act, unconstitutional on its face, and the Supreme Court has said so, as the gentleman from Pennsylvania mentioned, in previous years. All we have to do is wait for the State courts to knock it down.

The State Supreme Court last Friday said they cannot do that, the law is unconstitutional. So now we have this bill to repeal a law that has already been ruled unconstitutional, but we are told it is absolutely essential to pass this bill because the mayor, the city of New York, has appealed the ruling of the court.

Yes, but the only grounds on which he has appealed the ruling of the court was not with respect to the unequal application of the law to the two States, or to the several States, I should say; he has appealed it on the grounds that the State legislature, without a home rule message, had no power under the State Constitution to pass that bill.

The court will either agree or disagree. If the court agrees with the mayor, the law will be back in its entirety. The city will have the commuter tax equally on residents of New York State outside the city and on residents of other States, and this bill, if it passes, will not stop that tax. It simply says, you have to tax residents and nonresidents equally, and the law previously did that.

If the action of the legislature is declared unconstitutional and the law was restored, it will again do that. It will meet the requirements of this bill, and residents of Westchester County in New York City and Bergen County in New Jersey and Fairfield County in Connecticut will continue paying the taxes they have for the last 33 years.

If the court rules against the mayor's appeal and says that the legislature has the power to pass the tax, to pass the bill under New York State law, it still is going to hold the unequal application unconstitutional, because that part of the decision has not been appealed.

□ 1600

No one thinks that it could be appealed, because the Supreme Court has been clear on the subject. So we are, at best, with regards New York and the neighboring States, wasting our time with this bill. It will have no impact whatsoever, period.

I am not opposed to this bill because I am worried about New York. It will have no impact on New York, New Jersey, or Connecticut. It will have an impact on other States in ways we have not examined.

For example, the bill says a State may not impose a tax on the income earned in the State by non-residents unless the tax is of substantial equality of treatment for the citizens of the State and non-residents so commuting. A lot of courts read that to mean that the State could not impose a lower tax on commuters from a neighboring State than the residents of its own State, so it might hold that if you taxed the residents of your own State at 4 percent, you cannot tax the residents of a neighboring State at 2 percent. I do not think that is what the sponsors intended, but this is a hastily drafted bill for a hastily concocted situation, which is no longer in existence, and it has not gotten proper scrutiny by the subcommittee and the committee in hearings.

So I would urge that this bill should be set aside or defeated now and the committee should hold hearings and should really look into how this is going to affect the reciprocal agreement between, let us say Indiana and Illinois before we pass it. Again, this has no impact on New York, New Jersey, or Connecticut. We are not concerned about that. But it may have unanticipated consequences throughout the country, and it is just irresponsible to be considering this bill in this way at this time without proper hearings and proper consideration. That is why I urge its defeat at this time, so that we can consider it properly as to its implications throughout the rest of the country.

Mr. PALLONE. Mr. Speaker, I commend my New Jersey colleagues on both sides of the aisle and in both Chambers for introducing this bill and for helping to bring it to the House floor so rapidly.

Mr. Speaker, this bill is important, because the State of New York has once again attempted to declare war on New Jersey. First, New York was dumping its garbage in New Jersey, then it was contaminating our shores with its dirty water and, after that, its needles were washing up on our beaches. Now, the New York Legislature has once again tried to harm New Jersey residents—this time, by discriminating against many of our hard-working residents trying to earn a living by working in New York City. The New York law would have repealed a commuter tax for New York residents, but not for non-residents.

Foutunately, last Friday, the New York State Supreme Court ruled that the New York law is indeed unconstitutional. I am pleased at this outcome, but not surprised. This was such a blatant attempt at discrimination; I don't know how anyone could have ruled otherwise. In addition, several earlier court cases have ruled that there must be equality between states, and that states cannot discriminate between residents and nonresidents.

I am pleased that the Court has ruled justly on the cases pertaining to the New York legislation. However, we must work to prevent this type of discrimination in the future and prevent any attempt to appeal this ruling.

And, rather than discriminating against New Jersey residents, Governor Pataki should welcome New Jersey residents and other out-of-state commuters with open arms. Our residents help New York businesses to thrive, and thereby foster the growth and prosperity of New York City and the entire State, in turn. Moreover, these New Jersey residents generate revenue for New York by eating in restaurants, shopping in stores, and engaging in other local commerce. Repealing the commuter tax for New York commuters alone is blatant discrimination that would only discourage New Jersey residents from supporting New York's businesses.

And, we all know that New York residents enjoy the beaches and recreational opportunities New Jersey offers. New Jersey does not unfairly discriminate against New York residents taking advantage of our wonderful natural resources. Nor do we intend to do any such thing.

For these reasons, I am here today to join my colleagues in protesting New York's attempt to repeal this commuter tax for in-state residents only. This repeal for in-state residents alone violates the Interstate Commerce Clause and amounts to discrimination for out-of-state residents, primarily in my home state of New Jersey as well as Connecticut. I will not tolerate discrimination of residents in my home state—or anywhere—and will stand by those who protest this type of discrimination.

I pledge to do my part to permanently resolve this problem. That is why I have cosponsored the anti-discrimination legislation before us, H.R. 2014, that would prohibit a state—in this and in all cases—from imposing a discriminatory commuter tax on nonresidents. I urge my colleagues to join me in supporting this bill, which I hope will pass overwhelmingly in the House and Senate.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today in support of H.R. 2014, legislation which would prohibit any state from levying discriminatory taxes on commuters from other states. I am pleased to be an original cosponsor of this bill, and commend my colleague from New Jersey, Mr. FRANKS, for introducing this legislation.

We are here today as a result of New York State's decision to selectively repeal the New York City Commuter Tax, which sets a troubling precedent that other states or cities will likely choose to follow.

Already, other cities have begun to view commuters as a cash cow. A Baltimore, Maryland, mayoral hopeful has raised the possibility of levying a commuter tax on individuals who work in Baltimore but live outside the city limits.

On Friday, the New York State Supreme Court declared the tax unconstitutional for New Jersey's commuters. However, New York City has already vowed to appeal this decision. Despite this temporary reprieve for New Jersey commuters, this matter is far from resolved.

That is why we must pass H.R. 2014 today. It will prevent New York, or any other state, from taxing commuters unfairly—and in a New York minute, it would end the Big Apple's discrimination against 240,000 New Jersey residents.

Mr. Speaker, the poem on the base of New York City's Statue of Liberty reads, "Give me your tired, your poor, your huddled masses yearning to breathe free." It seems that poet Emma Lazarus could have been talking about New Jersey's commuters, who are tired of bearing this unfair tax burden.

New York State's action deserves a Bronx cheer. Let's pass this legislation today.

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

Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 2014.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXPRESSING SENSE OF HOUSE CONDEMNING ACTS OF VIOLENCE AT THREE SACRAMENTO, CALIFORNIA, SYNAGOGUES

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 226) expressing the sense of the House of Representatives condemning the acts of arson at three Sacramento, California, area synagogues on June 18, 1999, and affirming its opposition to such crimes.

The Clerk read as follows:

H. RES. 226

Whereas on the evening of June 18, 1999, in Sacramento, California, the Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center were victims of malicious and cowardly acts of arson;

Whereas such crimes against our institutions of faith are crimes against us all;

Whereas we have celebrated since our Nation's birth the rich and colorful diversity of its people, and the sanctity of a free and democratic society;

Whereas the liberties Americans enjoy are attributed in large part to the courage and determination of visionaries who made great strides in overcoming the barriers of oppression, intolerance, and discrimination in order to ensure fair and equal treatment for every American by every American;

Whereas this type of unacceptable behavior is a direct assault upon the fundamental rights of all Americans who cherish their freedom of religion; and

Whereas every Member of Congress serves in part as a role model and bears a responsibility to protect and honor the multitude of cultural institutions and traditions we enjoy in the United States of America: Now, therefore, be it

Resolved, That the House of Representatives—

(1) condemns the crimes that occurred in Sacramento, California, at Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center on the evening of June 18, 1999;

(2) rejects such acts of intolerance and malice in our society and interprets such attacks on cultural and religious institutions as an attack on all Americans;

(3) in the strongest terms possible, is committed to using Federal law enforcement personnel and resources to identify the persons who committed these heinous acts and bring them to justice in a swift and deliberate manner;

(4) recognizes and applauds the residents of the Sacramento, California, area who have so quickly joined together to lend support and assistance to the victims of these despicable crimes, and remain committed to preserving the freedom of religion of all members of the community; and

(5) calls upon all Americans to categorically reject similar acts crimes of hate and intolerance.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 226.

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

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. OSE) and ask unanimous consent that he may be permitted to control that time.

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

There was no objection.

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

Mr. Speaker, I rise today in support of House Resolution 226. I am bringing House Resolution 226 to the House floor with strong bipartisan support and 75 cosponsors. In addition, I want to applaud my colleagues, the gentleman from California (Mr. MATSUI) and the gentleman from California (Mr. POMBO) for their hard work in helping me get this bill to the floor with such strong support. This resolution condemns the recent acts of arson at three Sacramento synagogues.

Mr. Speaker, I am saddened today that I have to be here on the House floor to speak about this tragic event. However, this resolution is necessary due to the cowardly acts of arsonists still at large.

On the evening of June 18, three Sacramento area synagogues, the Congregation B'nai Israel, Congregation Beth Shalom, and the Kenesset Israel Torah Center, were targeted and set on fire by one or more arsonists, causing more than $1 million in damage. While the damage to property was severe, no dollar amount can reflect the true damage done when vicious crimes such as these strike a community.

Sacramento and the surrounding communities have banded together to denounce these acts of arson and to raise money to rebuild the damaged synagogues. While these steps by the community are to be applauded, as Members of Congress, we must stand together and condemn these acts to ensure that similar events do not take place in the future in other communities throughout this Nation.

These malicious deeds are reminiscent of the church burnings that occurred in 1996 throughout the south. The event that took place in Northern California earlier this month illustrates that such crimes are, unfortunately, still possible.

This resolution expresses our resolve to ensure that such acts of ignorance and bigotry will not be tolerated and those who commit them will be brought quickly to justice. It condemns these specific acts of arson in the Sacramento area, while also affirming our strong opposition to all such crimes of intolerance. It states in the strongest terms possible that we are committing Federal law enforcement personnel and resources to identify the persons who committed these heinous acts and bring them swiftly to justice.

Mr. Speaker, it is still disturbing that while great men and women in our Nation's history had the courage and determination to strive to overcome the barriers of oppression, intolerance, and discrimination in order to ensure fair and equal treatment for every American, acts of such malice as these occur even now as we approach the 21st Century.

Mr. Speaker, I ask my colleagues to join me in showing condemnation of the recent arson of three Sacramento synagogues and lend their support to House Resolution 226 on the floor today.

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

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

Mr. Speaker, I rise in support of this resolution. In 1963, the 16th Street Baptist Church in Birmingham, Alabama, was dynamited by the Ku Klux Klan. The killing of four African American girls preparing for a religious ceremony, shocked the Nation and acted as a catalyst for much of the civil rights movement.

Last week, under the cover of darkness, three Sacramento area synagogues were targeted and set ablaze in equally cowardly acts of hate. I rise to condemn these and all similar acts of hate that should shock and shame our National conscience.

This atrocity, like the wave of church burnings across the South, illustrates the need for continued vigilance for this resolution and for the passage of the hate crimes prevention act of 1999.

This legislation will make it easier for Federal authorities to prosecute racial, religious, and ethnic violence, in the same way that the Church Arson Prevention Act of 1996 helped Federal

prosecutors combat church arson, by loosening the unduly rigid jurisdictional requirements under Federal law for prosecuting such arson.

Under this legislation, the States will continue to take the lead in the prosecution of the more than 50,000 hate crimes reported since 1997, but the Justice Department will be able to provide the backup and resources necessary to ensure that such hate crimes do not go unpunished.

As Members of Congress, the synagogue arsons give us further notice that our work in addressing hate crimes is not complete. We should move forward on pending legislation.

I encourage the Sacramento community to stand together and to rebuild the fabric of its community. From the ashes of hate, let us build the garden of hope and unity. I urge the passage of this resolution.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. MATSUI) and I ask unanimous consent that he be permitted to manage the remainder of the time.

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

There was no objection.

Mr. OSE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, most of my friends know that I had the privilege of spending a decade of my life in Sacramento while serving as a member of the State legislature between 1968 and 1978. During that time, Sacramento virtually became, for Arlene and myself, our second home.

The moment I heard of this horrid act, I could not help but immediately call my brother-in-law, who is a part of the Jewish community in Sacramento, Bill Brodovsky, and share our own concern about this expression of violence in our society.

It is very, very clear that the fringe elements who are involved in this kind of vicious act are a very small number in our society. They reflect those people who are motivated by fear. We cannot allow the worst in our society to dominate any piece of our society.

So I want to express my deep appreciation to the gentleman from California (Mr. OSE) and the gentleman from California (Mr. MATSUI) for the effort they put together here in a bipartisan, nonpartisan sense to make sure that the Congress' voice, this Hall of Freedom's voice, is heard clearly.

Beyond that, Mr. Speaker, the reaction in Sacramento is so impressive. The best of the community has come forth, of all faiths. People of all backgrounds who believe in that community are coming together in a level of unity we have not seen for years. It is a reflection of the best of America, a credit to Sacramento, and indeed, it is a credit to those who represent Sacramento here in the House.

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

Mr. Speaker, I would like to thank the gentleman from California (Mr. LEWIS) for those comments that he just made. He has been a distinguished Member of Congress, and certainly in the State assembly when he was there, and we appreciate his efforts.

Mr. Speaker, I rise in support of this resolution. I would like to express my gratitude that it is being considered by the House with such dispatch. I appreciate the leadership for bringing this up in a very timely fashion. This is a very important issue to Sacramento and actually all Americans who abhor intolerance.

Mr. Speaker, I would like to thank my California colleagues, the gentleman from California (Mr. OSE), the gentleman from California (Mr. DOOLITTLE), the gentleman from California (Mr. POMBO), the gentleman from California (Mr. HERGER), the gentleman from California (Mr. CONDIT), the gentleman from California (Mr. THOMPSON), and the gentlewoman from California (Ms. WOOLSEY), and many others who have given us the strong support from Sacramento County. We appreciate their concern very much. Also the gentleman from California (Mr. LANTOS), who has been at the forefront on the issue of fighting hate crimes in America.

On June 18, Mr. Speaker, under cover of darkness, at 3 in the morning, a cowardly act was committed against three Sacramento synagogues. Within a period of 45 minutes, Congregation B'nai Israel, Congregation Beth Shalom and Kenesset Israel Torah Center were set afire in an act of deliberate and premeditated hate. Our hearts went out to Rabbi Brad Bloom, Rabbi Joseph Melamed, Rabbi Stuart Rosen, Rabbi Mona Alfi and all of their Congregations when we heard what happened.

In all, over $1.2 million in damages was done to these three temples. But even more than the dollar amount, there was the destruction of over 5,000 books, many of which are irreplaceable, from which the hundreds of congregants and children studied Bar and Bat Mitzvahs. And now the memories of these ceremonies, the traditions practiced, and the rites of passage experienced by so many will be forever altered. This was the largest collection of works actually west of the Mississippi, all destroyed by the arsonists and hate criminals.

Some individuals during this evening placed their own lives in jeopardy to save sacred Torahs. Many rushed into the burning buildings, alerting fire fighters of the places where the sacred texts could be found. Every Torah was saved, including several that had already been rescued from European synagogues destroyed during the Holocaust. Even in the dark of night there were heroes in Sacramento to be found.

It matters little in which community these acts occur, because the injury is borne by everyone who values American principles of religious freedom and diversity. The responsibility to condemn these acts is shared by all of us. When an act of destruction is committed at any institution of faith, there are wounds and wounds run very deep. But what helps us is there is somebody to be there with you, and today, through this resolution, on a bipartisan basis, we send the message that bigotry and hate will not be tolerated and that we choose to stand together as people who celebrate and embrace our religious freedom and join with those who would heal our communities when others seek to divide us.

Mr. Speaker, Sacramento has been a perfect example, an inspiration of how a community must respond when such acts occur. The reaction was so swift and overwhelming in support of the Sacramento Jewish community. Just a week ago last night, over 5,000 people from every corner of our community gathered together to renew our community fabric. Over 50 public officials, including Mayor Joe Serna attended; the entire Sacramento City Council, including Councilman Jimmie Yee, whose own home had been firebombed in 1993, the County Board of Supervisors, and every member of every clergy in our community was there to lend support. Abe Foxman, the national director of the Anti-Defamation League and a Holocaust survivor, flew in from New York to be there. Seventeen people in all spoke during this three hour community service.

There was not a single element in our community unrepresented, and the effect was powerful and the message was clear. Plans are already in motion to not only rebuild the targeted synagogues, but also to build them a Museum of Tolerance so we can learn from this experience and grow from it.

□ 1615

A proposal has been made to reinstate a program called ''A World of Difference'' to teach children in our public schools about culture diversity throughout the world and the need for tolerance. Secretary Andrew Cuomo came to Sacramento to announce that the Department of Housing and Urban Development will be able to use a special fund to guarantee loans to rebuild those temples.

By supporting this resolution, Mr. Speaker, we as Members of Congress call attention to these efforts to make our communities whole and to reaffirm our opposition to cowardly acts of hate.

When I heard of these attacks early in the morning on June 18, I recalled Crystal Night. Many of my colleagues are familiar with that terrible night in 1938 when non-Jews across Europe took to the streets, often going to neighboring towns where they were not known, to shatter the windows of synagogues and the windows of homes and shops of Jews. The message was, ''You are not welcome here.'' It was a pivotal

moment in the emergence and acceptance of the rise of anti-Semitism in Europe.

Well, that night was not and will never be repeated as long as communities such as Sacramento come together in the way it did in the wake of this terrible affront to all of us.

Let me quote in conclusion, Mr. Speaker, from the Reverend Martin Niemoller, who had the belief that the community was responsible for its own members. He was an outspoken advocate of accepting collective guilt for what happened to the Jews during the Holocaust. He said, ''In Germany, the Nazis came first for the Communists, and I didn't speak up because I was not a Communist. Then they came for the Jews, and I didn't speak up because I was not a Jew. Then they came up for the trade unionists, and I didn't speak up because I was not a trade unionist. Then they came for me, and by that time there was no one to speak up for anyone.''

That is why we are here today to support this joint resolution on a bipartisan basis, and I urge the adoption of it.

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

Mr. OSE. Mr. Speaker, I yield 3½ minutes to the gentleman from New York (Mr. GILMAN).

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I rise in strong support of this measure, H. Res. 226, and hopefully this resolution will help us to take an important step in a very important issue, the end to anti-Semitism and crimes of hate in our Nation.

I commend my colleague, the gentleman from California (Mr. OSE), and his California colleagues whose efforts and hard work have brought this issue to the floor today.

As has been noted, on the evening of June 18, 1999, just a few weeks ago, the congregations of B'Nai Israel, Beth Shalom, and Knesset Israel Torah Center in Sacramento fell victim to vicious actions of hatred as they watched their synagogues burn to the ground.

Today, we rise to reject such malicious actions of intolerance in our society and send a message to those who inflict crimes of hate on cultural and religious institutions as attacks on all of us. This resolution recognizes and applauds the Sacramento residents who have lent their support and assistance to the members of the synagogues and calls upon all Americans to categorically reject similar crimes of hate and intolerance. We must commit our Federal law enforcement personnel and resources to identify the individuals who committed these malicious arsons and bring them to justice.

The synagogue not only serves as a place of prayer but also as an icon for the Jewish community. It serves as a home away from home and a place where congregants join in prayer in times of joy and tragedy. It is essential that we protect our Jewish communities by punishing and condemning those who pose a threat to these places of worship and to any places of worship throughout our land.

Public demonstrations of anti-Semitism in our Nation have skyrocketed over the past 20 years. Our Nation has gone from 489 incidents per year of anti-semitic vandalism, harassments, threats and assaults in 1980 to a horrifying 1,611 incidents just this past year. And in a time which is supposed to be honored by racial and ethnic tolerance, it is yet to be seen in the Jewish community. Many of these anti-semitic acts have been directed at synagogues, the Jewish place of prayer.

With the recent tragedy in Sacramento of three synagogues who were attacked by firebombs, there is no better time to deal with this issue than now. In the past 5 years there have been 39 displays of arson attacks on synagogues. These actions of anti-Semitism are unacceptable. It is our duty to deem these actions intolerable by condemning and by enacting not only proper resolutions but also by properly enforcing our laws.

The misconception of hate crimes are that they affect only the group they are directed toward. But everyone is affected by hate crimes, not just the victims.

In closing, let me note that about 5 years ago many of our colleagues joined with me to renounce the fire bombings of African American churches then plaguing the south. That was just as much an assault on the rights of all of us as these recent cowardly acts in Sacramento. Denying anyone the freedom to worship is a threat to the freedom of all of us. As Martin Luther King, Jr., often reminded us, an act of hatred directed toward one group affects all groups.

With this in mind, let us come together as a country and condemn all acts of hatred.

Mr. MATSUI. Mr. Speaker, may I inquire of the time I have remaining?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from California (Mr. MATSUI) has 11½ minutes remaining.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. LEWIS), the civil rights leader of America.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentleman from California (Mr. OSE) and the gentleman from California (Mr. MATSUI) for bringing this resolution to the floor. I rise to support this resolution and to condemn the acts of hatred and intolerance which require it.

Mr. Speaker, we live in a country rich with diversity. It has been described as a melting pot, a mosaic, a tapestry. But what unites us as a Nation and as a people is our belief in our constitutional democracy and the right of all our citizens to live, work and worship in peace. We are black and white, red and yellow and brown. We are Christians, Muslims, Jewish, Hindu, Buddhists and much, much more. More importantly, we are Americans.

The attacks on three synagogues in Sacramento, California, last week may have been directed against those of the Jewish faith, but they are not, they are an attack against all of us. They are an attack against America and all that she stands for. They are an attack on our constitution, our liberty and our freedom.

Mr. Speaker, if this was an attack against Jews, then I am a Jew, for an act of violence against a synagogue is an attack on the church, an attack on the mosque, an attack on the temple. I, for one, will not sit idly by. I will not sit silent. The people who committed this crime will be caught, and they will be punished. Let the word go forth from this House, from this place, this day that there is no place in our great Nation for hatred, intolerance or discrimination. Let us say today through this resolution that we are one Nation, one House, one family, the American House, the American family.

Mr. OSE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. POMBO).

Mr. POMBO. Mr. Speaker, I would like to rise in strong support of this resolution. And I know that all the Members of the House have a great concern over what happened in Sacramento, but I would like to point out two of my colleagues, the gentleman from California (Mr. MATSUI) and the gentleman from California (Mr. OSE), who immediately saw the value in bringing this resolution to the floor.

Last week three synagogues were burned in Sacramento, just a short distance away from my district. Unfortunately, crimes and especially ones of hate and bigotry are nothing new in this day and age, but for me this act of violence has hit way too close to home.

We now know, especially after the events of World War II, that when a synagogue is burned, not only is it an attack on the worshipers of that synagogue, it is an attack on the decency and tolerance and the most basic of human rights. When a criminal burns a synagogue or any place of worship, he or she is directly assaulting our Constitution's first amendment, freedom of speech, which directly protects our freedom of religion.

I appreciate the work that my colleagues, the civic and religious leaders in our community, including Rabbi Jason Gwasdoff of Temple Israel in Stockton, and all that my constituents have done as a result of these particularly disturbing crimes. They have truly come together as partners and peacemakers.

Hatred is nurtured by indifference. It is often said that the easiest way for evil to triumph is for good men to do nothing, and I firmly believe this to be true. In light of all these senseless acts

of hatred, I call on all Americans to rededicate themselves to the daily process of promoting peaceful co-existence and tolerance, from the House of Representatives to houses across this country, to prevent crimes like these from happening again.

Mr. Speaker, I submit for the RECORD the comments given on the steps of the Stockton City Hall on June 22, 1999, by Rabbi Jason Gwasdoff of Temple Israel.

Last Friday I was awakened by the telephone at about 7:15 a.m. When the phone rings at that hour in my house, it usually means that something is wrong, that someone in my congregation has died, or has been rushed to the hospital, or that some bad thing has befallen a member of my own family.

The voice at the other end of the line was Karma, our Temple administrator. She told me briefly of the events that transpired in Sacramento earlier that morning, about the unbelievable news of three synagogues firebombed in the space of 45 minutes.

I turned on my television to catch the news and I saw a horrifying sight. It was a synagogue building totally engulfed in flames, a building I had visited just a few months ago while visiting a friend and colleague who leads that congregation.

As you can imagine I was shocked and dismayed by what I saw. I felt a rush of emotion . . . anger, sadness, disbelief.

No, it was not the first time I have seen footage of synagogues in flames. That scene, unfortunately, is far too familiar. You see, I've seen, like many here, I'm sure, the documentaries on the Holocaust, and I've visited the museums and exhibits. The history we know.

Fifty years ago in Europe, almost all of the synagogues were burned, a precursor to the extermination of two-thirds of European Jewry, six million men, women, and children—murdered.

But this was different. I was not watching documentary footage, and these events were not 50 years, a full continent, and an ocean away. This was happening right here and now, just an hour away, on our back doorstep, in Sacramento, in this great State of California where I was born and raised, in our country of freedom and democracy and pluralism, the United States of America.

Yes, this sight of a synagogue in flames was very different indeed and it had an entirely different meaning.

When I went to my office later that morning, the inevitable calls started coming in, the local newspaper and television media asking for a statement, members of my congregation who heard the news and wanted to talk or wondered aloud what we could do to help.

What I didn't expect or anticipate, however, was the calls and visits from fellow clergy from the interfaith community expressing their concern and support and outrage. They wanted to make sure that I was O.K., and they wanted me to know that they cared. It was a wonderful outpouring of love and fellowship, a recognition that we are united in our mutual concern for one another, and united on our zealousness to safeguard the values upon which our country is built.

Three synagogues were burned in Sacramento, an hour away, but the message I was hearing loud and clear is that we are all in this together. Anti-Semitism and bigotry, of all kinds, is nothing new, but we know now, especially after the events of WWII and after the events of these past few months in Kosovo, that when you burn a synagogue in Sacramento, you are not only attacking the Jewish people, you are attacking decency and tolerance and the most basic of human rights. When you burn a synagogue, you are attacking freedom of worship, and freedom from fear, freedom to raise our children to love God and to see God's face reflected in the faces of fellow human beings.

I am moved by the presence of my clergy colleagues here today, and I thank you, my Christian and Catholic and Muslim friends, and I am thankful for the presence of these community leaders and fellow citizens, who have come out to these steps to stand together in solidarity to make a statement against hatred and intolerance. It has no place in our community, not in Sacramento, and not in Stockton, not anywhere in our state or nation. We send a united message today to the outlaws and hate mongers, wherever they are, that such acts will not be tolerated.

The difference between a synagogue burning in Europe 50 years ago, and a synagogue burning in Sacramento last week, is that we now have a government, and community and religious leaders who will respond, and who will stand with us—who will not tolerate these kinds of acts. Bigotry is nurtured by indifference. There is no indifference in this gathering today. And neither are we afraid. The message that I gave to my congregation last Friday night, and the one I want to repeat here today, is that they will not be intimidated.

The best way to respond to these senseless acts of hatred is to be strengthened in our resolve . . . to continue to worship and celebrate and to cherish our rich heritage, people of all faiths, and all walks of life, and to sew the seeds of righteousness. That is what we will do, that is what we must do.

We will teach our children to be proud Americans, and, in my community, to be proud Jews. We will teach them that they are lucky to live in a country and in a time when they do not have to be afraid.

There is a famous saying in Jewish tradition that the whole world is a very narrow bridge, and the most important thing is not to be afraid. We walk together you and I, and all people, on the same narrow bridge, for this is a small world that we must learn to share.

But when we support each other, when we stand united, as we do today, there is no reason for us to be afraid.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, I rise in support of this resolution and to express my personal outrage over the recent arson attacks on three synagogues in the Sacramento area.

It is hard to imagine a more depraved and senseless act of violence than the destruction of a place of worship. These arsons struck at the very heart and soul of the Jewish community, but the pain and anguish of these fires can be felt here in Washington as well and throughout our Nation by people of all religions, all races and all creeds, people who value acceptance, who value diversity and religious freedom.

Whether or not these arsons were coordinated, it is clear that hateful hostility was the driving force behind these reprehensible incidents. They must and they will stop.

Every family has a right to expect that when they walk into a church, a synagogue or a mosque or any place of worship, they will find a place of prayer and quiet contemplation and not the charred remnants of a hateful act perpetrated by cowards in the night. We must work together as a Nation to safeguard the right of every American to pray in safety in their own house of worship.

That is what America stands for. That is why thousands of Americans have laid down their lives over the centuries, Mr. Speaker, to protect the lives of all Americans; to protect their right to worship as they choose, if they choose; to worship in safety; to worship in peace and free of violence. To succeed in making our society free of hate, racism and discrimination, we cannot tolerate random acts. We must punish these folks based on hateful crimes.

Mr. Speaker, I support this resolution. I want the rest of the Congress to support this resolution and to pass legislation that will help prevent and put a stop to these hate crimes once and for all.

Mr. OSE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. Mr. Speaker, it is my honor to rise today in support of this resolution, and I want to thank the gentleman from California (Mr. OSE) and the gentleman from California (Mr. MATSUI) for bringing this resolution up.

Mr. Speaker, I am proud to be a cosponsor of this resolution , and I want to thank my colleagues who will support this resolution, I am sure, and send a very clear and distinct message. I think we need to clearly define our opposition to the stupidity and the ignorance of the actions that have occurred around Sacramento, and not only for the Jewish community alone but for everyone of faith, to identify the fact that religious intolerance is something this country was founded to oppose.

It is all too often in the recent past that we have seen acts of violence against religious institutions. And it does not matter, Mr. Speaker, under our Constitution, if that religious institution is Jewish, is Muslim, is Christian or is Buddhist. It is the concept that those of us in the United States have not only the absolute right but we have the responsibility to express ourselves in a spiritual way and to express our religious feelings, not in hiding down in some catacomb but in the open and in the bright daylight, and that our churches, our synagogues, our mosques, and our temples need to be made a figure of appreciation, not a target of violent, stupid attacks.

☐ 1630

I am grateful for the chance to be able to articulate that issue. But let me just say strongly I think the people of Sacramento have built on this tragedy by identifying that they want to not only rebuild the synagogues but also to create a museum of tolerance to

point out the need for religious tolerance in this society.

I want to thank both my colleagues again for bringing this up, because it gives us the chance to remind ourselves that religious tolerance is one of the building blocks that make this country as great as it is today.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California (Mr. FARR) the chair of the California Congressional Delegation.

Mr. FARR of California. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, in an area where we often have political debate, this is one where we have bipartisan unanimity. And I appreciate it.

I rise today on behalf of the citizens of the central coast of California to condemn the despicable arson attacks on the three synagogues in our State's capital in Sacramento. This was unquestionably an act of domestic terrorism, one that strikes at the very heart of America's founding principles, the principles of freedom and tolerance toward all.

The destruction of these houses of worship, which should be safe havens, free of violence, was truly an act of cowards. While this tremendously sad loss for congregations affects us, we have to look at the citizens of Sacramento and the reactions of those citizens that have proven that the perpetrators will never, never succeed in their mission to terrify and silence the Jewish community.

I have been heartened to watch the people of all religions and ethnicities come together to rebuild the synagogues, at the same time, really to rebuild the community spirit and our spirit as a Nation. Let us make it clear that this act has not torn this community apart but has united and energized them to preserve our fundamental right to freedom of religion. I honor their effort. On behalf of the constituents, I urge all law enforcement agencies involved to work together and to bring the criminals to swift justice.

Mr. MATSUI. Mr. Speaker, may I inquire of the Speaker the remaining time on my side?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from California (Mr. MATSUI) has 8 minutes remaining. The gentleman from California (Mr. OSE) has 4½ minutes remaining.

Mr. OSE. Mr. Speaker, I know of no other Members on my side who wish to speak. I yield 4 minutes to the gentleman from California (Mr. MATSUI), and I reserve the right to close.

The SPEAKER pro tempore. The Chair corrects itself. The gentleman from California (Mr. MATSUI) has 6 minutes remaining and has just been yielded an additional 4 minutes.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE) a great leader in civil rights.

(Ms. JACKSON–LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, let me thank both the gentlemen from California for their kindness and, as well, the opportunity to come to this floor and in a most humble, bipartisan manner.

I notice that the legislation talks about the acts of arson in Sacramento, California. But I rise, coming from Texas, to simply say that this vote, this statement today on the floor of the House, is a signal that the United States Congress collectively, with all backgrounds of religion, stands against this kind of hatred and religious persecution.

We will not tolerate anyone believing that we would allow the simple law enforcement, and I know they are working steadfastly in California, the community of Sacramento, the religious institutions of California, to themselves suffer this burden alone. It is important for us to acknowledge that, under this flag and this floor of our glorious Nation, that we believe that religious freedom is the utmost of rights and privileges and the hateful acts of attacking a synagogue stands as an attack against me and all of my constituents and all of those across this Nation.

Just 2 years ago, I had to face, as an African-American, the ugly hatred of religious persecution and racism with respect to attacks on black churches. All of the Nation rose up. The Jewish community was particularly strong and supportive, understanding what occurs. That is the kind of brotherhood and sisterhood this resolution represents, that we want all to hear that we will find them wherever they are and will always stand in the way of religious persecution.

I also believe, Mr. Speaker, that this is an appropriate time that we can join together and have hearings on the Hate Crimes Act and pass that legislation, because that will be the final capping, if you will, that we will not tolerate these kinds of acts.

To my law enforcement friends I say, find them, prosecute them, and let them understand that the Constitution of the United States and the resolution we pass today stands as a united document with the united people. We stand together for religious freedom, for religious opportunity, and for the Constitution and the beauty of this Nation that we all are created equal.

Mr. Speaker. I rise in support of this resolution but must also state that we need to do more. Instead let's have a hearing for H.R. 1082, the "Hate Crime Prevention Act of 1999", and pass this legislation as expeditiously as possible.

I am not against the condemnation of the arson that was committed on the Sacramento California area Synagogues. In actuality, I too speak out against this horrendous crime. This is not the first time that we have presented a resolution in the House. We saw this with H. Con. Res. 187 condemning the 156 fires in houses of worship across the nation since October 1991; whereas there had been at least 35 fires of suspicious origin at churches serving African American communities.

Of the 10,496 victims in 1995, 68 percent were targets of crimes against persons. Six of every 10 victims were attacked because of race, with bias against blacks accounting for 38 percent of the total. Only crimes motivated by religious bias showed a higher percentage of crimes against property rather than persons. Sixty-two percent of incidents involving victims targeted because of their religion involved crimes against property.

Let's do away with expressing the sense of condemnation and put forward legislative action that will remedy these senseless acts of crime. I stand here today to say let's pass H.R. 1082, Hate Crime Prevention Act of 1999.

This bill will amend the Federal criminal code to set penalties for persons who, whether or not acting under color of law, willfully cause bodily injury to any person or, through the use of fire, a firearm, or an explosive device, attempt to cause such injury, because of the actual or perceived: (1) race, color, religion, or national origin of any person; or (2) religion, gender, sexual orientation, or disability of any person, where in connection with the offense, the defendant or the victim travels in interstate or foreign commerce, uses a facility or instrumentality of interstate or foreign commerce, or engages in any activity affecting interstate or foreign commerce, or where the offense is in or affects interstate or foreign commerce.

Mr. Speaker, let me reiterate my support for this resolution to express a sense of condemnation. But I say we need to have a hearing and pass H.R. 1082, "The Hate Crime Prevention Act of 1999". It is by passing this legislation we can be known as a House of action rather than one of rhetoric.

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

Mr. Speaker, before I call my last speaker, the gentleman from California (Mr. LANTOS), I would just like to take this opportunity, as I said earlier, to thank the leadership for bringing this matter to the floor.

I would like to thank the gentleman from California (Mr. OSE), the gentleman from California (Mr. POMBO), the gentleman from California (Mr. HERGER), the gentleman from California (Mr. DOOLITTLE), the gentleman from California (Mr. CONDIT) and the gentleman from California (Mr. THOMPSON) for being a unified Northern California delegation in favor of this resolution, but particularly the gentleman from California (Mr. OSE) who has taken the lead on this issue as a new Member of the House of Representatives.

I also would like to thank the gentleman from Michigan (Mr. CONYERS) of the Committee on the Judiciary for yielding time to me to handle this legislation.

Mr. Speaker, I yield the balance of the time to the gentleman from California (Mr. LANTOS), who is a gentleman who has been well-known as an expert on the Holocaust, somebody that all of us in this institution have a great deal of respect for, and really one of the leaders in the area of anti-hate crimes, and in the area of tolerance in America.

Mr. LANTOS. Mr. Speaker, let me first express my deep appreciation to my dear friend the gentleman from California (Mr. MATSUI) and to my new friend the gentleman from California (Mr. OSE) for taking the leadership on this most important issue.

Let me identify myself, Mr. Speaker, with all of the comments across the political spectrum that we have heard on this issue today.

This great magnificent and free society has many pillars on which to stand but none more important than freedom of religion and the respect for religion. And when I say ''religion,'' I mean all faiths.

It was not too long ago that we stood in this chamber talking about the burning of black churches in the South. While we have made enormous progress in recent years in tolerance of all kinds, this past year there were 8,000 hate crimes committed in the United States, hate crimes motivated by intolerance, non-acceptance, dislike for people of a different gender, pigmentation, national origin, sexual orientation, and religion.

Today we are here to express the united voice of this body in recommitting ourselves to the concept of religious freedom and to the absolute necessity of showing, in word and in deed, respect for all of our fellow citizens of whatever religious faith they may hold.

Mr. Speaker, words of hate lead to acts of hate; and acts of hate, in their extreme form, escalate to mass murder, genocide, and holocaust. For the last 10 or 11 weeks, every night when we went home and watched our television, we were watching this incredible spectacle in 1999 of old men and old women and little children and pregnant women being driven out of Kosovo because of their Muslim faith, and we were horrified and we are horrified daily as the new evidence of brutal murder and mass rape are uncovered in hamlets and villages across Kosovo.

We do not want to go down that road. This society, built on religious freedom, this society, built on the respect for the individual, must condemn with all the power at our command the monsters who have perpetrated this act of torching places of worship. No words are strong enough, Mr. Speaker, to denounce them. These are the scum of our society who are taking advantage of the freedom we all enjoy to express their hate for people of different ethnicity, religion, sex, or other aspect of their being.

No action by this Congress, however weighty matters we may be dealing with, is as important in preserving our society than the action we will be taking on this resolution. We will stand united in saying such things are not acceptable and will not be accepted by the American people or the Congress of the United States.

Mr. OSE. Mr. Speaker, may I inquire as to the time remaining?

The SPEAKER pro tempore. The gentleman from California (Mr. OSE) has 4 minutes remaining.

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

Mr. Speaker, this Sacramento Bee article is about Carmichael Congregation Beth Shalom's Rabbi Joseph Melamed, who was set to retire 6 days before his synagogue burned.

I would like to read a portion of this article discussing the Rabbi's courage and faith in the midst of this extreme adversity. These are the Rabbi's own words shortly after the arson of his synagogue.

''It is dangerous to society. It is a step backward in our civilization if this is how we are going to conduct our affairs. We declare our enemy without even seeing his face. That to me is an insult.''

Mr. Speaker, let us reflect on the comments of Rabbi Melamed as we vote to condemn these cowardly acts of arson on the House floor today.

RETIRING RABBI TEACHES PEACE, NOT RETRIBUTION

(By Jan Ferris, Bee Religion Writer—Published June 20, 1999)

Rabbi Joseph Melamed of Congregation Beth Shalom has lived a life rich in contrast.

He was a grade-skipping child prodigy and a teenage paramilitary guard in the waning days of British-occupied Palestine. A lover of literature and an intelligence officer in the Israeli Air Force. A Jew who shed his Orthodox roots early on for a more modern way.

Since Friday's arson attack on his Carmichael synagogue, the 65-year-old cleric is once again on divergent paths: Comforter and healer for a congregation felled by hate, and celebrated spiritual leader who—in just six days—will lead his last Sabbath services before retiring.

The timing couldn't have been worse.

''We would have preferred a cake and candles,'' Beth Shalom member Don Aron said dryly, as he stood next to the police tape surrounding the building Friday.

And yet, because of Melamed's gentle touch, and his ability to turn even the most heart-rending war story or current event into a parable on peace, many temple-goers say they're grateful he's still around.

Even in his Shabbat message Friday night, delivered at another area synagogue that loaned worship space, Melamed spoke not of retribution but of the need to ''move ahead toward getting along with everybody,'' said Mozell Zarit, president of Beth Shalom.

''He has a wonderful way of looking at events . . . and to relate them to the world around us,'' she added.

Melamed has spent just a decade at Beth Shalom. But in that time, its membership has tripled to 220, with many more young families than in past years. The congregation moved into new quarters, with the words ''The Light of the Lord is the Soul of Man'' emblazoned on the large, brown wall facing El Camino Avenue. Hebrew, Jewish education and other classes for children and adults have flourished.

Jeff Levy and his family joined the temple shortly after Melamed arrived, drawn in large part by his warm spirit. Melamed—who earned his doctorate through Hebrew Union College in Cincinnati, and whose Carmichael living room boasts 13 bookcases—also possesses an ''incredible brain,'' especially on Jewish issues, Levy said.

But one of his lasting images of Melamed is of the diminutive cleric who, upon learning that Levy's son has begun studying martial arts, jumped in the air to demonstrate a mock karate kick.

''I'd never seen a rabbi do that before,'' Levy said. ''There's an attraction (to children) there.''

Melamed has three children by his last wife, Rachel. His own childhood was steeped in scholarship. Born in Baghdad, he moved with his family to Jerusalem a few years before World War II broke out. He was sent to heder, Jewish religious school for the young, at age 3. By age 5, he was reading from the Torah, the Hebrew Bible's first five books.

He spent one week in first grade and three days in third before fast-tracking to the fifth grade. By high school, Melamed became disenchanted with the ultra-Orthodox brand of Judaism practiced by his family. He began to read Russian, French and other non-religious writers. He fell in love with poetry. He attended high school at night and worked in a bookshop by day to pay his way, distanced from his family by his secular pursuits.

When he was 13, Melamed joined Haganah, an illegal paramilitary group that aimed to get the British out of then-Palestine. He learned how to handle grenades, pistols and other weapons.

''The idea of being underground was very appealing, very romantic,'' he recalled Friday, half-jokingly adding, ''It was a way to meet girls.''

When Israel's War of Independence broke out in 1948, Melamed and the other young soldiers in his unit helped guard the outskirts of Jerusalem. His commander was killed by Iraqi troops. ''It was my first encounter with real fear,'' he said of the whole ordeal.

Fast-forward a few years. Melamed was working in another bookstore, this time putting himself through college. Rabbinic students from the United States came in once or twice. He was intrigued by their modernity—in contrast to the long beards, head coverings and other Orthodox customs—and their ability to mesh the sacred and secular.

''You could actually be normal and look like everybody else and be a rabbi. This was not the kind of rabbi I was accustomed to,'' he said.

Within two weeks, Melamed was attending Cincinnati's Hebrew Union College, the main rabbinic training ground for the Reform movement, the least traditional of Judaism's three main branches. His first posting was to a synagogue in Panama, whose members were largely descendants of Spanish Jews who secretly kept their faith alive despite mandates to covert during the Inquisition.

He stayed in Panama 11 year, helping translate a Reform prayer book into Spanish. He taught Hebrew to the archbishop of Panama, and helped a Catholic university develop a department of Judaic studies.

Melamed then went to Congregation B'nai Israel in Frenso. One of the highlights of his decade there: a local TV show, ''A New Forum of Better Understanding,'' than ran weekly for six years, co-hosted by a Protestant pastor and Catholic priest.

''His message to us has never been insular. it's always been the community at large,'' said Jeff Levy. ''When he's talking about the community, he's not just talking about the Jewish community.''

That approach makes events like Friday's arson attack, which caused an estimated $100,000 in damage to Beth Shalom, all the more hurtful and mystifying—especially for Melamed.

''It is dangerous to society. it is a step backward in our civilization if this is how we are going to conduct our affairs,'' said Melamed. ''We declare our enemy without even seeing his face. That to me is an insult.''

With a batmitzvah or coming-of-age ceremony for a teenage congregant Saturday morning, a final service to prepare and packing to do, the rabbi's final days were busy enough. Duty called again at 4 a.m. Friday when he got the phone call bearing bad news.

His role, especially in the first days as the shock wears off, is to listen and comfort, he said.

''I have learned one thing: If in a time like this I cannot bring my total bearing to bear, when will I need it for?'' he said. ''I don't allow something like this to take me off balance, I cannot be a soldier fighting and worrying about something else.''

H. RES. 226—CONDEMNING ARSON OF THREE SYNAGOGUES IN CALIFORNIA

Mr. PORTER. Mr. Speaker, I rise today in support of H. Res. 219 and I want to thank the gentleman from California (Mr. LANTOS) for bringing this important resolution to the floor so quickly. The gentleman from California (Mr. LANTOS) and I have worked together for many years as Co-Chairs of the Congressional Human Rights Caucus fighting injustices, human rights abuses, and religious persecution around the world. I have spent many hours fighting for the rights of Jews in the former Soviet Union and other countries around the world. Nothing saddens me more than to stand here today and have to speak out about acts of religious discrimination which occurred in our own country.

On June 18th, three synagogues in the Sacramento area were set ablaze within minutes of each other. Pamphlets expressing anti-Semitic rhetoric were found at two of the three sites. The sole purpose of this act of hatred was to destroy Jewish places of worship, Jewish history and to create an atmosphere of fear within the Jewish community.

I commend the city of Sacramento, the state of California and the hundreds of individuals who have come forward in the past days, condemning these acts and lending their support to the congregations affected and the Jewish community as a whole. It is heartening to see that in the face of tragedy, the many who will come together and rise above the evil perpetrated by the few.

We must stand up and condemn all of the hate crimes which take place in this country and around the world. We can not expect to be the leaders of democracy and freedom around the world, if we allow actions such as the burning of synagogues to go unnoticed on our own soil.

Mr. HYDE. Mr. Speaker, three charred synagogues, the air thick with the smell of burned torahs, historical and religious books, videotapes, and pews, this was the scene on Friday, June 18, 1999, in the pre-dawn hours, at three Sacramento County, California synagogues, Temple B'nai Israel, Congregation Beth Shalom and Knesset Israel Torah Center. These houses of worship were set ablaze within the span of a half-hour. Law enforcement officials believe that the arson was coordinated by several people. It was reported that anti-Jewish fliers were found at two of the crime scenes.

Arson of a place of worship is reprehensible to us as a society. We in Congress are unanimous in our condemnation of those who would express their hatred by destroying or damaging religious property. When a synagogue is damaged, the blow is felt not only by the congregation members, but by all those whose lives are touched by it: the youth who show up for community activities, the homeless and hungry who line up for food. It is not just a despicable act of hatred and cowardice, it is not only an attack upon the Jewish community, it is an attack upon all of us. It eats at the fabric of our heritage and the history of our nation, as a country founded in the pursuit of freedom of religion. I invite my colleagues to join in supporting H. Res. 226 which condemns these heinous acts of arson at three California synagogues.

Ms. SCHAKOWSKY. Mr. Speaker, I rise today in strong support of a resolution condemning the acts of arson at three Sacramento, California area synagogues on June 18, 1999. The destruction done to Congregation B'nai Israel, Congregation Beth Shalom, and Kenesset Israel Torah Center was malicious and willful. I urge all of my colleagues to support the Resolution introduced by the gentleman from California, and denounce these acts of hate.

As a Jewish Member of Congress I am particularly sensitive to acts of anti-Semitism. The elected leaders of this great country must never permit these types of actions to occur. The Jewish community has endured a great deal of persecution throughout history, and as Members of Congress it is our responsibility to provide a strong voice of opposition to threatening acts of hate.

The people of the 9th Congressional District, whom I have the privilege to represent, pride themselves on the rich diversity that our district boasts. Diversity in the 9th Congressional District is seen as a unique attribute, not a threat. The recent acts of hate perpetrated in Sacramento are an insult to me and to all Americans who celebrate the diversity and ethnic traditions from which this country has benefited. An attack on any place of religious worship is a threat to the freedom of expression and religion that we all enjoy.

I applaud my colleagues who have taken a strong leadership role on this issue, and I would like to associate myself with the comments of those who have spoken on the House floor in support of this resolution. It is important for this body, and Americans across the country, to speak out against all crimes of hate. I am proud to support this resolution.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and agree to the resolution, H. Res. 226.

The question was taken.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

MAURINE B. NEUBERGER UNITED STATES POST OFFICE

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1327) to designate the United States Postal Service building located at 34480 Highway 101 South in Cloverdale, Oregon, as the ''Maurine B. Neuberger United States Post Office.''

The Clerk read as follows:

H.R. 1327

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

SECTION 1. DESIGNATION.

The United States Postal Service building located at 34480 Highway 101 South in Cloverdale, Oregon, shall be known and designated as the ''Maurine B. Neuberger United States Post Office''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Postal Service building referred to in section 1 shall be deemed to be a reference to the ''Maurine B. Neuberger United States Post Office''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. MCHUGH) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. MCHUGH).

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

Mr. Speaker, the bill under consideration today, H.R. 1327, was introduced on March 25, 1999, by the gentlewoman from Oregon (Ms. HOOLEY) and the Committee on Government Reform passed the measure by voice vote on June 24.

H.R. 1327 designates the United States Postal Service building located at 34480 Highway 101 South in Coverdale, Oregon, as the ''Maurine B. Neuberger United States Post Office.''

☐ 1645

Mr. Speaker, the bill is cosponsored by all members of the House delegation from the State of Oregon, pursuant to the long-standing policy of the Committee on Government Reform and Oversight. Also, as a point of information, post office naming bills do not affect direct spending or receipts; and, therefore, pay-as-you-go procedures do not apply.

Mr. Speaker, I would like to say a few words about the honoree of this proposal. Maurine B. Neuberger is an Oregonian to the core, having been born in Cloverdale, Oregon, in 1907, attending public school and completing her education at Oregon College of Education and the University of Oregon. She also attended the University of California at Los Angeles.

She met her future husband, Richard Neuberger, when she was teaching English and Physical Education in Oregon. He had just been elected to serve in the Oregon House of Representatives when he resigned to enlist in the Army during World War II. After his return, Maurine and Richard were married. He then won a seat in the State Senate

and Maurine also decided to run for public office. She won a seat in the Oregon House, making the Neubergers the first husband and wife team to serve simultaneously in the Oregon Legislature.

Maurine Neuberger did not seek reelection to the Oregon House when her husband was elected to the U.S. Senate in 1955. After her husband, the Senator, died unexpectedly from cancer in 1959, Maurine chose to run for her husband's seat in 1960 and won, making her the second woman in our Nation's history and the first and, to date, the only woman from Oregon to serve in the U.S. Senate.

She made her mark in the Senate, Mr. Speaker, by fighting for consumer rights, civil rights, the rights of the poor, conservation, campaign finance reform, and public health. As I am sure we will hear from later comments, she led the crusade to put warnings on cigarette packages and is credited with coining the phrase, ''The Surgeon General has determined that smoking may be hazardous to your health.'' She worked diligently to establish a Department of Consumer Affairs and to improve packaging and labeling regulations by the Food and Drug Administration.

Even while pursuing other issues, Senator Neuberger continued to remember her home State and was instrumental in preserving the beautiful coastline of Oregon while at the same time working to attract tourism and programs to coastal towns and to reducing poverty in rural areas in her State.

She was known as a consensus builder, but she never backed down from fighting for principles in which she believed. Senator Neuberger was the first woman to filibuster the Senate, speaking for 4½ hours.

She did not seek reelection in 1966. Instead, she served on the President's Consumer Advisory Committee, the U.S. Advisory Committee for Arms Control and Disarmament, and the President's Commission on the Status of Women. She was also a consultant on consumer relations for the FDA, and served on the national boards of directors for the American Cancer Society and the American Association for the United Nations. She taught American Government at Boston University, the Radcliffe Institute and Reed College in Portland, Oregon. Senator Neuberger now lives in Portland.

Mr. Speaker, as this brief but nevertheless very impressive résumé strongly illustrates, Senator Neuberger continues the very proud tradition of honoring very worthy individuals through these postal naming bills. I want to compliment the gentlewoman from Oregon (Ms. HOOLEY) for her work and diligence in bringing this very deserving honoree to our attention, for putting together the bill and bringing together the consensus of Members necessary to bring this measure to the floor today. Certainly Senator Neuberger is a most deserving individual, the kind of American to whom we can all look for guidance and for inspiration. I would certainly encourage all of my colleagues to join me in supporting the passage of this very worthy legislation.

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

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

I am also honored to have the opportunity to participate in this very important naming bill introduced by my colleague from the State of Oregon. I want to first thank the majority chairman, for he has continued to be gracious and bipartisan in his leadership of the Postal Subcommittee. It has been a pleasure to work with him.

On this occasion, we come to move a very important piece of legislation, because it recognizes something that all too often goes unmentioned, which is that many, many States have had difficulty with the election of women to the United States Congress, House and Senate. I come from a State in which we have among our congressional delegation at this point not one female member. The State of Oregon has been ahead of the game for a long time, and it is symbolized by the honor that is bestowed through this bill.

But rather than talk about the details, I would recognize my colleague and yield to her, since she is the sponsor of this measure, the opportunity to explain its purpose and why it is that the full committee under the leadership of the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN) and the Postal Subcommittee found it, I think, important to move this legislation swiftly.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, I would like to thank my colleagues for passing this bill out of their subcommittee and full committee and for their leadership to bring this on the floor today. I would particularly like to thank the gentleman from California (Mr. WAXMAN) and the office of the gentleman from Missouri (Mr. GEPHARDT) for their assistance as well.

It is a huge honor for me to stand here today to ask that this post office be named after Senator Neuberger. She has been an inspiration not only to me but to most of us in this State.

The other thing I want to recognize today is my colleagues from Oregon who have joined me in honoring this great Oregonian, Senator Maurine B. Neuberger.

H.R. 1327 renames the Cloverdale Post Office in Oregon after one of our State's former United States Senators, Maurine B. Neuberger. This is to recognize her lifetime of public service. She absolutely exemplifies what public service is all about. She has meant so much to the State and this country; and, as they said, she is a true Oregonian in every sense of the word.

She was born in Cloverdale, Oregon, in 1907 and still lives in Oregon today. She has worked hard throughout her life and held careers in Oregon ranging from a schoolteacher to a State representative and then U.S. Senator.

Maurine embodies all the traits that we Oregonians hold near and dear. She has worked hard; patriotism; she loves this country and loves our State and has a deep-seated love for those around her and for public service.

After her husband, United States Senator Richard Neuberger's sudden death in 1959, Maurine Neuberger ran for and won her late husband's seat to the U.S. Senate. As we have heard before, Maurine was only the second woman to serve in the U.S. Senate, and she is still the only woman from Oregon who has served in the other Chamber.

During her tenure in the United States Senate, Maurine became famous for her fighting spirit and tireless crusades on behalf of consumers, public health, campaign finance reform, which we are still dealing with today, civil rights, and environmental conservation. She also played a crucial role in President Johnson's War on Poverty. She became known as a principled consensus builder with the political will to tackle the country's most pressing problems.

After cancer took her husband's life, Senator Neuberger led the fight in the Senate to put warning labels on all cigarette packages; and again, as we have heard, it was Maurine who wrote the actual words, ''The Surgeon General has determined that smoking may be hazardous to your health,'' a warning label on cigarettes which we are all familiar with.

We have to remember when she stepped forward on that fight, this was in the 1960s. We are still in that fight on cigarettes. Her efforts were considered very bold and courageous steps at that time in educating the public of the dangers of smoking. I think that is why Oregon maybe has the laws that it has today on smoking and why it is a very low smoking State. I think it was led because of Maurine Neuberger.

She was also known for her work to establish a Department of Consumer Affairs and pressured the Food and Drug Administration to improve their packaging and labeling regulations. She was also one of the very earliest advocates for the Medicare program.

After serving her full 6 years in the Senate, she chose not to run for reelection in 1966 because, frankly, she said she did not want to raise money from all those people she was going to have to raise money from, and she said it would just cost too much for reelection. Instead, she went on to serve on the President's Consumer Advisory Committee, the U.S. Advisory Committee for Arms Control and Disarmament, and the President's Commission on the Status of Women.

Now, if that was not enough, we have to remember this person has been in

public service her entire life, she also found time to work as a consultant on consumer relations for the FDA, serve on the national board of directors for the American Cancer Society and the American Association of the United Nations, two different boards, and then to teach government at several universities, including Reed College in Portland.

Maurine Neuberger is a treasure to the State of Oregon and to this country. I cannot tell my colleagues how happy I am today that we will be able to show just a small token of our appreciation by renaming the Cloverdale Post Office in her honor. She is an inspiration to me and should be an inspiration to all of us.

Thank you, Maurine, for your long years of public service.

Mr. FATTAH. Mr. Speaker, I yield 30 seconds to the gentleman from California (Mr. WAXMAN), the ranking Democrat on the full committee.

Mr. WAXMAN. I thank the gentleman for allowing me to express not only my support for this proposal but my appreciation to the chairman the gentleman from New York (Mr. MCHUGH) and the gentleman from Indiana (Mr. BURTON) for moving this so expeditiously. I want to congratulate the gentleman from Pennsylvania (Mr. FATTAH) on his leadership in all of these issues that have come before the Committee on Government Reform. I urge all Members to support the resolution.

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

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

Very briefly in closing, let me respond to the very gracious comments of the gentleman from Pennsylvania (Mr. FATTAH), the ranking member of our subcommittee, in saying how much I have appreciated his leadership and his hard work on a whole range of issues, but certainly on this bill as well. I thank the gentleman from California (Mr. WAXMAN), too, as the ranking member on the full committee, for his initiative and his support in assisting us in bringing forward this measure which, as we have heard from the very, I think, heartfelt comments of the gentlewoman from Oregon (Ms. HOOLEY), as to how former Senator Neuberger is most deserving of this honor.

Mr. Speaker, I urge the unanimous support of our colleagues on this legislation.

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from New York (Mr. MCHUGH) that the House suspend the rules and pass the bill, H.R. 1327.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. 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. 1327.

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

There was no objection.

RECOGNIZING NATIONAL NEED FOR RECONCILIATION AND HEALING AND RECOMMENDING A CALL FOR DAYS OF PRAYER

Mrs. CHENOWETH. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 94) recognizing the public need for reconciliation and healing, urging the United States to unite in seeking God, and recommending that the Nation's leaders call for days of prayer.

The Clerk read as follows:

H. CON. RES. 94

Whereas it is the necessary duty of the people of this Nation not only to humbly offer up our prayers and needs to Almighty God, but also in a solemn and public manner to confess our shortcomings;

Whereas it is incumbent on all public bodies, as well as private persons, to revere and rely on God Almighty for our day-to-day existence, as well as to follow the charge to love and serve one another;

Whereas we have witnessed the rejection of God's love through gratuitous violence and mayhem, hate, abuse, exploitation, abandonment, and other harms, much of which has been directed at the most vulnerable of our society, our children;

Whereas oppression, violence, cultural and ethnic division, strife, and murder have stained our communities and the world;

Whereas we are compelled to remind the people of the United States of the events that currently burden the hearts of the people, including—

(1) the senseless murder of our young people in Jonesboro, Arkansas, West Paduca, Kentucky, Springfield, Oregon, Pearl, Mississippi, and Littleton, Colorado;

(2) the brutal deaths of individuals by dragging, beating, burning, and exposure in Texas, Alabama, and Wyoming; and

(3) the civil unrest, systematic genocide, and religious and political persecution in Yugoslavia, Tibet, Turkey, China, Rwanda, and Sudan;

Whereas despite all, we as a Nation have been blessed with great prosperity and an unprecedented period of economic stability, for which we owe a debt of gratitude; and

Whereas in previous times of public need and moral crisis, the Congress and the President have recommended the observance of a day of solemn prayer, fasting, and humiliation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes the unique opportunity that the dawn of a millennium presents to a people in a Nation under God to humble and reconcile themselves with God and with one another;

(2) urges all Americans to unite in seeking the face of God through humble prayer and fasting, persistently asking God to send spiritual strength and a renewed sense of humility to the Nation so that hate and indifference may be replaced with love and compassion, and so that the suffering in the Nation and the world may be healed by the hand of God; and

(3) recommends that the leaders in national, State, and local governments, in business, and in the clergy appoint, and call the people they serve to observe, a day of solemn prayer, fasting, and humiliation before God.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho (Mrs. CHENOWETH) and the gentleman from California (Mr. WAXMAN) each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho (Mrs. CHENOWETH).

GENERAL LEAVE

Mrs. CHENOWETH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 94.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

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

Mr. Speaker, I am very grateful to have this opportunity to be able to bring House Concurrent Resolution 94 to the House in recognition of our national need for reconciliation and healing and calling for days of prayer, fasting and repentance.

Mr. Speaker, H. Con. Res. 94 is patterned after what was once common practice by national and State elected leaders, from the Revolutionary War to the Civil War, ending with President Abraham Lincoln's great proclamation of March, 1863, calling for a national day of humiliation, fasting and prayer.

☐ 1700

In fact during this period, from the Revolutionary War to the Civil War, over 200 such resolutions were made. These proclamations literally called for a day or days where the people of this Nation refrained from working and humbly sought grace and forgiveness from God almighty through prayer and fasting in the tradition of the Old Testament's call for solemn assemblies.

Mr. Speaker, what drove these great leaders to call the Nation to pray, and I ask why should we do that again today? Well, consider the powerful words of Abraham Lincoln in this 1863 proclamation during perhaps the most difficult and tumultuous time in our Nation's history, and I quote from that proclamation:

We have been preserved, these many years, in peace and prosperity. And we have grown in numbers and wealth and power as no other Nation has ever grown. But we have forgotten God. We have forgotten the gracious hand which has preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to God that made us. It behooves us then to humble ourselves before the offended power to confess

our national sins and to pray for clemency and forgiveness.

Mr. Speaker, as we reflect upon the problems that we are experiencing today, these great words are no less applicable. We, as a Nation, are witnessing with increased regularity callous acts of violence and murder, a disregard of life, exploitation of children, indifference to suffering, the breakdown of families, and, we know, a general moral decay. Much has been spoken about the events of mass murder and mayhem in places such as Colorado and Oregon and Arkansas, but every day we are hearing of new brutalities being committed against the most vulnerable in our society.

Mr. Speaker, why is this happening? We should listen to the words of Darrel Scott, a very brave father who testified before the House Committee on the Judiciary whose daughter was gunned down and killed at Columbine High School and whose son witnessed before his very eyes the murder of his two best friends, and I quote Mr. Scott when he said:

I am here today to declare that Columbine was not just a tragedy. It was a spiritual event that should be forcing us to look at where the real blame lies. What has happened to us as a Nation? Well, we have refused to honor God, and in doing so, we open the doors to hatred and violence. We do not need more restrictive laws. We do not need more religion. We do need a change of heart and humble acknowledgment that this Nation was founded on the principles of simple trust in God.

Mr. Speaker, Darrel Scott's words ring true. Having trust and faith in God means more than prayers, it means more than just going to church. It means humbly accepting the charge to serve and possess compassion and love and moral stability and to be humble. Humility means not only acknowledging God as the source of our blessings as individuals and as a Nation and the strength that we possess in adversity, but also recognizing our sins before God as individuals and as a Nation.

Mr. Speaker, we are the greatest Nation on Earth because we have one by one overcome weakness and evils which have plagued the world for centuries and even millennia. We have conquered imperialism and replaced it with democracy. We replaced State oppression with inalienable individual rights. We abolished the human indignity of slavery. We instituted equality for people of all colors and creeds. We have created unprecedented wealth and prosperity for numerous classes of people. Indeed we as a Nation have faced many numerous other challenges such as segregation, economic disparity and the great depression, the great evil of Nazi aggression and the Cold War.

Mr. Speaker, are we too presumptuous to suggest that we accomplished these great victories on our own? Indeed we as a Nation have the courage, the strength to face these trials because we are a Nation who relies on the hand of God. God, in return, has poured out his blessings on this Nation because the principles that we are fighting for were righteous and true.

Mr. Speaker, in truth, the very foundation of this Nation is biased and based on faith in God and belief in moral principles. This was a point well understood by the founders of this Nation. Just to use one of the many quotes, John Adams said and I quote:

We have no government armed with the power capable of contending with human passions which would be unbridled by morality and religion. Our Constitution was made only for a moral and religious people. It is wholly inadequate to the government of any other.

And Frenchman Alexis de Tocqueville wrote back about the greatness of America in 1843 when he wrote:

I sought for the key to the greatness and genius of America in her harbors, in her fertile fields and boundless forests, in her rich minds and vast world commerce, in her public school systems and institutions of learning. I sought for it in her democratic Congress and in her matchless Constitution. But not until I went into the churches of America and heard her pulpits flame with righteousness did I understand the secret of her genius and power. America is great because America is good,

he wrote,

and when America ceases to be good, America will cease to be great.

Mr. Speaker, we live in a remarkable era. The dawn of a new millennium, a dramatic expansion of technologies and an unprecedented period of economic stability have led to even greater wealth and comforts of life for this Nation. But we simply cannot continue down the road where hate, uncivility, and bloodshed flourishes and expect the blessings of this prosperity to continue. This resolution does not resolve our problems, but it does move us and focus us to the source from where we should seek our guidance and our national healing.

I urge my colleagues to support this resolution. Once H. Con. Res. 94 passes, then the religious and civic leaders of our State and our Nation follow the charge we give them and establish solemn assemblies of prayer and fasting as their discipline would call for perhaps then love and compassion will replace hate and indifference.

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

Mr. WAXMAN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I want to thank the gentlewoman from Idaho (Mrs. CHENOWETH) for sponsoring and bringing the resolution to the floor today. This legislation provides us time for an important discussion. I say discussion and not debate because I don't think there is a significant debatable issue on the value of prayer. I don't know of any Members of this House who opposes God or prayer. But what we should discuss is whether we are seeing a continuing trend of inching closer and closer to mixing politics and religion, government and religion, which we have traditionally separated. It is now before us in a way which we should approach with a serious and nonpartisan manner.

I cannot think of any issue that is more fundamental to our system of government than our Constitution's enduring guarantee of the freedom of religion. One of the inspirations the founders of our country had was the insight that all Americans should be free to believe or not to believe in one faith or even any faith. Americans can believe in the religion we choose, and worship as we believe proper.

Now I do not question the desire for religious response to help this Nation cope and recuperate from the tragedies that befell the communities of Jonesboro and Springfield and Littleton. I do not challenge the importance of religious guidance as a source of healing. I do not oppose the call for a period of reflection to reinvigorate our sense of compassion and humility. But I do question whether it is the role of Congress to initiate, mandate, or manipulate personal religious expression.

This country has a people that is far more religious than most other countries, and I believe a great part of that is the separation of church and state that we value so deeply. Americans are more religious because they do not have the cynicism of other countries, where there is a government-sponsored religion and religion and government and politicization are seen all as one.

There is no official state religion in our country, and therefore people take their personal religious decisions much more seriously. They recognize that our founders argued for the separation of church and state and wanted to make sure that religion was not politicized. Our founders warned of the corruption of church and state from a mutual infection when the two are joined together. A mild infection might be when clerics reach out for government funds and then obey government regulations. A much more virile corruption is when we see theocracies around the world wage actions that are clearly inhumane in the name of their religion and of God.

Thomas Jefferson opposed any kind of involvement in religion. He said he did not think that he had any authority to direct the religious experience of his constituents, and I think he made a very powerful case where he argued that we ought to allow this to be one that is very personal.

Now the proposal before us is an interesting one because it calls for a day of atonement, a day of fasting, a day of prayer. As a Jewish American, we have a day of atonement in our religion that is precisely, it seems to me, the kind of thing that the author of this resolution might have envisioned, a 24-hour period. We neither eat nor drink; we devote the day to prayer and penitence. But a very fundamental part of that day is a recognition that in repentance it is repentance, prayer and tzadaka. Tzadaka is sometimes looked at as

charity, but it really means actions of good deeds.

The reading of the day is one on ritual, but another reading of the day, which is even more significant, is one from Isaiah where in that reading God says to those who simply fast, afflict themselves, wear sackcloth and ashes, God said:

Is this what I want? Is this what I have called for? Does this satisfy me?

And his response in Isaiah is:

When you do acts of good deeds, it is not sufficient to inflict yourself with repentance unless you share your bread with the hungry, that you bring the poor that are cast out to your house, when you see the naked that you cover him and that you not hide yours from your own flesh.

Acts of righteousness are not mentioned in this resolution. It is only repentance and prayer, but a day of atonement should do more than that.

□ 1715

Our obligations, as Members of Congress, are not to tell religious leaders how to practice their religion or tell people who are religiously oriented what they must do to meet the needs of their Maker. We can act in ways that deal with the problems of this world, and that is what we should be doing.

I will not oppose this resolution on a voice vote, but I think we ought to think carefully about the separation of church and State which may be infringing upon.

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

Mr. Speaker, I want to thank the gentleman from California (Mr. WAXMAN) for his very wise words. They are very instructive, and I appreciate hearing from him and learning from him.

This resolution is no different than the resolution that was brought to the floor by the gentleman from California (Mr. GEORGE MILLER) on April 14, 1970, when the Apollo 13 was unable for a few hours to return to earth, and the gentleman from California (Mr. GEORGE MILLER) at that time put forth House Resolution 912, in which that resolution states and asked that the Nation join in asking the help of Almighty God to assure the safe return of those astronauts.

The resolution goes on to say, in these days of monumental achievements in science and technology, it is well to be reminded that it has been the spirit instilled in man by his Creator that makes clear that his divine providence is really the sole source of man's sustenance; tremendously impressive resolution.

Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. HOSTETTLER).

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

Mr. HOSTETTLER. Mr. Speaker, for four centuries, in different forms and on different days, during prosperous times and times of crisis, Americans have set aside days to give thanks to God or seek his will.

The Pilgrims did so in Plymouth in the early 17th century. The Continental Congress issued proclamations of public thanksgiving in 1777 and 1780.

On June 28, 1787, at the Constitutional Convention, 81-year-old Benjamin Franklin called for daily prayers as the delegates convened. Quote, the longer I live, said Franklin, the more convincing proofs I see of this truth, that God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid? We have been assured, sir, in the sacred writings, that, quote, except the Lord build the House, they labor in vain that build it, unquote. I firmly believe this; and I also believe that without His concurring aid we shall succeed in this political building no better than the builders of Babel; we shall be divided by our little partial local interests; our projects will be confounded, and we ourselves shall become a reproach and byword down to future ages, end quote.

George Washington called for days of prayer and thanksgiving while general of the Continental Army and while president of the United States. John Hancock and Thomas Jefferson issued proclamations of prayer and thanksgiving while serving as State governors.

In 1863, in the middle of a destructive Civil War and shortly after the death of his second son, President Abraham Lincoln recognized the merciful hand of God in his life and in the life of his Nation.

On October 3, Lincoln issued a formal proclamation passed by an act of Congress, initiating the First Annual National Day of Thanksgiving. While acknowledging the hardships caused by the Civil War, Lincoln chose to focus on the blessings bestowed by God.

Quote, the year that is drawing towards a close, Lincoln wrote of the bloodiest year in American history, has been filled with the blessings of fruitful fields and healthful skies. To these bounties, which are so constantly enjoyed that we are prone to forget the source from which they come, others have been added which are of so extraordinary a nature that they cannot fail to penetrate and soften even the heart which is habitually insensible to the ever watchful providence of Almighty God.

After listing those bounties, Lincoln's proclamation continued: No human counsel hath devised nor hath any mortal hand worked out these great things. They are the gracious gifts of the most High God, who, while dealing with us in anger for our sins, hath nevertheless remembered mercy. It has seemed to me fit and proper that they should be solemnly, reverently and gratefully acknowledged as with one heart and one voice by the whole American people, end quote.

The list goes on and on, but a single theme emerges. Throughout our Nation's history, Americans and their elected representatives have made it a priority to set aside days to acknowledge God's goodness, thank Him for His many blessings and seek His will.

I ask my colleagues to join me in support of the resolution of the gentlewoman from Idaho (Mrs. CHENOWETH).

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. HOSTETTLER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, I would like to ask the gentleman from Indiana (Mr. HOSTETTLER), before he leaves, if he knows that we have a National Day of Prayer on the books?

Mr. HOSTETTLER. Yes, I do.

Mr. WAXMAN. Do you know when that is?

Mr. HOSTETTLER. It was earlier this year.

Mr. WAXMAN. Well, every year. It is in May.

Mr. HOSTETTLER. Yes.

Mr. WAXMAN. So we do have that day set aside.

Mr. HOSTETTLER. This is a concurring resolution to ask for a day for the whole country once again to set aside prayer and thanksgiving and fasting.

Mr. WAXMAN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Maryland (Mr. CUMMINGS).

Mr. CUMMINGS. Mr. Speaker, I want to thank the gentleman from California (Mr. WAXMAN) for yielding me this time.

Mr. Speaker, I want to thank the gentlewoman from Idaho (Mrs. CHENOWETH) for presenting this resolution.

Healing and reconciliation as called for in this resolution are without question needed in this Nation and in the international community. The murders in Jonesboro, Arkansas, and Littleton, Colorado, were indeed senseless. The dragging and burning of individuals in Alabama and Texas were indeed brutal, and the religious and political persecution in Yugoslavia and Rwanda indeed call for civil unrest.

All of these tragic and unimaginable occurrences stem from one sad human behavior: Lack of tolerance.

We must first recognize that people of other races and with religious beliefs different from our own have value in our society. Then we, not as officials or political leaders, but as fathers and mothers, sisters and brothers and friends and neighbors, as human beings who love and care and feel, we must ask all people to come together in their everyday and sometimes routine lives to heal and console each other.

Just a few days ago, we came to the well of this House to debate amending our Constitution to prohibit the desecration of our Nation's flag. It is interesting to note that when this body begins each legislative day and at events in our district and at all sporting events, we pledge allegiance to this beautiful flag and our great Nation with these simple and profound words: 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.

The very phrase, one Nation, means that we embrace, among other things, the religious beliefs of all people, including Jews, Christians, Muslims, Buddhists and Hindus. In other words, we pledge on a daily basis to be an inclusive and tolerant Nation.

I myself am the son of two Protestant ministers and have a strong religious center, and while I will support the premise of this resolution I have reservations about its exclusive language. In advocating against desecration of the flag, we should also advocate against the desecration of the principles for which it stands, including inclusivity.

In fact, I agree with Vice President GORE who has called for bridging the gap between those on the right who would impose their religious values on others and threaten the notion of separation of church and State, and those on the left who believe that religious values should play no role in addressing public needs.

The language of this resolution, which specifies particular religious practices and beliefs, does not bridge the gap. A more appropriate step was proposed last week at the Family Reunion Conference in Nashville, Tennessee, by Vice President GORE as he announced a new Community Building Initiative that would provide technical assistance and training to faith-based and non-profit organizations.

Faith and values-based organizations reach out to all in need. They feed the hungry, clothe the poor, take care of those that are ill. In short, their vision and mission is to uplift their neighbors and make their lives better.

While resolutions are well-intentioned, the men and women in these organizations do what is called for in this resolution every day. They are healing and practicing tolerance. They set an example for all of us, and we should take our cue from them.

As a champion of nonviolence and tolerance, Dr. Martin Luther King, Jr., stated: Man must evolve for all human conflict a method which rejects revenge and retaliation. The foundation of such a method is love.

Mrs. CHENOWETH. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I want to thank the gentlewoman from Idaho (Mrs. CHENOWETH) for bringing this resolution forward. If for no other reason, it gives us a chance to talk about history and the relationship between this great government and God and prayer and all that goes together.

When I was sitting here listening to some of the debate earlier, I was looking up at these words right on top of the Speaker's rostrum. It says, In God We Trust.

The words that the gentlewoman from Idaho (Mrs. CHENOWETH) started off this conversation tonight about this resolution are so important.

Mr. Speaker, we need to remind ourselves of how this great country was founded. Many of us forget that the first official act of the Continental Congress was to appoint a chaplain, and then they prayed, and not a perfunctory prayer. They prayed for one and one half hours.

Let me read what Thomas Jefferson said in 1781: Can the liberties of a nation be thought secure when we remove their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?

Let me read what George Washington said in his farewell address: Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars.

Benjamin Franklin said, at the Constitutional Convention in June of 1787, and I quote: I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and the blessings of our deliberations be held in this assembly every morning before we proceed to business, a tradition which continues in this House to this very day.

And Abraham Lincoln in his Emancipation Proclamation closed with these words: ''And upon this act, sincerely believed to be an act of justice, warranted by the Constitution upon military necessity, I invoke the considerate judgment of mankind and the gracious favor of Almighty God.''

Mr. Speaker, I would remind the Members of what the Continental Congress said in 1779. They said, and this is from an absolute resolution that was passed by the Congress, and I quote, that it be recommended to the several States to appoint the first Thursday in May next to be a day of fasting, humiliation and prayer to Almighty God; that He will be pleased to avert the impending calamities which we have but too well deserved; that He will grant to us grace to repent of our sins and amend our lives according to his Holy Word; and that He will continue that wonderful protection which hath led us through the paths of danger and distress.

That was signed on March 20 in the Year of our Lord, 1779, by John Jay, President.

Finally, let me just remind Members that the very same day that the Congress passed the First Amendment to the Constitution, September 25, 1789, they approved a resolution requesting that President George Washington proclaim a day of prayer and thanksgiving in the land.

Mr. WAXMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, speaking as a citizen I am grateful that I live in a country that protects my right to pray. Speaking as a Christian, I believe deeply in the importance and power of prayer.

The idea of having a national voluntary day of prayer is one I can support. But speaking as a Congressman, I am deeply bothered by the clauses of this resolution which would put the U.S. Congress on record as telling individuals that it is a, quote, necessary duty, end quote, to pray.

Prayer should not be a government-imposed duty, Mr. Speaker. It is a God-given right. To even suggest prayer should be a government-dictated, necessary duty demeans the very sanctity of prayer.

Prayer is not a duty to be directed by this or any Congress. Prayer is an act of free will where one chooses, in the privacy of his or her own heart and soul, to communicate directly with our Creator.

What right under our Constitution does this Congress have the right to tell any citizen that it is his duty to pray? The answer is, we have no right to do so. In fact, those who have quoted our Founding Fathers seem to forget the first 16 words of the Bill of Rights, which say Congress shall pass no law respecting an establishment of religion or prohibiting the free exercise thereof.

I thank God that our Founding Fathers had the wisdom to write the Bill of Rights so that any attempt by Congress to mandate the religious affairs of American citizens would be null and void.

I thank God that Madison and Jefferson were wise enough to realize that the best way to ruin religion is to politicize it.

□ 1730

As a Christian, I revere and rely on God in my day-to-day existence. But what right under our Constitution does this Congress today, in a suspension calendar vote with no committee hearings, have to dictate this resolution, where ''It is incumbent upon all public bodies, as well as private persons, to revere and rely on God almighty for our day-to-day existence''?

The answer is Congress has no right to do so. For Congress to declare that reverence of and reliance on God is ''incumbent on all public bodies and private persons'' is not only unconstitutional, it is morally wrong, in my opinion. A God that is powerful enough to create the universe and everything in it surely, surely has the power to make us believe or do whatever he so chooses.

But God gave man an incredible gift, the gift of free will. He gave each of us the choice to believe in him or not, to worship him or not, to pray to him or not. What right under heaven does this Congress have to infringe upon that divine gift of free will?

Any effort by this Congress to inject the notion of ''necessary duty'' upon how, when, or whether an American citizen must pray is not only blatantly unconstitutional, it offends my deepest conviction that the sacredness of one's

prayers and belief in God is that they are based on free will, not an imposed duty from government.

Mr. Speaker, I personally believe that faith and prayer can make ours a better Nation. However, in reflecting upon the debates in this House of recent days, I would suggest that we Members of Congress should consider spending more time praying and less time trying to tell others how they should pray. I would suggest we should spend more time trying to live up to the Ten Commandments in our personal lives than in using our public positions to tell others which religious commandments they should or should not follow.

Perhaps it is time for us in Congress to preach a little less and practice a little more. Maybe we should spend more time worrying about the log in our own eye and less about the speck in others'. God does not need Congress' help, but may God help us if we ever use religion as a means to our own political ends.

Mr. Speaker, God gave us religious freedom. In America, the Bill of Rights has protected that precious freedom for over 200 years. Let us not tamper with that freedom under any circumstance, and certainly not after only a 40-minute consent calendar debate and no committee hearings. Such an approach to the profound principles of prayer, faith, and freedom do a disservice to those high principles and to us.

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

Mr. Speaker, I have to agree with the gentleman from Texas, almost everything he said, except his understanding that this is a sense of the Congress, it is not a bill, that would confer any authority or mandate anything from the Federal government. It is simply a call.

Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. CRANE).

(Mr. CRANE Asked and was given permission to revise and extend his remarks.)

Mr. CRANE. Mr. Speaker, I thank the gentlewoman for yielding time to me.

I would like to harken back to what the gentleman said about that first amendment, Congress shall pass no law respecting the establishment of religion or prohibiting the free exercise thereof. That had to do with an established church. We are not allowed to create an established church in this country under our Constitution, but we simultaneously cannot obstruct the invasion of government by religion, as witnessed right up here on the wall, ''In God we trust;'' as witnessed by the opening up of each session of Congress with a taxpayer-paid clergyman's invocation in both the House and Senate from the beginning of this Republic. It is because our Founding Fathers recognized the importance of that.

I went to public schools in Chicago before World War II, and we opened up every day with prayer, and the teacher assigned it to every child, you could be Jew, you could be Muslim, you could be Catholic, you could be Protestant or you could be an atheist. We did not have those in those days. If you were an atheist, you would be excused and the next person in line would deliver the one minute prayer.

I would urge my colleagues to support this resolution before us today.

Mr. WAXMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. STRICKLAND).

(Mr. STRICKLAND asked and was given permission to revise and extend his remarks.)

Mr. STRICKLAND. Mr. Speaker, I would hope the previous speaker would not be suggesting that teachers should assign prayers to our schoolchildren in public schools.

Talk is cheap, and often in this Chamber rhetoric is empty. Last week this body voted to allow the posting of the Ten Commandments from the Hebrew Scriptures in our public schools. I think there are additional teachings from the New Testament that are also important and just as relevant to our daily lives.

As an example, I would like to share a passage from the book of St. James, Chapter 2, verses 14 through 17. It reads ''What good is it, my brothers and sisters, if you say you have faith but do not have works? Can faith save you? If a brother or a sister is naked and lacks daily food, and one of you says to them, 'Go in peace, and keep warm, and eat your fill,' and yet you do not supply their bodily need, what is the good of that?'' So faith by itself, if it has no works, is dead.

The resolution before us focuses on faith, but it is lacking in its call for good works. I agree with President John Kennedy, who said in his inaugural address, ''In this world, God's work must truly be our own.''

I would feel more positive about this resolution if, along with its call to prayer and fasting, we also committed ourselves to effective legislative action, action to provide health care for all of America's children, action to guarantee access to affordable prescription drugs for our senior citizens, and meaningful action to stamp out discrimination and intolerance in our society.

But we do not call for those things in this resolution. For that reason, if there is a recorded vote, I will vote present on this measure, because I agree with St. James when he said that faith by itself, if it has no works, is dead.

Mrs. CHENOWETH. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Speaker, outwardly as a Nation we are very prosperous and healthy, we are the envy of the world, but inwardly we are falling apart. We have witnessed so much violence today, especially among our young people. We keep asking, why? There is road rage and there is sky rage, and it has become a way of life. There is anger everywhere. Why?

We need to continue to search for answers to these and other questions, but I do believe that a great deal of the reason we are having these problems is because America has turned her back on God. Gone is the gentleness that we used to experience, respect and love for one another, the basic Golden Rule. Do unto other as you would like them to do unto you, just simple kindnesses, it is missing today.

We are going through great pain in our Nation, and prayer heals pain. I believe it is fitting for Congress to set an example and urge our people to turn to prayer. At home people around me come up all the time and say, this is the same message, but we need to get back to God.

Every day Congress opens with prayer. ''In God we trust'' is over the Speaker's chair. This resolution does not establish religion, mandate prayer, or violate the separation of church and State, it simply affirms something we should not take for granted.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER).

(Mr. NADLER asked and was given permission to revise and extend his remarks.)

Mr. NADLER. Mr. Speaker, it is certainly commendable to reflect on one's shortcomings, to seek forgiveness for wrongdoing, or to try to build a world for our children which is free from violence or hate. Indeed, across America these sentiments are often to be found in the prayers of our neighbors.

What is wrong with this resolution? For one thing, the Congress has arrogated to itself the role of religious director of the Nation. That is wrong. Congress has no business leading the Nation in prayer, or giving its official endorsement to religion in general, or to particular religious beliefs or practices.

The people who founded this Nation understood that religion, if it is to remain truly free, must remain an individual right, and that the hand of big government must be kept away.

No matter how this resolution is dressed up it is an official endorsement of religion and of particular religious beliefs and activities, and constitutes an establishment of religion. For those who think it is harmless and merely a statement in support of prayer generally and does not reflect a particular sectarian view, I point out two clauses.

The resolution states that the Congress recognizes the unique opportunity of the new millenium for religion. What millenium does the resolution refer to? In the Jewish calendar, it is the year 5758. The common calendar that we use counts time since the birth of Jesus to which the resolution accords great religious significance.

Of course, the significance of the birth of Jesus is a fundamental Christian belief, but I do not think Congress

should endorse or deny that belief. Many Americans, Jews, Muslims, Buddhists, Hindus, are not Christians. Despite the efforts of a very few, most Americans believe this is a Nation for all its citizens, not just for Christians. It is our duty to defend the right of all our people to believe or not believe, to pray or not to pray as they see fit. That is what our Constitution stands for, what our Bill of Rights is meant to protect, and what generations of Americans have fought and died to preserve, and what this resolution would compromise.

The resolution states it is a necessary duty of the people of this Nation to offer up our prayer and deeds to almighty God. I personally believe that to be the duty of all people, but who are we to instruct our fellow citizens in their religious obligations?

The resolution states it is the necessary duty of the people of this Nation in a solemn and public manner to confess our shortcomings. Most religions believe confession is a private matter. Where does Congress get the right and authority to declare them wrong?

Mr. Speaker, I rise in opposition to this proposed resolution even though I find many sentiments contained within it which are commendable.

It is certainly commendable to pray, to reflect on one's shortcomings, to seek forgiveness for wrongdoing or to try to build a world for our children which is free from violence and hate. And it is obviously commendable to work to achieve a world of love free from the violence, cultural and ethnic division, strife, and murder which this resolution rightly observes have ''stained our communities and the world.''

Indeed, across America, these sentiments are often to be found in the prayers of our neighbors.

So what's wrong with this resolution?

Well, for one thing, the Congress is arrogating to itself the role of religious director of the nation. That's wrong. Congress has no business leading the nation in prayer or giving its official endorsement to religion in general or to particular religious beliefs or practices. The people who founded this nation understood that religion, if it is to remain truly free, must remain an individual right, and that the hand of big government must be kept away. No matter how this resolution is dressed up, it is an official endorsement of religion and of particular religious activities and beliefs and constitutes an establishment of religion.

For those who think it is harmless and merely a statement in support of prayer generally, and does not reflect any particular sectarian view, I would point out two clauses. The Resolution states that Congress ''recognizes the unique opportunity that the dawn of a millennium presents to people in a Nation under G-d to humble and reconcile themselves with G-d and with one another.

What millennium does the Resolution refer to? On the Jewish calendar, it is the year 5758. Our common calendar counts time since the birth of Jesus, to which the Resolution accords great religious significance. Now, of course, the significance of the birth of Jesus is a fundamental Christian belief, but I don't think Congress should endorse—or deny—that belief. Many Americans—Jews, Muslims, Buddhists, Hindus—are not Christians, and despite the efforts of a very few, most Americans believe that this is a nation for all its citizens, not just for Christians. It is our duty to defend the right of all people to believe or not to believe, to pray or not to pray, as they see fit. That's what our Constitution stands for, what our Bill of Rights is meant to protect, what generations of Americans have fought and died to preserve, and what this resolution would compromise. This resolution states ''it is the necessary duty of the people of this Nation . . . to offer up our prayers and needs to Almighty G-d.'' I personally believe that to be the duty of all people, but who are we to instruct our fellow citizens in their religious obligations? The resolution further states ''it is the necessary duty of the people of this Nation . . . in a solemn and public manner, to confess our shortcomings.'' Most religions believe that confession is a private matter between an individual and his or her G-d. Where does Congress get the right to declare them wrong?

The sponsor of this legislation has, in fact, been very sensitive to issues concerning the establishment of religion when she perceived a threat of governmental institutions being hijacked by religious beliefs she does not share. For example, in the CONGRESSIONAL RECORD of January 31, 1996, she devoted the better part of an hour arguing that funding for environmental protection programs, including the EPA, violated the establishment clause, because some environmentalists came to their views via their religious beliefs. A copy of that speech follows my prepared statement. If the EPA violates the Establishment Clause, what can we say about this particular legislation?

Finally, I would just observe that this resolution is just another attempt by the majority to evade the real problems plaguing our nation, like hate crimes, poverty and gun violence.

For example, although it makes reference to the lynchings and hate crimes against People of Color and a Gay man in Wyoming, it never identifies these crimes for what they were, not does it urge legislation to make these hate crimes illegal in our nation. Matthew Sheppard was murdered for one reason and one reason only—because he was a Gay man, but the resolution doesn't say that and the sponsor won't support legislation. The bill also makes reference to the gruesome hate crime which resulted in the death of James Byrd who was dragged to death behind a pickup truck, but his name is nowhere to be found in this resolution, nor is the fact that he was murdered solely because he was African American.

This isn't the first time that Congress has obliquely dealt with these reprehensible crimes. Just enough of a statement so that they can say they did it, but not so specific so as to offend the racist constituencies out there. And, as always, no real solutions offered. No hate crimes laws, no increased enforcement, no laws to keep guns out of the hands of criminals, no additional help to communities.

This resolution is the latest in a series of assaults by the House on our First Freedom. May G-d grant us the wisdom to spend our time doing our jobs, and leave religion to the ministers, priests, and Rabbis of this nation—and to the people who will exercise their freedom of religion far more wisely than we could instruct them to do.

Mrs. CHENOWETH. Mr. Speaker, I yield 30 second to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, last night I was going through my dad's things. He died in November. I found in his drawer this Bible. On the front it says ''May this comfort and protect you.''

Inside it says, ''Commander in Chief, I take pleasure in commending the reading of the Bible to all who served in the Armed Forces of the United States. Throughout the centuries men of many faiths and diverse origins have found in the sacred book words of wisdom, counsel, and inspiration. It is the foundation of strength, and now as always an aid in attaining the highest aspirations of the human soul.'' Franklin Roosevelt.

The next page, ''Our prayers are constantly with you, thanking God daily for your joy and faith in him. Heartfelt love, Mother.''

Mrs. CHENOWETH. Mr. Speaker, I am very pleased to yield 1 minute to the gentleman from Ohio (Mr. KASICH).

Mr. KASICH. Mr. Speaker, I just do not know how many know this, but the State of Massachusetts actually had a State-supported church well into the 1800s. It was only when the other churches objected that State funding was cut off.

It is also interesting to note that the Congress of the United States actually at one point engaged in the printing of Bibles, not to mention above our own Chamber ''In God we trust.''

What is interesting is there has been a distortion of what we mean by the separation of church and State. The gentleman from Illinois (Mr. CRANE) had it right. The Federal government was not supposed to have a State-supported taxpayer-funded church. We support that. We agree with that.

But Orestes Brownson wrote an interesting book where he wrote about the uniqueness of the United States, where we could combine both the proper space of the State and the proper space of the church; that the space of the church was not to intrude on the space of the State, and the space of the State was not to intrude on the space of the church.

What we have had happening in America is government imposing its own values and invading the proper space of people of all faiths. If America is to be healthy, we had better harken to the days of our Founders, who said that self-governing is about the ability to get it right without other human beings having to write rules and laws.

The foundation of this is simple common sense. This resolution urges a prayer. It is consistent with our Founders, our Constitution, and it is unbelievable that we are even having this debate today.

Mrs. CHENOWETH. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The gentlewoman from Idaho (Mrs. CHENOWETH) is recognized for 30 seconds.

Mrs. CHENOWETH. Mr. Speaker, if there ever is a time that we need almighty God, it really is now. If there ever is a time we need to pray, it is now. If there is ever a time that we need to humble ourselves as individuals, it is now. If there is ever a time that we need to plead for forgiveness, it is now. If there ever is a time that we need peace, it is now. If there ever is a time that we need healing, it is now.

□ 1745

I pray that we as a Congress and as a Nation can join together in prayer, supporting this resolution, calling for prayer, fasting and repentance.

Mr. ADERHOLT. Mr. Speaker, in this century, the United States has led the world in transforming industry, communication, and technology. We have found cures for once-fatal diseases and introduced freedom and democracy to the world. We sit on the threshold of a new century, and new millennium with a great mandate: laying the groundwork for a daring, new world.

On the brink of the nineteenth century, our Founding Fathers faced a similar mandate. One whose impact would reach beyond anything they could have imagined, and one which we live each day. They gathered together to establish a form of government that no other nation had ever attempted with freedoms that no other nation had ever even dreamed of: freedom of speech, freedom of assembly, freedom of religion.

The work of these men was truly inspired. The wisdom in the words of the Constitution serves as the very cornerstone of hope and liberty. But these men did not rashly pull the Constitution together without forethought. The delegates of the Continental Congress debated over the course of months to author a document which changed the course of history for all people. It was during this debate, that they came to a standstill. On June 28, 1787, 212 years ago this week, the delegates hit a stalemate over many issues.

Ben Franklin saw that the impasse could not be reconciled by any human means: ''The small progress we have made after four or five weeks' close attendance and continual reasonings with each other—our different sentiments on almost every question . . . producing as many noes as ayes—is, methinks, a melancholy proof of the imperfection of the human understanding . . . I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and its blessings on our deliberations . . .''

Franklin recognized that the future of the Constitution, and the nation, depended upon Divine intervention. In the faces of the Congressional Delegates he saw pride, determination and no hope of compromise. Franklin knew that the only way the Constitution could be agreed upon was to call the delegates to humility and prayer. He recognized the need of each individual to search their hearts and seek the will of God.

Franklin called on the Members of the Congress to take three days of prayer and fasting. At the end of these three days, the delegates humbly returned, and were able to complete the framework of the Constitution which is the basis of the law of our nation.

As Americans, we are all grateful that Ben Franklin recognized the need for God and prayer within the political agenda. Each of the delegates had a strong understanding of right and wrong. They knew the laws of the land needing to reflect a moral standard, a moral law. It is time we call our nation back to this morality.

Two weeks ago I offered an amendment called the Ten Commandments Defense Act, and you, my distinguished colleagues, helped to pass this legislation. It was a public declaration that God is not dead, despite the violence and confusion that haunts the current age.

Now I, along with the gentlelady from Idaho and others speaking on behalf of this resolution, call our country to set aside a time of reflection, a time to search our hearts and seek God's guidance. We must approach our families, our jobs, and our communities with the same humility and desire for reconciliation as our Founding Fathers sought in establishing the law of this land.

Today, we stand, not only on the brink of a new century, but at the dawning of a new millennium. We have the great honor, and the weighty responsibility, of setting the groundwork of the next thousand years. Let us do this with courage. Let us do this with honor. Most importantly, let us humbly set a precedent for the new millennium, and recognize God as the source of wisdom, goodness and strength.

Mr. POMEROY. Mr. Speaker, I am concerned about the language of the resolution before us.

The religious faiths and practices of all of us as Americans are as important as they are personal.

This country was founded in part by people of strong religious beliefs who came to this new land seeking the freedom to worship totally beyond the reach of government. The doctrine of completely separating church and state was written into our Bill of Rights to protect our fundamental right to worship whenever we want, however we want, or even if we want.

I am very uncomfortable with this Congress—in a formal resolution—voting to observe ''a day of solemn prayer, fasting, and humiliation before God''.

The way for us to urge prayer and humility before God is by our example as individuals—not our political rhetoric as members of Congress.

I believe the teachings of Jesus as written in Matthew 6 verses 4–6 has application to the resolution before us:

''And when you pray, you must not be like the hypocrites; for they love to stand and pray in the synagogues and at the street corners, that they may be seen by men. Truly, I say to you, they have received their reward. But when you pray, go into your room and shut the door and pray to your Father who is in secret; and your Father who sees in secret will reward you.'' (Matthew 6:4–6)

Accordingly, Mr. Speaker, I will vote ''Present'' on this resolution. I believe it is very important for people of all faiths to pray, reflect and seek divine guidance. It is not, however, the business of government to direct or prescribe this fundamental activity.

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentlewoman from Idaho (Mrs. CHENOWETH) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 94.

The question was taken.

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed today in the order in which that motion was entertained. Votes will be taken in the following order:

H.R. 2280, by the yeas and nays;

House Resolution 226, by the yeas and nays; and

House Concurrent Resolution 94, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

VETERANS BENEFITS IMPROVEMENT ACT OF 1999

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2280, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. STUMP) that the House suspend the rules and pass the bill, H.R. 2280, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 424, nays 0, not voting 10, as follows:

[Roll No. 257]

YEAS—424

Abercrombie	Biggert	Camp
Ackerman	Bilbray	Campbell
Aderholt	Bilirakis	Canady
Andrews	Bishop	Capps
Archer	Bliley	Capuano
Armey	Blumenauer	Cardin
Bachus	Blunt	Carson
Baird	Boehlert	Castle
Baker	Boehner	Chabot
Baldacci	Bonilla	Chambliss
Baldwin	Bonior	Chenoweth
Ballenger	Bono	Clay
Barcia	Borski	Clayton
Barr	Boswell	Clement
Barrett (NE)	Boucher	Clyburn
Barrett (WI)	Boyd	Coble
Bartlett	Brady (PA)	Coburn
Barton	Brady (TX)	Collins
Bass	Brown (FL)	Combest
Bateman	Brown (OH)	Condit
Becerra	Bryant	Conyers
Bentsen	Burr	Cook
Bereuter	Burton	Cooksey
Berkley	Buyer	Costello
Berman	Callahan	Cox
Berry	Calvert	Coyne

Cramer
Crane
Crowley
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Allen
Blagojevich
Brown (CA)
Cannon
Cunningham
Hoyer
McKinney
Meehan
Ros-Lehtinen
Watts (OK)

□ 1807

Mr. HEFLEY changed his vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Pursuant to the provisions of clause 8, rule XX, 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 taken on each additional motion to suspend the rules on which the chair has postponed further proceedings.

EXPRESSING SENSE OF HOUSE CONDEMNING ACTS OF VIOLENCE AT THREE SACRAMENTO, CALIFORNIA, SYNAGOGUES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 226.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and agree to the resolution, House Resolution 226, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 425, nays 0, answered ''present'' 1, not voting 8, as follows:

[Roll No. 258]

YEAS—425

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush

Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

ANSWERED ''PRESENT''—1

Paul

NOT VOTING—8

Blagojevich
Brown (CA)
Cannon
Cunningham
Diaz-Balart
Meehan
Ros-Lehtinen
Watts (OK)

☐ 1815

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RECOGNIZING NATIONAL NEED FOR RECONCILIATION AND HEALING AND RECOMMENDING A CALL FOR DAYS OF PRAYER

The SPEAKER pro tempore (Mr. PEASE). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 94.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho (Mrs. CHENOWETH) that the House suspend the rules and agree to the concurrent resolution, H.Con. Res. 94, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 275, nays 140, answered ''present'' 11, not voting 8, as follows:

[Roll No. 259]

YEAS—275

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Capps
Castle
Chabot
Chambliss
Chenoweth
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
DeMint
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jefferson
Jenkins
John
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kildee
King (NY)
Kingston
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pastor
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Toomey
Towns
Traficant
Turner
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NAYS—140

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Berkley
Berman
Bilbray
Blumenauer
Bonior
Boucher
Brady (PA)
Brown (OH)
Campbell
Capuano
Cardin
Carson
Clay
Clyburn
Conyers
Coyne
Crowley
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gutierrez
Hastings (FL)
Hinojosa
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy
Kilpatrick
Kind (WI)
Kolbe
Kucinich
Kuykendall
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Moore
Moran (VA)
Nadler
Neal
Oberstar
Olver
Owens
Pallone
Paul
Payne
Pelosi
Pickett
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Smith (WA)
Stark
Stupak
Tauscher
Thompson (CA)
Tierney
Udall (NM)
Velazquez
Vento
Waters
Waxman
Weiner
Wexler
Weygand
Woolsey
Wu

ANSWERED ''PRESENT''—11

Boyd
Clayton
Kaptur
Maloney (NY)
Pascrell
Pomeroy
Strickland
Thurman
Udall (CO)
Watt (NC)
Wynn

NOT VOTING—8

Blagojevich
Brown (CA)
Cannon
Cunningham
Diaz-Balart
Meehan
Obey
Watts (OK)

☐ 1824

Mr. BENTSEN changed his vote from ''nay'' to ''yea.''

Ms. HOOLEY of Oregon and Mr. MENENDEZ changed their vote from ''present'' to ''nay.''

Mrs. CLAYTON changed her vote from ''nay'' to ''present.''

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. ROS-LEHTINEN. Mr. Speaker, on H.R. 2280, rollcall No. 257 and House Resolution 226, rollcall No. 258, had I been present, I would have voted ''yes.''

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 66, THE ROUTE 66 CORRIDOR ACT

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 106–208) on the resolution (H. Res. 230) providing for consideration of the bill (H.R. 66) to preserve the cultural resources of the Route 66 corridor and to authorize the Secretary of the Interior to provide assistance, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 592, WORLD WAR VETERANS PARK AT MILLER FIELD GATEWAY NATIONAL RECREATION AREA

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report

(Rept. No. 106–209) on the resolution (H. Res. 231) providing for consideration of the bill (H.R. 592) to designate Great Kills Park in the Gateway National Recreation Area as ''World War II Veterans Park at Great Kills,'' which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 791, STAR-SPANGLED BANNER NATIONAL HISTORIC TRAIL STUDY ACT OF 1999

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 106–210) on the resolution (H. Res. 232) providing for consideration of the bill (H.R. 791) to amend the National Trail Systems Act to designate the route of the War of 1812 British invasion of Maryland and Washington, District of Columbia, and the route of the American defense, for study for potential addition to the national trail systems, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1218, CHILD CUSTODY PROTECTION ACT

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 106–211) on the resolution (H. Res. 233) providing for the consideration of the bill (H.R. 1218) to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions, which was referred to the House Calendar and ordered to be printed.

REPORT TO CONGRESS ON NATIONAL EMERGENCIES WITH RESPECT TO FEDERAL REPUBLIC OF YUGOSLAVIA AND KOSOVO—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. PEASE) 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 International Relations and ordered to be printed.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c) and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Yugoslavia (Serbia and Montenegro) as declared in Executive Order 12808 on May 30, 1992, and with respect to Kosovo as declared in Executive Order 13088 on June 9, 1998.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 29, 1999.*

ANNUAL REPORT OF CORPORATION FOR PUBLIC BROADCASTING AND INVENTORY OF FEDERAL FUNDS DISTRIBUTED TO PUBLIC TELECOMMUNICATIONS ENTITIES BY FEDERAL DEPARTMENTS AND AGENCIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore 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 Commerce:

To the Congress of the United States:

In accordance with the Public Broadcasting Act of 1967, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting (CPB) for Fiscal Year 1998 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies for that same year.

Among its many outstanding projects over the past year, CPB has put considerable time and effort into strengthening the teaching and development of America's literary tradition. Working with educators, writers, and experts from all across the country, CPB has launched a companion website filled with exceptional teaching materials and continues to make possible the broadcast of some of the Nation's finest literature over our public airwaves. In addition, CPB is also expanding the availability of teacher professional development in the social sciences, humanities, and literature.

As we move into the digital age, I am confident that the Corporation for Public Broadcasting will continue to act as a guiding force. As the projects above illustrate, CPB not only inspires us, it educates and enriches our national culture.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 29, 1999.*

□ 1830

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SUPPORT FOREIGN TRUCK SAFETY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise tonight in opposition to NAFTA and its provisions to expand Mexican trucking privileges into the United States.

When we debated NAFTA in 1993, supporters claimed that NAFTA would not harm American workers and workers in Mexico and would not harm the environment. Unfortunately, they were wrong. This treaty has sent thousands of good American jobs south of the border and it has subjected that border to increased pollution of the air, water and land. Mexican workers are being abused and are not reaping the financial or social benefits they were promised. And America is being abused by other countries that are sneaking goods into the United States through dummy Mexican corporations. These are the most prominent promises broken by NAFTA. But we are about to add to the list. This administration, under terms of NAFTA, is considering opening up all of America to Mexican trucks as of January 1, 2000.

What will the entrance of Mexican trucks mean for America? It will generate more pollution and increase the loss of good-paying American jobs. Most seriously, it will threaten the lives of qualified American drivers who will be forced to share the road with unqualified foreign drivers who, as evidence proves, are driving unsafe, pollution-belching trucks.

U.S. inspectors, some operating just during the weekday hours of 9 a.m. to 5 p.m. have found that almost 50 percent of inspected Mexican trucks have been ordered to undergo immediate service for safety problems. This is based on the results of the few inspections of trucks already allowed to enter a commercial zone in the U.S. In reality, hordes of unexpected foreign trucks cross various border points after 5 p.m. and before 9 a.m. in the morning and on the weekends when there are no inspectors available. Accordingly, the Department of Transportation's Inspector General has already concluded that the DOT does not have a consistent enforcement program to provide reasonable assurance of the safety of trucks entering the United States. How could this administration suggest expanding border trucking privileges when we cannot regulate the current privileges we offer?

Unsafe trucks are not only appearing in the four border States, but as this map here shows, reports of dangerous trucks have come from at least 24 additional States. From Washington to Illinois to New York, the entire country is at risk. Therefore, very soon I plan on introducing the Foreign Truck Safety Act, legislation that will require mandatory safety inspections on all trucks crossing into the United States from Mexico. As of January 2, 2000, the Foreign Truck Safety Act will authorize the border States to impose and collect fees on trucks to cover the cost of these inspections. By requiring all

trucks to pass inspections before entering the United States, we can help to limit the risks these unsafe trucks pose to our citizens. This country entered into NAFTA in order to better the lives of our citizens. Without this legislation, we will simply put our citizens in more jeopardy.

I think people are more important than profits, and I am concerned about the thousands of unsafe Mexican trucks rumbling down our highways and biways. Average Americans already are fearful about driving next to large safe U.S. trucks that pass inspections. Imagine their fears when unsafe Mexican trucks hit our streets, roads and superhighways.

Mr. Speaker, it is time to stand up for Americans. Therefore, I urge all my colleagues to work with me to pass the Foreign Truck Safety Act so that Americans will never be afraid to drive down Main Street USA.

TRIBUTE TO JAMES C. HALL, OAK RIDGE OPERATIONS MANAGER

The SPEAKER pro tempore (Mr. SUNUNU). Under a previous order of the House, the gentleman from Tennessee (Mr. WAMP) is recognized for 5 minutes.

Mr. WAMP. Mr. Speaker, on July 2, James C. ''Jim'' Hall will retire as manager of Oak Ridge Operations for the U.S. Department of Energy. His departure will mark the end of a 31-year career in government that stands out as a bright and shining example of dedicated service to the United States Department of Energy and the people of the United States.

Beginning in 1968 as an intern for the Atomic Energy Commission, one of the agencies that was eventually folded into the Energy Department, Jim Hall rose steadily through the ranks until he was promoted to his present position in 1995.

Perhaps Jim Hall's greatest achievement in Oak Ridge is his commitment to the reindustrialization program which is an innovative ''swords to plowshares'' effort that stands out as a model for the whole Nation. Facilities such as the old K–25 gaseous diffusion plant at the Oak Ridge complex are being cleaned up and made available for use by the private sector. The plant, now called the East Tennessee Technology Park, is already generating the kind of jobs the east Tennessee region needs for the 21st century. This effort saves the government and the taxpayers $800 million in maintenance and other costs. More importantly, the program is attracting to Oak Ridge exactly the kinds of family wage jobs east Tennessee will need as we begin the 21st century. In May of 1998, Mr. Hall received a Presidential Meritorious Rank Award for his efforts to develop the environmental cleanup and reindustrialization program.

Jim Hall has brought extraordinary energy, ability and vision to his work at the Oak Ridge operations office, and we in the Third District of Tennessee and at the Department of Energy in Oak Ridge can count ourselves extremely fortunate that we benefited from his public service.

He is the type of executive who makes the term ''government official'' sound like the noble and honorable calling it should be. During the years I have known Jim, he has shown himself to be a risk taker who is willing to push the envelope for needed reforms. He is also not in the least bit afraid to challenge the status quo and to stand up to the bureaucracy when the need arises.

Jim Hall's pioneering work on reindustrialization is typical of his career. Many managers at Jim's stage in their careers would have been content to just run out the clock and just do what they had to as their retirement neared. But as a skilled manager and dedicated resident of east Tennessee, Jim was determined that the great reservoir of human and technological capital assembled in Oak Ridge to help us win World War II and the Cold War should be parlayed into economic opportunity for generations to come. So he pioneered the reindustrialization program and skillfully managed the national security and scientific missions of the Department of Energy in a way that makes me proud as the representative of the Oak Ridge and east Tennessee region.

On behalf of the thousands of citizens that Jim Hall served so well, I thank him for his service to his community and to his Nation and we wish him happiness and success as he begins a new chapter in his life.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. HILLIARD) is recognized for 5 minutes.

(Mr. HILLIARD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

START-UP SUCCESS ACCOUNTS ACT OF 1999

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DEMINT) is recognized for 5 minutes.

Mr. DEMINT. Mr. Speaker, I rise today on behalf of myself and the gentleman from Washington (Mr. BAIRD) to introduce the Start-Up Success Accounts Act of 1999. The purpose of this legislation is to give small businesses an additional tool to manage finances and retain capital.

Small businesses account for almost all of the net new jobs in our economy today, with minority and women-owned businesses making up two of the fastest growing categories of new businesses. Starting a business represents the hopes and the dreams of many Americans. But there is a problem.

According to the U.S. Census Bureau, over 99.9 percent of all business failures are small firms. With all the promise of small business and the entrepreneurial spirit in this country today, only about half of the businesses that were started in 1992 are still in existence today.

Many small businesses fail in the first few years for lack of capital. As a small businessman myself, I have appreciated firsthand the difficulty of acquiring and retaining capital both to start a business and to keep it going. The problem is caused in part by our tax system. When I started my business over 15 years ago, I was surprised when my accountant told me that we needed to make sure that I did not show a profit at the end of the year.

Our tax system discourages capital retention. The problem is if I report a profit at the end of the year, I pay corporate taxes, and then when I pay myself a salary the next year, I am taxed again on the same money. The accountants call it double taxation. Every incentive of the tax system is to reduce profits and to reduce the amount of money in your company so that you can reduce taxes. I would like to change that.

The very first dollar of new businesses is taxed and businesses are encouraged, just as I was in my business, to allow any excess capital to pass through. The ultimate result is less growth and less staying power for many small businesses. An April 1999 Dun & Bradstreet survey confirmed, and I quote, cash flow is the pervasive financial management issue for small business owners. It manifests itself in ongoing capital, managing inventory, extending credit to customers, all kinds of problems related to finances.

The DeMint-Baird Start-Up Success Accounts Act begins to alleviate some of this problem. What it does is it will allow companies in each of their first 5 years of business to set aside 20 percent of taxable income into an account that will last for 5 years. So the span of these accounts can last up to 10 years when you put all 5 years together. What this does again is encourages small businesses to save money and to leave money in their company so that they can use it to create growth and opportunity. So 20 percent of taxable income each of the first 5 years for start-up savings accounts. This will help businesses stabilize and grow.

In addition, small businesses could draw down on the funds of the accounts in lean years. That is many times the problem with small businesses. They will have one good year, they will take money out to avoid double taxation, the next year is a lean year and they have difficulty staying in business. This gives new businesses and small businesses the flexibility to keep capital in their company so they can invest it for the future.

Small businesses are the engine to our economy today in this country. More small businesses that can find stable footing in those first few years

will mean more jobs and more opportunity for many Americans. We must return dollars, decisions and freedom to our Nation's new small businesses. I believe the Start-Up Savings Accounts Act is a good step in that direction.

INTRODUCTION OF ''GO GIRL''

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I ask you, what is wrong with this picture? Females make up slightly more than 50 percent of this country's population, yet less than 30 percent of America's scientists are women. Even fewer engineers are women, less than 10 percent.

In 1994, there were 209 tenured faculty at the Massachusetts Institute of Technology. Fifteen of those 209 were women. Of course these figures are not at all surprising when we learn that in 1985, women earned less than 30 percent of the bachelor degrees in the physical sciences and less than 10 percent of the bachelor degrees in engineering. You do not even want to hear the percentage of Ph.D.s in the science and math fields that are earned by women.

Just to give Members an example, about 8 percent of the Ph.D.s in physics in 1988 were awarded to women. Eight percent. My colleagues may be asking themselves, ''So what? Is this some national problem?''

The answer is yes, this is a big problem, a big problem for employers, a big problem for women as wage-earners and a big problem for our Nation as we compete in the global marketplace.

□ 1845

The Bureau of Labor Statistics projects that between 1994 and the year 2005 the number of women in the labor force will grow twice as fast as men. Yet a recent study of school-to-work projects found that 90 percent of girls are clustered in five traditionally female occupations.

My colleagues do not need me to tell them that careers in traditionally female occupations pay far less than careers in science, math, and technology. For example, a data analyst can expect to earn $45,000 a year while a licensed practical nurse makes less than $25,000 a year. Men become analysts, women become nurses, and a kindergarten teacher, mostly females, make only $18,000 a year when they first get started as compared to a starting engineer at over $30,000 a year.

In addition, the National Science Foundation reports that the jobs facing workers in the future will require higher skill levels in science, math, and technology than ever before. The NSF report is verified by a letter that I recently received from the American Electronics Association. The AEA wrote to me to tell me that today the high tech industry is facing a critical shortage of skilled workers, and the future looks even worse they say. A recent AEA report showed that the number of degrees in computer science, engineering, mathematics, and physics have actually declined since 1990. Quite clearly, Mr. Speaker, there is no way that America can have a technically competent work force if the majority of students, females, do not study science, math, and technology.

That is why today I am introducing a bill to help school districts encourage girls to pursue careers in science, math, and technology. Although my bill is titled Getting Our Girls Ready for the 21st Century Act, it will be known around here as Go Girl. Go Girl will create a bold new work force to energize young women in math, science, and technology. Go Girl is modeled after the TRIO program which has successfully encouraged 2 million low-income students to attend and graduate from college when their parents never attended college.

Similarly, the lack of female role models hampers female interest in studying science, math, and technology. Girls and their parents first must be able to envision a career in these fields. Then they need practical advice on what to study and how to achieve the necessary academic requirements. Go Girl follows girls from the fourth grade, the grade when girls typically begin to fall behind boys in math and science, and they are followed through high school to encourage these young women to be interested in math, to care about science, to want to learn technology in the early grades. Girls will participate in events and activities that increase their awareness of careers in these fields, and they will meet female role models.

The issue is: Go Girls.

DOING THE RIGHT THING FOR THE TAXPAYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FOSSELLA) is recognized for 5 minutes.

Mr. FOSSELLA. Mr. Speaker, in today's papers across the country typically it would be among the leading stories, if not the leading story, was that the Federal Government is now awash in a trillion dollar surplus.

Now I have been here a year and a half, and it is amazing how many projections there are when it comes to the budget surplus. It seems as if every month there is a new projection, and I have a feeling, if we wait long enough, it will be a zillion dollar surplus.

The point is that with the American people and I would hope that Members on either side of the aisle here remember is that those surpluses are the results of the hard work of the American taxpayer, whether it is from where I am from in Staten Island or Brooklyn, anywhere across New York and across this country. It is the folks who get up every morning 5, 6 o'clock, working two, sometimes three jobs, to put food on their table, to send their children to school, to pay the mortgage on their house, and then enough left over to send to Uncle Sam.

And I understand the temptation in Washington for the most part to spend that money, and by the way, when you project a lot, you get to spend a lot. I would hope that we would exercise responsibility, understand that the basis for the surplus is not because in the last several years the Congress, controlled by the Republicans, has spent so much money, but has taken the responsible approach of not spending all the taxpayer money, and the seeds of this prosperity I would argue were sowed in the eighties, when we cut taxes, when we decided that regulations or too much regulation, only stifled productivity and creativity and inhibited growth, and I think that is what laid the foundation to this surplus.

Now there are those who can argue that, well, we raised taxes, and that is why we have a huge surplus. What I think that does is underestimates the American people. We need to understand that when we lower taxes, when we reduce regulation, when we allow the American taxpayer, the small business owner, employee or the employer, to unleash their spirit to produce and to create and, yes, to give back to their local community; that is the America that we should all be proud of, not when we sit in Washington and say how are we going to divvy up this trillion dollars that the people across this country are working so hard to generate?

We are fortunate enough these days that there is a lot of prosperity around, but the best days lie ahead, and again I can only urge those in Congress and in the White House that it is the taxpayer money that we are the stewards of here, and it is our obligation to do what is responsible, to promote economic growth and to lower taxes when we can, and if we want to keep this economy growing, we use a big chunk of this so-called surplus to cut taxes.

And there is a lot of proposals on the table. The elimination of the marriage penalty tax or the capital gains tax to spur investment, which is a tax on capital. I would like to see a reduction in the personal income tax across the board, so that way any American who pays taxes receives a benefit, or, in short, more of their hard-earned money in their pocket because frankly when we provide the freedom and the liberty and the opportunity to the hard-working American to spend his or her hard-earned money as they see fit on their vacation or their child's education or a second home or whatever they desire, we are doing the right thing for America, the right thing for the taxpayer, and I hope in the days ahead the Congress and the White House recognizes the seeds of that prosperity are not sown here in Washington but across Main Street, across this great country of ours, the United States of America.

VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I am so pleased and proud to join the gentleman from Missouri (Mr. TALENT), the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ) and many other members of the Committee on Small Business who are dedicated to providing critical services to the countless men and women who have fought to preserve and protect our Nation.

As we approach the 4th of July holiday to celebrate this Nation's independence, we recognize our veterans and the tremendous sacrifices and contributions they have made to this country. In their honor we are here today to pass legislation that ensures veterans that once their service is complete they can continue to apply their hard-working ethics, strong leadership skills, and determination to succeed in small businesses.

Currently out of a total business population of 23.2 million people 5.5 million are veterans. In addition, there are 104,000 disabled veterans. It is estimated that veterans constitute almost a quarter of the business population today. However, many veterans face tremendous barriers when trying to create and grow their businesses, particularly when their military service has caused them to leave their businesses.

Specifically, the obstacles facing our veterans can range from a lack of training to difficulty in securing adequate capital to launch their small business. The obstacles are even greater for service disabled veterans who may have additional handicaps that prevent them from securing employment or starting their own business.

Mr. Speaker, the Veterans Entrepreneurial and Small Business Development Act creates a number of new programs designed specifically to help these veterans and service disabled veterans to join the ranks of entrepreneurs. I would like to commend the Small Business Administration for creating the Small Business Administration Veterans Affairs Task Force for entrepreneurship in July 1998. This task force examined SBA programs to determine how SBA might deliver services to America's veterans more effectively. In October of 1998, it made recommendations to SBA, many of which have been included in this bill. The Veterans Entrepreneurship and Small Business Development Act designates a position onto SBA of veterans business development to be the advocate for veterans and to ensure that veterans needs and concerns are represented and being addressed.

In addition to this new position, this bill creates a public private partnership called the National Veterans Business Development Corporation to provide access to technical assistance and an advisory committee on veterans' business affairs to serve as an independent source of advice for Congress and the President and to increase outcome and outreach to veterans. This bill also directs the SBA administrator to enter into a memorandum of understanding with the Service Corps of Retired Executives called SCORE, an organization that provides advice and technical assistance to small businesses free of charge through a nationwide network of volunteers.

Finally, this bill establishes a 5 percent government procurement goal for veteran-owned business and authorizes SBA to make loans to self-employed individuals or owners of small businesses who are called to active duty to assist them with potential losses and disruption caused by their return to active duty.

I encourage all of my colleagues when this bill comes to the floor to come together during this historic time of year and vote for legislation that provides our veterans with the opportunities they need and deserve to succeed. The Veterans Entrepreneurship and Small Business Development Act is a comprehensive approach to ensuring that the backbone of our Nation no longer shuts off but hence forward embraces and reaches out to America's service men and women.

CUBAN RAFTERS TREATED WORSE THAN CATTLE BY U.S. COAST GUARD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, the inscription on the Statue of Liberty refers to this great country of ours as the mother of exiles which requests: Give me your tired, your poor, your huddled masses of your teeming shore; send these tempest tossed to me.

But, Mr. Speaker, today I find myself asking if the torch of freedom no longer shines for those who risk life and limb in search of liberty in this great country. As the vanguard of democracy, our country, the United States of America, must set the standards to be emulated. Today, however, the actions reportedly taken by the U.S. Coast Guard in south Florida against Cuban rafters could cast a solemn shadow over this country and could stain our proud history as defenders of the oppressed and protectors of human rights worldwide.

According to the video footage obtained by news sources in Miami, six Cuban refugees reached U.S. territorial waters today in the early afternoon and were subsequently approached by U.S. Coast Guard boats. These Coast Guard vessels opened water cannons on the rafters causing some of them to fall overboard. As the rafters started to swim to safety, the smaller Coast Guard vessels pursued them and pushed them against the sand, corralling them like cattle. Actually in this country we afford animals much better treatment than that.

It is reported that only after Coast Guard officers had completed their attack on these defenseless freedom seekers did they proceed to take them into custody. This is something we expect from oppressive regimes who care little, if anything, for human life, but this is not what we expect from our fine United States Coast Guard. Members of the Coast Guard are valiant men and women who proudly serve their country and who have saved hundreds and indeed thousands of lives off of our south Florida shores. I am sure that they did not welcome this tragic order today. We expect the United States Coast Guard to enforce the laws, but we do not and should not tolerate violations of the basic human rights of those seeking refuge from persecution.

□ 1900

We expect the United States Coast Guard to protect U.S. territory against all enemies, but we do not and will not tolerate attacks on defenseless victims such as the survivors of Castro's brutal dictatorship. If there is one entity which survivors of Castro's oppression have looked to with respect and admiration, if there was one entity which Cuban refugees trusted and confided in, it is the U.S. Coast Guard.

Has their trust been misplaced? I hope not. It is unconscionable for an entity of the U.S. Government charged with the responsibility of enforcing our laws to violate them and employ excessive force, including the use of water cannons and mace, against those who present no threat to the personal security of our men and women in uniform nor to the security of our great country.

These actions merit an immediate and comprehensive investigation. I have asked the President, the Vice President, the Secretary of State, the Coast Guard Commandant and other senior officials to take action regarding these Coast Guard officers who gave the orders violating the rights of those refugees and that appears to have violated U.S. guidelines on how to deal with such situations.

I ask my colleagues to join me in this request and express their indignation over this display of aggression. This is not what America stands for.

I have sent this letter to Secretary of State Madeleine Albright this afternoon and a similar letter, as I have said, to President Bill Clinton, Vice President AL GORE, Secretary of Transportation Rodney Slater and Coast Guard Commandant Admiral James Lloyd.

I say, your personal attention to this matter is greatly appreciated to ensure due diligence in the investigation and resolution of this case. This is a matter of grave concern; and to enlist their cooperation for an immediate investigation of the events which unfolded off

the coast of South Florida today, June 29, between Cuban rafters seeking asylum and U.S. Coast Guard officials, and I would like to place this letter in the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 29, 1999.

Hon. MADELEINE ALBRIGHT,
Secretary, Department of State,
Washington, DC.

DEAR SECRETARY ALBRIGHT: I am writing on a matter of grave concern and to enlist your cooperation for an immediate investigation of the events which unfolded off the coast of Florida, today, June 29th between Cuban rafters seeking asylum and U.S. Coast Guard officials.

According to the video footage by news sources in Miami, six Cuban refugees reached U.S. territorial waters in the early afternoon and were subsequently approached by U.S. Coast Guard boats which opened water cannons on the rafters, causing some of them to fall overboard. As the rafters started to swim to safety, the smaller Coast Guard vessels pursued them and pushed them against the sand. It is reported that only after the Coast Guard had completed its attack on these defenseless freedom seekers, did they proceed to take them into custody.

These actions merit an immediate and comprehensive investigation. If confirmed, I ask that action be taken regarding these Coast Guard officials who gave the orders which violated the basic human rights of these Cuban refugees and appears to have violated U.S. guidelines on how to deal with such situations.

Your personal attention to this matter is greatly appreciated to ensure due diligence in the investigation and resolution of this case.

Sincerely,

ILEANA ROS-LEHTINEN,
Member of Congress.

LET US CONTINUE TO BE A NATION THAT BELIEVES IN GOD

The SPEAKER pro tempore (Mr. ISAKSON). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this time is given to many of us to express our concerns and our views on the day's activities and legislative initiatives or particular issues that impact our district.

I thought I would comment today on the actions of the House that just occurred on H. Con. Res. 94. It was a vigorous debate, and I think in the true spirit of our Founding Fathers we can be very proud of that. Obviously, those who proposed an amendment, a resolution, that would cause or ask the people of this Nation to, under God, to humble and reconcile themselves with God and with one another have a true commitment and passion.

Further, as the resolution goes on, they urge all Americans to unite in seeking the face of God through humble prayer.

I believe in the Old and New Testaments. In fact, a favorite verse of mine is John 3:16, for God so loved the world that He gave his only begotten Son, that whosoever shall believe in Him shall not perish but shall have everlasting life.

In the Christian faith, that son is called Jesus; and for those of us who believe, we believe within our heart, it is a conversion, it is a commitment and passion about our personal and religious beliefs.

Even as I stand here, I think many of us can note that above my head are the words, In God We Trust, but we might not be able to see some additional words that are behind me on this wooden border. It says, justice and tolerance.

I would not want the world or the Nation to believe that the defeat of H. Con. Res. 94 had anything to do with the personal beliefs of the Members of the United States Congress. It had more to do with our understanding of our constitutional underpinnings, the premise of the separation of church and State.

No, it does not mean that wherever I go I cannot utter a personal prayer to whoever I believe in. It may be Allah, it may be Jesus or God or some other name, Jehovah, that I am not familiar with. I do not stop anyone from doing that. Frankly, as a mother, I tell my children whenever they are in time of stress, offer a word of prayer; my belief, my teachings that I have taught my family.

For us to go and solicit on the floor of the House, urging all Americans to unite in seeking the face of God through humble prayer is not respecting and not tolerating those who are different from us. This Nation was founded on the grounds that there are those who are escaping religious persecution.

I would hesitate and would not like for the vote today to be cast about by those who want to spin it and say that we defeated an opportunity for reconciliation, an opportunity for prayer. I hope this Nation will pray in whichever way it chooses, as it is a diverse and religiously diverse community. In fact, I hope the clergy of this land heard the debate and maybe independent of government will rise up and call for a day of prayer where all of them will come to the United States Capitol, their capitol, their place, where they can come, it is free for anyone to come, and acknowledge whichever god they so desire.

I hope whatever day of worship one has that they will kneel, however they pray, and ask for this Nation to be healed and unified.

H. Con. Res. 94 had no place for the United States Congress to demand and call upon this Nation to pray in any certain way or humble themselves in any certain way.

So I hope that we can see the vote as a positive; that we remain on the day or the eve of July 4, Independence Day, when this fledgling Nation became a unified country, pledging allegiance to the flag of the United States, under God, acknowledging that but also a Nation that believed in the Bill of Rights, that no matter where one came from, no matter who their God was, they had the right to be an American and they had the right to the privileges of that wonderful equality, to be able to pray as they so desired.

I hope that we will be able to do actions, as one of my colleagues did say.

As I close, Mr. Speaker, I hope we will pass the hate crimes bill. I hope we will support Head Start and education. There are many things we can do to show ourselves compassionate. I hope that we will find a way to end school violence and gun violence. I hope that we will come together to work on these solutions, no matter what religious background we have, for the betterment of this Nation.

Mr. Speaker, I ask that we continue to be a Nation that believes.

THE SURPLUS, NATIONAL FORESTS, THE METRIC SYSTEM, AND THE DEFEAT OF THE NATIONAL DAYS OF PRAYER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I rise tonight to briefly mention three unrelated topics of national importance.

First, the headlines this morning say that we will now have a surplus that is $1 trillion larger than we thought it was going to be over the next 15 years. This is the direct result of the Congress changing hands after the 1994 elections and becoming much more fiscally conservative. We should all be pleased about this.

I remember in late 1993 or early 1994 when Alice Rivlin, who was then the President's director of the Office of Management and Budget, put out a shocking memo. She predicted then that we would have deficits, yearly losses, of over $1 trillion by the year 2010, and between $4 trillion and $5 trillion a year by 2030 if major changes were not made.

If we had allowed that to happen, our economy would have been devastated. Our children, who would have then been in the primes of their lives by 2030, would not have been able to buy homes or cars or almost anything else, as is the case today in many countries around the world. So we have made remarkable fiscal progress over the last 4 or 5 years.

A word of caution is necessary. We are still almost $6 trillion in debt. This still leaves us on very thin ice economically, but making good progress. Yet from what everyone up here is saying, people are starting to promise everything to everybody.

I simply rise tonight to say that I hope we will not spend this money before we get it. The best economists in the world cannot tell us with absolute certainty where the stock market and the economy will be 1 or 2 years from now. Yet, we are already gleefully celebrating and making major spending plans based on money we hope to get 15 years from now. We will get it if we remain fiscally conservative, but I say

again, very simply, let us not spend it before we get it. If we do, we will do much more harm than good.

Secondly, at a hearing of the Subcommittee on Forests and Forest Health this afternoon, it was brought out once again that we are now growing about 23 billion board feet of new trees and timber each year in our national forests. Yet we are allowing only 3 billion board feet, or only one-seventh of the new growth, to be cut.

There is about 6 billion board feet of dead or dying trees and timber in the national forests. In other words, we are allowing trees to be cut at only half the number that are dead or dying.

In addition, it was brought out that there are 500 million acres of forest land in the United States which are not in the national forests. This is an amount of land equal to about 900 Great Smoky Mountain National Parks. People look at a map of this country on one small page in a book and they simply do not realize how big this Nation is. Yet there are environmental extremists who just do not want us to cut any trees.

If we are going to have healthy forests, we have to cut some trees. If we are going to have reasonably priced homes, books, toilet paper, newspapers, magazines, we have to cut some trees. And as shocking as it may to some who have heard only one side of propaganda from these environmental extremists, when we are growing 23 billion board feet each year in our national forests and cutting only 3 billion. We should cut much more so that our forests can be healthier and so that prices can be lower on almost everything.

Finally, Mr. Speaker, I was pleased to read on the front page of yesterday's Washington Times that many States are now moving away from the metric system. I am pleased that we gave the States some flexibility on this in last year's highway bill. This was something the Federal Government and a few powerful liberal elitists tried to force on us, but the American people never accepted the metric system. Unfortunately, this has cost our government at all levels and business many billions of dollars.

There was never a good reason to go to the metric system in this country. We have made this very expensive effort only because it would be helpful to a few large multinational corporations and because some people unfortunately think that anything that is done in most of the rest of the world should automatically be done here.

Yet for most of this Nation's history, Americans were not afraid to be a little bit different, a little bit unique, a little bit special. I hope the Federal Government and all the State governments will be responsive to our own citizens for once and end this expensive and elitist effort to force an unnecessary metric system down on us.

Let me add, Mr. Speaker, one other thing, just because of the vote, the defeat, we had on this national day of prayer bill that we just had in this body. William Raspberry, the great columnist for The Washington Post, wrote several years ago, he said, is it not just possible that anti-religious bias masquerading as religious neutrality has cost this Nation far more than we have been willing to acknowledge?

A very good statement by William Raspberry, a very good question for all Americans to ask: Is it not just possible that anti-religious bias masquerading as religious neutrality has cost us far more than we have been willing to acknowledge?

PRESCRIPTION DRUGS FOR SENIORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Speaker, seniors are being forced to choose between buying food and their prescribed medications.

The high cost of prescription drugs is particularly difficult for seniors, who use one-third of all prescriptions. Medicare does not cover prescription drugs. So, many seniors, 37 percent, do not have prescription drug coverage and must incur these expenditures out of their own pocket.

Studies conducted by the Committee on Government Reform minority staff show that older Americans pay much higher costs than other groups. These studies show that in congressional districts across the Nation, seniors pay for prescription drugs, on average, nearly twice as much as the drug companies' favored customers, such as the Federal Government and large HMOs who have the economies of scale who can purchase it in large quantities.

So seniors are paying double what the Federal Government may be paying through the VA or through some other program.

This price differential is approximately five times greater than the average price differential for other consumer goods. So it is actually five times more than what the economies of scale and other consumer goods may cost for large purchasers.

H.R. 664, the Prescription Drug Fairness for Seniors Act, allows pharmacies to purchase drugs for Medicare beneficiaries at the best price charged to the Federal Government through programs such as the VA or Medicaid. The legislation has been estimated to reduce prescription drug prices for seniors by more than 40 percent.

That is not price controls, Mr. Speaker. H.R. 664 just ends discrimination and allows seniors to buy just like a large customer would do, seniors on Medicare, fee for service.

Mr. Speaker, this is not a bunch of Democrats trying to play politics with this issue. What we are trying to do is bring up an issue that affects all Americans, because many seniors have no prescription drug benefits. It affects people in my district like Ms. Holec of Houston, Texas. Ms. Holec is 85-years-old and relies on Social Security as her primary source of income. She also has a medical condition that requires her to buy prescription drugs that cost $260 every month. Ms. Holec already has had to sell her car and some of her furniture to pay for her prescription drugs.

☐ 1915

What is she supposed to do when she runs out of things to sell and can no longer afford her medicine that costs her now $3,000 a year? What if she develops another condition or requires another prescription drug? The solution to the problem is the Medicare prescription benefit, one that recognizes today's health needs of senior citizens.

Today the President announced his Medicare modernization proposal. I expect many people will talk about or speak out against this proposal, but before they do, think of my constituent and maybe another constituent, someone like Mrs. Holec, who is forced to spend a significant portion of her income on prescription medication or prescription drugs.

The President's plan will establish a new voluntary Medicare part D prescription drug benefit that is both affordable and available to all beneficiaries in fee-for-service.

The Medicare task force that was made up of House Members, Senators, and public members failed for primarily two reasons: One, it forced low-income seniors into managed care, and it did not include a prescription drug benefit.

Mr. Speaker, seniors should not have to look to managed care for their health needs. They should be able to look to Medicare. Whether it is the Prescription Drug Fairness Act that I am a cosponsor of, or the proposal outlined by the President today, or maybe another proposal that some Members would come up with, we have the responsibility to provide for this critical benefit.

Simply relying on managed care to meet this need is both unrealistic and unfair to beneficiaries. HMO coverage of prescription drugs varies widely between plans, and often has caps that do not fit the needs of the beneficiaries. Moreover, some beneficiaries do not have an HMO choice because they live in rural areas, Mr. Speaker.

I hope my Republican colleagues are as committed to solving this problem as the President is and my Democratic colleagues. If so, maybe they can join us in support of either one of these proposal or develop a new proposal, just so we can make sure that seniors have prescription medication without having to literally put themselves into poverty to do so.

However, to continue to do nothing it seems, like we do with so many issues important to hard-working Americans, is not the option. So I hope many Members will look at not only what the

President proposed today, but also H.R. 664, to see if we cannot come up with a solution during this Congress, before the end of the year, to solve the problems of seniors who have to pay an inordinate amount, double in some cases what prescription medication would be for other Americans.

DAIRY LEGISLATION

The SPEAKER pro tempore (Mr. ISAKSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Missouri (Mr. BLUNT) is recognized for 60 minutes as the designee of the majority leader.

Mr. BLUNT. Mr. Speaker, I want to talk tonight with some of my friends who I see are already here on the floor about dairy legislation. June is National Dairy Month. We are coming to really a fateful decision on dairy policy.

The Secretary of Agriculture has proposed an option for dairy policy that really does not work for most of the country. In fact, I have a chart here, Mr. Speaker, that shows the impact of this policy if it had been in existence over the last 5 years. There would only have been 1 year where America's dairy farmers would have been above the line of break even. The average for those 5 years would have been a loss of $196 million.

Dairy farming families certainly cannot continue to stay in business with those kinds of statistics and those kinds of odds. We are really in a process here where, after some time, I would have thought adequate time for study and lots of impact from Members of Congress, we came up with a very disappointing result.

Tomorrow in full committee markup H.R. 1402 will be marked up by the Committee on Agriculture that really follows a policy that a majority of the Members of the House and Senate have advocated. The bill, H.R. 1402, has 228 cosponsors.

Last year, as this policy was approaching a decision by the administration, by the Secretary of Agriculture, 238 House Members and 61 Senators wrote to Secretary Glickman asking that Option 1–A, a continuation of an option with a more consolidated, more effective, more updated series of marketing orders, would become the dairy policy for the country.

So we are here tonight to talk a little about this, and National Dairy Month, as dairy farmers all over the country are having a harder and harder time making ends meet, having a harder and harder time breaking even.

One of the leaders in this debate has been my friend, the gentleman from Arkansas (Mr. HUTCHINSON), from my neighboring district in Arkansas. My district is in Southeast Missouri, and the gentleman from Arkansas (Mr. HUTCHINSON) represents northwestern Arkansas.

Both of those districts have been great dairy districts over the years, but both of those districts have seen a significant decline in the number of dairy farms and dairy farmers.

In fact, in my district in southwest Missouri, at one time the eighth biggest dairy-producing district in America, and we do not rate nearly that high now, and we have been losing our dairies at the rate of about 8 percent a year.

Northwest Arkansas has been a great dairy area, and the gentleman from Arkansas (Mr. HUTCHINSON) has been a real advocate for dairy farmers and dairy farming families.

Mr. Speaker, I yield to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. I thank the gentleman for yielding to me, Mr. Speaker, and also for his leadership on this very important issue on behalf of dairy farmers.

I likewise am concerned, being from Arkansas. In my two counties in northwestern Arkansas we have had a loss of 43 percent of our dairy farmers. Ryan England came to me and asked me to do something to help him. I just have this chart that shows a little bit of the difficulty that our dairy farmers have faced.

We know that if we look back over the last 18, 19 years to 1980, if we look at the price of milk, the all farm price we would have of milk versus the retail price we have in the store, of course everyone knows that the retail price of milk has gone consistently up. Yet, the farm price of milk has remained steady through that time, with some fluctuation primarily downward.

We know that during that time the cost of production for our farmers has not remained steady, it has gone up. The cost of fuel, the cost of feed, everything that they would need to produce the milk on the farm, electricity, all has gone up, yet they have not received any benefit of the rising prices. So it has been a very difficult time for the farmers.

One of the options that have been considered is a dairy compact. This has worked very well in the Northeast. I know some of my colleagues here from the Northeast have indicated that it has worked very well for them, but 21 Governors, 21 Governors have signed legislation in their States requesting Congress to delegate its regulatory authority over their States' milk markets.

Right now, of course, as my friends know, Mr. Speaker, the Federal system is that we have the prices set out of Washington, a Federal price marketing system. We believe there should be more reflection of the prices in the States and more control being returned to the States. So the Governor has said Congress should delegate some of that regulatory authority back to the States, the regions, to have a dairy compact in the Southeast, a Southern Dairy Compact, as they have had in the Northeast, which worked very well for consumers as well as for the dairy farmers and the processors.

I say to my friend, I believe that is important. I just want to thank everyone for being interested in this, supporting the dairy farmers. Hopefully the legislation that my friend from Missouri is sponsoring will move forward, as well as this dairy compact legislation. I thank the gentleman.

Mr. BLUNT. One of the things I might mention while that chart is still up there, Mr. Speaker, is that farm prices have stayed the same, have taken dips along the way, but the retail price has increased. One of the things the studies show on this proposed Option 1–A is that it does have benefits for farmers, but the benefit for consumers is the benefit of a fresh product being available, there continues to be competition in production, and consumers continue to have not only a good product but they have a competitive price, because we do not see this continued consolidation that we are seeing and that all projections would show that we would see under the other options being proposed.

Any time we have met with the Secretary of Agriculture, people from the U.S. Department of Agriculture on this issue, one of the people that has been in the room has been the gentleman from Maine. I yield to the gentleman from Maine (Mr. BALDACCI) on this topic.

Mr. BALDACCI. I thank the gentleman from Missouri (Mr. BLUNT) for his leadership on this issue, and for his organizing those meetings with the Members and the Secretary to raise the awareness of how important agriculture and dairy farmers are, not only to his district but to the Nation as a whole.

In Maine the dairy industry is a vital component of the agricultural economy. Sales of milk generate cash receipts totalling almost $100 million a year. That was before the bottom fell out. Those sales from about 600 farms 20 years ago, it was nearly twice that number.

The loss of family farms in Maine and the loss of farmer income not only affect related industries, such as equipment and feed suppliers, but it ripples through the rural economy.

I think, as we have heard here earlier, the debate in terms of an option of 1–A versus 1–B is relating to having farmers get at least some meager return for the amount of work and effort and resources and sacrifice they have put into the work they are doing.

The work that they are doing extends beyond just the farm itself, but into the community. Their children and family members are involved in 4–H, in community projects. Because of the loss of farm families in the agricultural community, I believe that has been one of the problems in rural America and in all of America, is that it has not reinforced that family unit, that community sense and that responsibility that we have to each other that I believe emanates a lot from agriculture.

Maine recognizes that there is a compact between the farmers and the consumers. That is why we support the dairy compact. There is a realization that the flat prices that the dairy farmers have been getting as the prices have been escalating, it reminds me of the story that was pointed out to me that the prices go up by pony express, but they end upcoming down by bottle.

I think that is what we have recognized from our dairy farmers, is that they have received a very, very meager return for their investments.

The bill put forward by the gentleman from Arkansas (Mr. HUTCHINSON) on the Dairy Compact is a bill which will keep that process going, where our dairy farmers in the Northeast and the Southeast and West and all parts will be able to enjoy some sort of floor, and they will realize a return on their investment.

I want to thank the gentleman for the opportunity to address this issue, and to work with my colleagues from Pennsylvania and North Carolina and throughout the country here to make sure that our farmers get a fair deal.

Mr. BLUNT. I thank the gentleman, Mr. Speaker, for his comments. Certainly in virtually every district, and I know every district of Members on the floor, and there are 228 cosponsors of this legislation as of today, in virtually all of their districts, in virtually all of their States, dairy farmers and dairy farming families have declined and declined dramatically. This option, Option 1–A, really does create the difference.

Somebody in a hearing the other day said, well, it is only pennies a gallon. Anybody who knows anything about dairy knows that pennies a gallon is the difference between whether you continue to milk those cows or you stop. Most dairy farmers, as much as they love the dairy farm, do not do it solely for their health, they do it because of the necessity to feed their families, to make a profit, and those pennies make a difference.

In fact, this option alone in Missouri, in the Seventh District, if we went to Option 1–A rather than Option 1–B that the administration, that the Department has proposed, there would be almost $2 million of additional income every year to southwest Missouri dairy farmers.

I can guarantee the Members that that is the difference in whether you divide that up into profit among the hundreds of farm families we still have, or you simply create a situation where there is no profit and we go out of business.

Mr. BALDACCI. If the gentleman will yield, Mr. Speaker, the gentleman's point is exactly right. Also what is happening in Maine, what we do under the option that has been put forward by the administration is lose significantly over what little we are getting now, and all the option that the gentleman is sponsoring and I am cosponsoring, working together with many other Members, it is going to just put us back where we are now, which is still struggling. We are not going to reap any kind of gain from being able to have 1–A put back in, but just be able not to lose as much.

I think there is not going to be an increase in the consumer prices from the support of this 1–A.

Mr. BLUNT. I think all of the studies indicate that in fact maintaining competition is what maintains not only a good product but a low price. There is no study that indicates that the price that consumers pay is affected in any significant way by what we are proposing.

What we are proposing is to continue to have a product that it takes a while to get to the market. You do not just decide in the spring to be a dairy farmer and harvest a milk crop in the fall. It is a different commitment than that, it is a different time commitment than that.

We think this bill really creates the relative assurance in a very difficult economic environment on a dairy farm, the relative assurance that producing that product is still going to be profitable for your family.

□ 1930

One of the leaders, Mr. Speaker, in this whole area of milk in the Congress for years and dairy policy was the gentleman from New York, the outstanding chairman of the Committee on Rules, Mr. Solomon. When he left the Congress at the end of last year, he was replaced by somebody who has very much taken that heritage of being concerned about dairy farming families to heart and certainly has become a real leader in this issue. I would like to yield to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. I thank the gentleman for yielding to me. I was standing here listening to the exchange between you and the gentleman from Maine (Mr. BALDACCI) and the gentleman from Arkansas (Mr. HUTCHINSON), and I look around the room and see a number of our colleagues throughout the Nation, and it strikes me that this issue of equity in the dairy industry and the debate over the legislation attendant to Option 1–A really does not know any geographic bounds. We have a number of people who are supportive of our endeavor.

As the gentleman pointed out earlier, nearly 300 Members of the House and Senate wrote to Secretary Glickman concerned that he was headed down the wrong path when reforming the Federal milk marketing audit program. Unfortunately, despite that, the Secretary chose to ignore the consensus by rejecting Option 1–A, instead selecting Option 1–B, as well as is the case from our friend from Maine, also affects New York in an adverse way. This is not a question of trying to enrich the New York dairy industry, but a question of trying to hold the line and stop the bleeding, which has been profuse.

Congress has been very consistent in its position with respect to dairy policy, as the gentleman pointed out. Farm groups, dairy producers, have coalesced behind Option 1–A and built a pretty convincing coalition. I want to talk about a couple things as we start out this evening, if I could, to give you a little perspective on New York State generally and talk a little bit about the perishable nature of milk.

You touched on some of those issues, but in New York the Option 1–B as proposed by Secretary Glickman will probably cost us something in the range of $200 million to $300 million. We cannot absorb that kind of cost.

Our dairy industry ranks third in the Nation. Milk production is vital, and by far is one of the greatest contributors to the State's agricultural economy, as well as prominent contributor to the rural character of upstate New York which I happen to represent a portion thereof.

Dairy farms generate over $1.5 billion in milk receipts annually, and the dairy industry supplies my State something in the range of 80,000 jobs, especially in areas of the State where we have a great deal of economic strife existing.

Despite the prominent role of this industry, our dairy farmers have been in a precarious position for some time and the volatile markets have jacked up retail prices while eroding the farm share for the consumer. Record highs have been followed by record lows, and dairy farmers no longer plan a steady income.

It is tough for a farmer to plan a steady income, as you pointed out, and it is important to understand that the product dairy farmers provide sets them apart substantially from other agriculture producers. As providers of a very, very perishable product, dairy farmers lose the ability to ride out or boycott unattractive markets. Dairy producers cannot simply turn off the faucet of the cow when the price goes south and cannot withhold raw milk from the market in order to bargain for a higher price. They are at the beck and whim of that marketplace.

This places them at the mercy of the volatile dairy market, which just this last spring we saw a 40 percent drop in the price farmers receive for fluid milk and an unprecedented plunge. Imagine what a terrifying experience it would be if you saw your income drop by 40 percent and then recognize that while you still have to pay your bills and expenses, the prices were going to drop at that rate.

No matter how much you receive for your milk, fields still have to be plowed, Mr. Speaker, cows still have to be fed, mortgages still have to be paid. It is no wonder that the independent dairy farmers are losing their farms at an alarming rate in New York State and elsewhere, as well as in many other regions of the nation.

Aside from the perishable nature of the raw milk, there are other more ominous forces that work against our

dairy farmers. Rapid consolidation in the dairy industry is putting market power in the hands of very few. My colleagues from urban areas in New York State have argued for some time that they are concerned that Option 1–A and the Dairy Compact and inclusion thereof will create a false pricing structure that will somehow cost their constituents. That is not true, and they need to be very concerned that as the rural upstate family dairy farmer is in greater peril, so are their consumer constituents in greater peril, because they will be left with fewer options and have to go greater distances to purchase the dairy products, the milk products, that they choose to.

I would only direct you to the problems and those who would question Option 1–A and inclusion in the Dairy Compact, that the problems that we now have with market concentration and poultry, beef, and pork industries, and contend that dairy is headed down the same road if we do nothing to prevent it.

So I want to applaud the gentleman for your efforts in this regard. I want to applaud all of my other colleagues for their efforts as well. I think this is probably one of the most significant economic issues for my region certainly and my district and for much of rural America.

Mr. BLUNT. I thank the gentleman from New York. One of the things to point out here too is that as these dairy farms are lost in areas, that jobs that relate to that are lost. The State of Missouri, in the last few years, we have lost two fluid milk plants, we have lost 11 plants that process dairy products, because we simply do not have the production that we used to have to justify those jobs, those off-farm jobs, that did not relate necessarily to producing milk on the farm, but certainly are not there any longer when that milk is no longer produced on the farm. So it does matter.

As the gentleman from New York said, Mr. Speaker, we have had already this evening people like me from Missouri and my colleague the gentleman from an adjoining district in Arkansas (Mr. HUTCHINSON), from Maine and from New York.

One of the people that is always in that room when dairy policy is discussed too is our colleague from North Carolina (Mr. ETHERIDGE), to go to another area of the country. I would like to go to him right now. I certainly appreciate all that the gentleman does, not only being one of the original cosponsors of this bill, but also the leadership that you play as a member of the Committee on Agriculture where this bill will be marked up tomorrow. I would like to yield to the gentleman.

Mr. ETHERIDGE. I thank the gentleman for yielding. I also want to thank the gentleman for holding this special order on dairy legislation this evening as it comes up before Congress tomorrow. We will be marking it up. I thank the gentleman for his leadership. I am proud to be an original cosponsor of 1402 as it is scheduled before the committee tomorrow.

The gentleman talked about 1–A, how important it is. It is critical, it is significant, and, as the gentleman indicated, over 200 Members of this body would not have signed it otherwise.

It simply provides an incentive for farmers in small regions of the country to continue to produce fresh milk. That is really what it is all about. The gentleman has talked about the dollars, and the same would be true for my region.

In the last 10 years, we have lost half of our farmers, our dairy farmers. Let me say this evening, we are talking about dairy farmers, but this is symptomatic of the problems throughout agriculture today in a lot of areas, because every commodity is down, but this is one we can do something about tomorrow or start the process with.

As the gentleman indicated, it is unlike many of the other agricultural issues we deal with, because many of those go from spring to fall, and with this one it takes awhile to build that herd and sustain that herd and the investment that goes into it.

My dairy farmers and yours already are reeling from the volatility of the fluid market over the last several months. We have seen tremendous drops. I hope that over the next few weeks we also get a chance to deal with another piece of legislation dealing with dairy, and that is 1604, which is the ratification of the Southern Compact and reauthorization of the Northeast Compact. Our friend from Maine just touched on that a few moments ago, how that levels out the price that dairy farmers get and how important that is, because they need to have that to plan as they invest in herds, as they invest in equipment and they pay their bills.

Let me say to the gentleman and the folks listening in this evening, it is a shame, while the executives of some of the large conglomerates, and we talked about it earlier and the gentleman from Arkansas (Mr. HUTCHINSON) did, about the difference in what farmers are getting now and what they have got even over the last 10 or 12 years, and the difference in that price and the cost of milk. The cost of milk has gone up about 35 percent since 1980, and we saw from the chart what farmers get has been pretty flat.

It is pretty obvious, the farmers are not getting it. They are producing more, but the costs of their input of what they are paying for feed, for labor and everything else is going up, and they are getting squeezed by the cost of raw milk they are getting.

What 1–A does, it says that we are not going to adopt the 1–B that they talked about, which is going to subsidize just a few producers in one small area of the country and flood that milk to the other parts of the country and drive our people out of business, so we do not have fresh raw milk for our processors nor the fresh raw milk to go to the grocery stores.

So the people who would benefit under this are not only the farmers we are going to keep in business, but it benefits the consumer, because they are going to have a fresh supply of milk at the store every day, and milk is an important product in this country for the very young and for the very old. Those of us in between like to enjoy some too. But it is important.

I think sometimes we forget that when we are talking about the other issues. It is an important consumer issue and it is important to the American people.

As I said, since 1980, the retail price of milk has risen 35 percent. The farmers would feel pretty good if they had gotten 35 percent increase in their cost of milk at the farm, but they have not gotten it. It has been driven down.

That is what this is about, at least about stabilizing, so when they go to the bank to borrow money, and do not ever forget, that dairy farmer borrows money just like any other farmer in this country, but at least they know there will not be spikes in the price they are getting, so that they can do some planning.

The importance of this legislation cannot be overstated. The thing that I fear if we do not pass it, and this is why I think it is so important and I thank you for your leadership and having the opportunity to work together, if we, if we continue to lose our dairy farmers, we will have more and more concentration in a very few hands, and ultimately then the American consumer will wake up one morning, and all of a sudden the price of milk will be up and there will be no way to get it down because there will be so few producers, they will control the market. They are not able to do that at the current time. I think we have a chance now to take care of that.

Milk is just too important to let that happen. This piece of legislation is not only important to the farmers, it is important to all of us. But right now our farmers, certainly in my part of the country, are bleeding. We can do more than put a tourniquet on, we can do more than put a band-aid on, we now have the opportunity to take care of that bleeding for the long term, if we will deal about it. I look forward to the work we are going to do tomorrow.

Let me finally say that some folks say it is easy for them to get up and say let the free market work, it is all about the free market working.

I am all for the free market, if it is free. The problem is, the foreign governments are subsidizing their farmers in a variety of ways. We cannot get products in Europe because of tariffs, and it is true in every other part of the country, and our farmers are paying the price. We have the most open market in the world, in the United States, right now, and if our farmers benefited from that on the free market, then we would not need to be able to make sure

they stay in business. But this is about our farmers getting a fair shake, getting a fair chance at the marketplace.

I thank the gentleman for it, and I look forward to working with you so we can say to our consumers they are going to get a fair price in the market price, they can go in the grocery store and know they are getting fresh milk, and our farmers are going to be in business for the long haul and we can encourage the next generation of dairymen to get into it, because if we do not give them the tools to work with today, we will continue to see the auction of cows, auctions of farmland, and we are going to be turning our dairy farms into shopping malls and housing projects. Not only do we lose the benefit of the production, we also lose a green way and environmental part of this country and a way of life we will not be able to replace. I thank the gentleman for his leadership.

□ 1945

Mr. BLUNT. Mr. Speaker, I thank the gentleman. And on his comments about competition, I think one of the things that the gentleman sees, and I saw when we served on the Committee on Agriculture together, was the constant concern about concentration in beef and pork and poultry and the many problems that relate to concentration. This legislation is focused on continuing competition. It is focused on continuing to have people producing that product.

The gentleman mentioned the very young and the very old. As a former chief state school officer, I think the gentleman would appreciate the other day when I was at Stadly Elementary School at Carthage talking to 4th graders, and one question was, ''Do you know President Clinton?'' And I said, yes, I had been in a meeting with President Clinton the week before when we were in the middle of Kosovo. And the next serious question from the next 4th grader at Stadly Elementary School was, ''Did you know Abraham Lincoln?''

So the very old is sort of a relative term. I had to allow that I was a pretty old guy, but I had not been around quite long enough to know Abraham Lincoln, and so I could not admit to that, but I said I admired Abraham Lincoln.

Mr. Speaker, when I am going to a dairy meeting, as I think about the complexities of the problem, the formula involved, the different categories of this product, and my staff would be one of the first to say this as well, one of the early questions I ask before I know just how well prepared I have to be is, is the gentleman from New York (Mr. MCHUGH) going to be at the meeting? And if the answer is yes, I heave a little sigh of relief because I know I do not have to be quite as well prepared as if the gentleman from New York were not going to be at the meeting.

The gentleman from New York understands these issues, he cares about them, he can debate anybody anywhere in the country and particularly anybody from the U.S. Department of Agriculture on the fine points of dairy policy. And here we are talking about a policy that is the difference in staying in business and not staying in business for many of the dairy farmers both he and I represent. And with real appreciation for his understanding of this issue, I am pleased to yield to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Well, Mr. Speaker, I thank the gentleman for his very gracious comments, and let me return the compliment. The gentleman from Missouri (Mr. BLUNT) has been a leader on this issue. And, frankly, without the gentleman's hard work and without his dedication and devotion, we would not have this opportunity to come forward tonight and to talk about what is I know shared in America and is understood to be a very, very important issue.

We have heard about the Compact tonight, but, as the gentleman noted, we have a very important markup tomorrow in the Committee on Agriculture dealing with a very complex issue with respect to milk market orders. I, like many of us, have listened over the past several weeks, heard the discussion from those Members who do not share our perspective, I have read their statements, and I think, unfortunately, there is a great deal of misunderstanding, there is a great deal of misinformation as to the particulars of milk marketing and milk market reform.

I think, however, we can all agree on one thing, and that is that the current system of milk marketing in America is extraordinarily complex. Some would say it is arcane. And it is true, the proliferation, the really fragmented evolution that has surrounded the growth of marketing orders in America today has really provided us with what I think we can all agree upon is a very ineffective system. But for all of that complexity and for all of the need for change, I think that the need for the market order system today, in 1999, is as evident and is as important as it was back in the 1930s.

Clearly, some of the things from 60-plus years ago, when the original market orders were first constructed, exist today as they did then. Milk production, as the gentleman from Missouri (Mr. BLUNT) has noted today, and others have as well, is a long-term undertaking. It is seasonal as well. One cannot, as the gentleman noted, just take a dairy cow and start milking it tomorrow for market. There is an intensive capital input and an extraordinary amount of time necessary to raise a calf into the age and position where it can be a productive animal.

The seasonality is a factor of life today as it was 60 years ago. Cows produce more milk in the spring, less milk at other times, and that is a very important factor. Farmers cannot shut down a factory line, cannot lay off cows during times of less demand, and those are realities that have not changed.

And I think most importantly is the recognition behind the original orders that milk is, indeed, as the gentleman from North Carolina (Mr. ETHERIDGE) just said, a wholesome product, that the vast majority of Americans wish to provide it for their families, wish to provide it for their children, and that was a very important policy position behind the formulation of those markets back in the 1930s.

Things are different. I have heard our friends on the other side of this issue say that refrigeration now can change the way in which milk markets operate; that you can ship fluid milk to further distances; that, clearly, the population centers of America are different today than they were in the 1930s and that the reason behind original markets, the increased production, to ensure there was an adequate supply, are no longer reflective of those changes in population. But those have limits as well. And, quite honestly, that thought, that recognition was behind the 1996 farm bill.

I become confused when I listen to some folks who, for all of their good intentions, were not part of the formation of that 1996 bill, who were not there in the negotiations, suggest that it was somehow the intention of the Congress to do away with market orders; that market orders were, by definition, a relic of the past and that Congress expressed an intent in that bill to do away with market orders.

Well, nothing could be further from the truth. The Congress spoke very clearly. They understood that at that time the 31 designated regions of milk markets were no longer relative to the 1990s, that they needed to be reconstructed, but they very specifically dealt with the issue of the elimination of market orders, of the elimination of what is called Class 1 differentials, that price-plus that is paid to farmers for fluid milk, and gave very clear instructions in that bill to the Secretary of Agriculture that, indeed, milk market orders should continue; that the process and the practice of Price 1 differentials should not be unduly disrupted in whatever market order reform came about.

That is why I think the Secretary's ruling is so perplexing. The record clearly shows that the overwhelming majority of individuals and organizations that expressed their interest during the formal hearing or informal hearing process was in support of the so-called I-A Option. It has been mentioned on this floor this evening. Congress spoke loudly both at the time when the bill was on the floor and in follow-up meetings with the Secretary.

It was expressed very clearly in letters to the Secretary. 238 Members of the House, 61 Senators, who normally could not agree on what day of the week it is, said that they wanted the Secretary to support 1–A as the most viable and the most effective option.

Even the Secretary's own dairy price structure committee, the in-house United States Department of Agriculture Advisory Committee, the experts, including many prominent economists, supported 1–A.

The reality is if we were not under an informal rulemaking process, that if this bureaucratic decision had to be done under a formal rulemaking process, it could have never and would never withstand legal scrutiny, because the record simply does not support the implementation of a 1–B Option. And I think that is a very important point of this.

But I have to say, if I could continue for just a moment longer, the saddest aspect in all of this to me, as someone who has tried to work on these issues in a positive way for more than 20 years now, is how we seem to pit dairy farmers against dairy farmers, that somehow good dairy policy has to help one at the expense of the other. And I think it is very important that we go on record tonight to say that all of us recognize there are no dairy farmers in good shape today. Whether they are milking cows in the Northeast or the South or the Midwest, the upper Midwest, out on the West Coast or anywhere in America, they are not receiving a fair return on their labor and on their products.

We have heard the figures here tonight, and they are really startling. If people would just stop and think about what it would mean in their own lives, as my good friend and neighbor, the gentleman from New York (Mr. SWEENEY) stated, if overnight an individual's income was reduced by 40 percent. Farmers are receiving in real terms the same dollar for their product today as they did in 1978. Cost of living, input, production costs, as we have heard, since 1982, have increased 60 percent; and that is a reality whether a farmer is in New York or Wisconsin.

And it saddens me deeply to have to find ourselves time and time again opposing representatives who are good of heart, who are trying to represent their dairy farmers as well, as though somehow we have to hurt some to even marginally help another. New York's dairy history is a sad one in recent years. Built on a proud tradition, we have lost more than 8,000 dairy farmers over the past 10 years or so. Milk cows in New York have decreased by some 23 percent.

So there are no winners in this. And what really confuses me in the fight that we will see tomorrow on 1–A and 1–B is that somehow the folks who think that by adopting 1–B their dairy farmers will prosper are simply wrong. Every region of the country, including the upper Midwest, who seem to be most supportive of this, will, at the end of the day, when the market order reforms are taken into consideration and when the pricing structures for Class 3 milk are taken into consideration will lose money. The class pricing changes for Class 3 will mean a loss of some $30 million to farmers in the upper Midwest.

So 1–A, 1–B is not a fight of who will do well but rather a fight of who is going to be hurt less, and I think that is a very, very disturbing aspect.

And there is another important point that for all of the debate I have heard in support of 1–A and 1–B, particularly those who are favoring 1–B, that somehow other farmers are receiving more for their milk. Well, as my boyhood hero Paul Harvey used to say, ''Here is the rest of the story.'' The reality is that when we factor in all of the price components, what a farmer is paid for his or her milk, dairy farmers in the upper Midwest have traditionally, historically, and continue today to receive more than the farmers do in, say the Northeast.

In the Chicago regional market, for example, when we factor in the cost under the market order support, when we factor in the various premiums that they receive, those farmers obtain 55 to 66 cents per hundredweight more than farmers in the Northeast. So while my heart goes out to those farmers and while I definitely and strongly support things that we can and should be doing to help them as well, this action, 1–A versus 1–B, will not be the salvation, will not reach out and help dairy farmers in the upper Midwest, will not, as I have heard time and time again, level the playing field.

We cannot have a responsible dairy policy that indeed encourages the production of fluid milk, affordable, wholesome fluid milk in every part of the country, a policy objective that I think is so very sound, so very important, by taking away annual farm income, depending on whose figures you read, anywhere from $360 to $560 million a year. And that is why this is so very, very important.

In our part of the world, the gentleman from New York (Mr. SWEENEY) and myself, and I know it is reflected in the districts of the gentleman from Missouri (Mr. BLUNT) and the gentleman from Maine (Mr. BALDACCI), and all the other Members, the gentleman from North Carolina (Mr. ETHERIDGE), the gentleman from Arkansas (Mr. HUTCHINSON), and I know the gentleman from Pennsylvania (Mr. KLINK) is going to speak shortly, in all of our regions dairy farmers are important for what they do, for what they produce.

But it is more than that. We have to help people understand that when a dairy farm goes out of business, it is not just a few buildings becoming vacant, it is not just that no longer is that field populated with dairy cows. It is a loss of business of devastating proportions to our local communities, a loss of an incredibly important, I would argue irreplaceable, fabric in the social and economic fabric of a community.

□ 2000

We lose our neighbors. They no longer shop at the local supermarket. They do not go to the feed store, implement store. They are no longer purchasing products from the hardware store on down to the local book store.

So it is an important thing for consumers. It is an important thing certainly for the preservation of, in the State of New York, the largest segment of our largest industry, agriculture. And it is important, too, that we preserve this way of life.

I would like to believe that over time we can begin to work together with all of our friends here in this Congress who care very deeply about their dairy farmers as well and evolve a policy that helps all of these folks stay in business, to the betterment of each and every American.

Again, I thank the gentleman for his leadership on this issue and for the chance to be here this evening.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for being here and for his comments.

Certainly, as he pointed out, in the milk marketing order, there are some significant revisions of this map. The two directives from the Department of Agriculture, and there were only two directives in this regard, were to create a new consolidated set of orders that reduced from the 31 that are in place today to no more than 14 or less than 10. They came back with 10 orders, basically, that does reflect some of the transportation, refrigeration, the other elements.

But this is, as the gentleman knows, a highly perishable product. There is a particular, I think my colleagues would probably call it junk food, but I like it, that I will not mention the name that I like to buy. The shelf life is forever. It does not matter how long it takes to get to the store where I buy it. It does not matter how long I keep a box of this particular item at my house. It is going to be just as good, I guess, 10 years from now as it is today. My wife would argue about the quality of my product choice there.

But we do not have a forever life with this product. And keeping that supply reasonably close, and we are saying now that it is with three times as easy to get that product to the store on the store shelf as it was when the milk orders were first designed, so we are going to 11 helpful milk orders. That was one requirement. The other requirement was that if the State of California wants to be exempted and have its own order, they would be allowed to do that.

As the gentleman from New York (Mr. MCHUGH) knows, Mr. Speaker, those were the only two requirements that USDA had. There was no requirement to eliminate the policy. There was no requirement that fresh milk would no longer matter after 1999 or 2002 or any other date. Those are the requirements. This order reflects that.

And of course this is a product that, in its fluid form, that we really do not have extra days. When we look at that date on the carton when we buy it at the store, it is not months or years in

advance, it is just a few days in advance. And a week or a day or two days off the life of that product makes a big difference in the quality of the product and whether somebody wants to rush back to buy another gallon or half gallon or pint of that product.

Mr. MCHUGH. Mr. Speaker, I could not agree more with the gentleman. Who amongst us has not walked up to the dairy case in our local supermarket and reached to the back to try to find the expiration date that is furthest away? And it is true, refrigeration has made a difference in how we can ship dairy product. But it is not a total answer. There is a very substantial cost to be paid in terms of lessening the shelf life when that product reaches our market shelves, a very substantial degradation in the quality of the product of milk.

If my colleagues are interested in increasing consumption amongst Americans of this very wholesome product, it seems to me that that kind of loss of quality, that kind of loss in consumer convenience in terms of the compressed expiration date is absolutely critical.

And there is one final reality that those who argue that market orders are no longer necessary because we can ship from California to New York or from New York to Florida or wherever conveniently choose to ignore, and that reality is simply that transportation is a significant cost factor in the retail price of milk; and the further they have to ship over time, it will have an irreversible and a very significant factor on the price of milk to the consumers. And it seems to me that one of our primary objectives has to be in all of this dairy policy, because we are not just formulating policy to help farmers, we have to take the broader public interest into mind, is that we stabilize prices, not increase them artificially, and particularly not do it in a way which is proposed through 1(b) that would be so devastating to the producers.

So, again, I thank the gentleman for his leadership.

Mr. BLUNT. Mr. Speaker, one of the ways that I like to drive to Washington is through Pennsylvania. Before I was in Congress, when my family and I would come to Pennsylvania, when my children and I would come to Washington when my children were growing up would be through Pennsylvania. One of the things, as a person who was born on a dairy farm, that we enjoyed the most was that roadside view of those great dairies.

I notice that there are fewer of those dairies. And dairies that we used to look at and admire the cows as we were driving by and the painted buildings and the white fence and all the things that went along with those great dairy farms, many of those that I see now do not have that. I know one of the people that has been concerned about that in the Congress as we have dealt with those issues is the gentleman from Pennsylvania (Mr. KLINK), and I would like to yield some time to him to talk about this very important issue to Pennsylvania and really to all of the States of the country.

I think what the gentleman from New York (Mr. MCHUGH) said about the struggle that dairy farmers are having everywhere is something that we all want to keep in mind as we deal with this legislation.

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding to me.

I want to tell the gentleman first of all that I thank him for his leadership on this matter. He has brought a great amount of fortitude and insightfulness and inventiveness in helping to find out ways that we can bring attention to the plight of the farmers. I appreciate his doing this special order and having us here. And I also very much appreciate his driving through Pennsylvania and hope that when he does that he will spend a little bit of money and keep Pennsylvania green. We appreciate that, as well.

Let me say that I think all of my colleagues on both sides of the aisle just have done a tremendous job of talking about what is at risk here. What this is really about in Option 1(a) is giving the farmers of America a fair shake. 1(a) is based on location-specific cost. It recognizes, as the gentleman from New York (Mr. MCHUGH) said, I think said so well, the value of having a fresh supply of milk produced locally.

He is right, there is refrigeration. But there is this whole idea of the family farmer, once they are gone, once we have only the big industrial farms, who is going to control the price of milk at that point?

The interesting thing I think for those of us who have grown up in farm life, I think what we understand here tonight is that we are fighting specifically for a way of life. I know that the gentleman from Missouri (Mr. BLUNT) referred to this earlier. If we go back to the founding of this Nation, it was an agrarian society, and it is only when the farmers were able to produce more that it freed up some of our families to go and do other things, take industrial jobs.

So what we are really fighting for today is for that farmer to be able to continue to produce the food, and in this case it is milk products, and to be able to get a fair price for that product. And if we cannot talk about location-specific costs, if we cannot have a program like 1(a) that specifically realizes we have to have a fresh supply of milk forever in each region, where are we going as a Nation? Where in the world are we going?

Some of my farmers, we toured around, we talked about this, we talked about the Northeast Compact, we talked about milk prices falling. I do not think that people out there who are not familiar with the dairy industry and they are not familiar with farming do not realize how difficult it is for farmers. I know the gentleman from New York (Mr. MCHUGH) touched on it earlier about they just do not buy a cow and start milking it right away. There is a whole lot of investment that goes into it.

How many farms in all of our areas were bought where somebody came in first generation and put up the barns, bought the land, built the sheds. Fortunately these are second, third, fourth, fifth, sixth, seventh generation farms. If they were not, if these farms had not been handed down, if these farmers today had to make the capital expenditure to buy that land to build the barns, to buy all the cattle, they would not be making anything. And they are barely making anything, and in some instances they are not making anything.

The gentleman from Missouri (Mr. BLUNT) is right, there are farms that are disappearing in Pennsylvania, in all of our States. And with that is that fresh supply of milk.

Now, the farmers get started. Maybe they are fourth, fifth, sixth generation farmer. Then here comes the dairy and they are buying the milk from them and they tell us what is Class 1, they tell us what is Class 2, Class 3, and we get a different price based on not what quality of milk they have, Madam Speaker, but it is on what they are using that milk for. They are paid as a farmer for what they are using that milk for.

Now, if they sell a bail of hay, it is the going price of a bail of hay. If they sell a bushel of wheat, it is the price of a bushel of wheat. But they pay the farmers for the milk depending on what they are going to use that milk for.

I have had farmers tell me and they kind of laugh and they look out of the side of their eye with a twinkle and they say, ''Now, you show me which one of my cows produced Class 3 milk and I will make hamburger out of them because I cannot afford to feed them anymore.'' There are so many things going against these farmers, they have to milk twice a day, every day, seven days a week. All we are saying is give them a fair shake.

H.R. 1402 is well thought out. This is a good bill. It is going to be marked up tomorrow. It is an important piece of legislation. As my colleague said, I think we have 228 cosponsors. That is a majority of this House. It is the right thing to do. It is a thoughtful thing.

And to both of the gentlemen from New York, we are right behind them. They are the third largest State. We are the fourth. We are trying to gain on them, but with farms shutting down, we are not quite getting there.

Some of my colleagues have mentioned earlier about the number of jobs. We have 17,000 jobs in Pennsylvania tied directly to the dairy industry. And then the spin-off, another 12,500 jobs indirectly tied to the dairy industry. The people who are suppliers, those people where they do their shopping and the things that they do. And

it is estimated if we have a 2-percent decline in our dairy industry in Pennsylvania, it would be a loss of 600 jobs. Six hundred families would have to go find something else to do, another way to pay the bills, another way to pay the mortgage, may have to leave the family farm.

This is important. It is important in dollars. It is important in jobs. It is important to have that rural family farm way of life.

We were talking over the past couple of weeks a lot on this floor of the House about morality, about solving social problems. There is nothing greater to bring people together than to give them a little taste of what happens in farm country. Dairy farms are about a way of life. They get up early, work long, work hard, enjoy each other's company.

Do we want to see the family farm wiped out because we have not given them a fair shake and have only large industrial farms out there? They will set the price of milk. If the consumers think they got a bad deal now, they got nothing. The farmers out here are watching the price of milk. On March 5 of this year in Pennsylvania, the price of our milk dropped 37 percent to the farm. They went back to what they were making in 1962.

All the consumers out there saw was maybe a nickel, six cents, seven cents difference. It was not that big. There was no real notice when they went in, pulled their dollar bills out and tried to buy a gallon of milk.

So it is important that we give these farmers the opportunity to have a good fresh supply of milk produced locally, let them recoup their local costs, whether it is labor costs, whether it is transportation costs. Whatever the cost is, whether they have got to get their feed ground, whatever it is they have to do, they have to be able to recoup that cost.

Some of the other speakers talked and we have to talk again about the dairy compact, because we are going to be back here I know talking about this issue. And it is important that we also, and I know that we are supportive of 1604, to reauthorize the dairy compact and to create a southern compact.

I am very proud that in Pennsylvania our State assembly since the last time we talked passed legislation to allow Pennsylvania to join the compact. The governor signed it into law. And now our farmers are going to have that shot. Now, the difference is that now they are making a little over $12 per hundred weight. It costs 13 and a half bucks to produce that milk. The compact differential is going to be the difference between paying the bills, staying in business, and not being in business. That is how important this compact legislation is.

So I thank my colleague for having me here to be part of this to let me along with I see the gentleman from Pennsylvania (Mr. SHERWOOD) here to be able to speak up on behalf of our farmers in Pennsylvania. But I just want to point out one thing again in case it was missed, Madam Speaker, and that is this: We have got people here from the Midwest, from the South, from the Northeast. We are not against each other's farmers. We are all here today speaking out for all of these dairy farmers, speaking out for fairness against each and every one of them. I am not against the farmers in Missouri or New York. We want a fair shake for all of them. And someone said it earlier, we do not have to pit American farmers against each other.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for his leadership in this effort. And he has already recognized one of his colleagues here on the floor who, from the first day he joined us this year, came up to me and said, ''Dairy is important in my district. I want to be involved in getting this legislation passed.''

□ 2015

If the proposed option would go into effect, the average herd of 100 cows, that family would lose $6,000 to $15,000 a year depending on other price factors. Most of us would not want to take a $6,000 to $15,000 a year family pay cut. That is the difference in these options. That is why we are supporting 1–A. That is why it is going to be marked up in committee tomorrow.

The gentleman from Pennsylvania (Mr. SHERWOOD) has been an advocate of this policy since he got here and has been working hard to see that we get to this point of reversing this decision, passing 1–A. I yield to the gentleman from Pennsylvania.

Mr. SHERWOOD. Madam Speaker, I rise to support my colleague from Missouri's bill to have 1–A pricing as the best solution for producers and consumers across the country.

The Secretary of Agriculture's reform policy for the Federal milk marketing order is poor policy. It favors a small segment of the dairy industry in the northern Midwest and could lead to reductions in income of more than 6 percent to family dairy farms in other parts of the country.

Madam Speaker, we have had far too much reduction in dairy farms in Pennsylvania already. When I was a young boy growing up after the Second World War, my uncle had a dairy farm in a bend of the Susquehanna River, an area known as North Eaton. He would run his can truck out and pick up milk from seven farmers in that peninsula. Today there is not a dairy cow or a pound of milk produced in that peninsula along the Susquehanna River.

I grew up in the small town of Nicholson. There were three creameries and four feed mills. Today there is not one of either. When the farmers made money, the little communities prospered, the churches were full, the charities were in good shape. As we let our family farm base wither away, we are not doing our society any good.

Family farmers do not want anything from us that is not fair. I am a very free enterprise person. Farmers are very individualistic. They are not asking for anything from the government except a chance to compete. Option 1–A gives them a fair mechanism in which to produce their milk, and you will then continue to have farm-fresh milk throughout the country. Dairy farms are the engine of the economy in small communities across the country.

I support this bill because it is the soundest, fairest policy for those hard-working families which help create dairy products and jobs in my home region. My friend Carl Aten retired from hauling milk a few years ago. He told me when he started he had 140 farmers. When he quit, he had 40 farmers. This is an industry that, if we do not treat it fairly, will go out of business. We do not need to be in the business of forcing family farms to go out. We do not need to penalize regions of our country which have long, proud histories of dairy farmers. We do not need to force consumers to receive only products that have been shipped from faraway regions. We need, along with the 200 other Members of the House, to support Option 1–A.

Mr. BLUNT. Madam Speaker, I yield to the gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. I thank the gentleman from Missouri for yielding.

Madam Speaker, I submit for the RECORD this editorial from the Wisconsin-based dairy magazine ''Hoard's Dairyman'' which is entitled ''On Federal Order Reform . . . First, Do No Harm.'' I think it puts it in perfect perspective. What it essentially says is that Federal orders are put in place for dairy farmers, to be approved by dairy farmers. While USDA's proposal addresses some pricing aberrations, we cannot be expected to embrace a plan that reduces income for this high-capital, low-margin, physically demanding business of producing milk.

I suggest we take the advice of this upper Midwest authority with the national interests of the dairy industry in mind. First do no harm and reform the dairy program in a way that does not hurt dairy farmers.

[From the Hoard's Dairyman, May 10, 1999]

ON FEDERAL ORDER REFORM . . . FIRST, DO NO HARM

Think back to when the federal order reform package being debated now was being drafted. The 1996 Farm Bill that mandated reform was to be the start of getting government out of farming or, at least, away from regulating (or supporting) the price of farm products. ''Market orientation'' and ''global competitiveness'' were the ag policy watch words.

Now, USDA's final rule proposes Class I differentials that would be ''flatter.'' Across all orders, differentials would average 29 cents a hundredweight less than existing levels.

The so-called make allowances would be raised for plants making butter and cheese under federal order jurisdiction. The intent is to make federal order plants more competitive with those in California which operate under higher make allowances. But there

is only so much value in a hundredweight of milk. Boosting margins for plants leaves less money to pay producers.

The National Milk Producers Federation estimates that dairy farmer income in federal orders would have averaged $196 million a year less during the past five years had USDA's final rule been in effect. That figure may be inflated somewhat as it does not include overorder and other premiums that would be paid. Still, we're talking about less money in dairy farmers' bank accounts.

Having said this, let's remember that much has changed during the past two years since the Farm Bill was passed. Feed grain and wheat prices have been in the pits. The pork picture needs no explanation. Beef prices are stagnant, at best. And our milk prices soared to record highs, followed by the lowest level in eight years. In short, today's ag policy environment is much different than it was just two years ago.

Accordingly, the medical motto ''First, do no harm'' comes to mind. Federal milk orders are put in place for dairy farmers, to be approved by dairy farmers. While the order proposal addresses some pricing aberrations, we can't be expected to embrace a plan that reduces income for this high-capital, low-margin, physically-demanding business of producing milk.

Rather than market orientation, we should be concerned about the nearly 8,000 families that sold their cows during 1998, many because they couldn't make ends meet. Rather than global competitiveness, we should be concerned that the highest milk prices ever (1998's average mailbox price was $15.05) were well under the total economic cost of production in five of six regions of the country, according to USDA analysis.

Congress is to react to the reform plan by early summer. There will be heated debates on divisive issues, such as differentials and make allowances, both within and beyond the Beltway. Dairy farmer leaders from across the country need to put aside regional differences and bring to Washington a unified voice that asks for best possible price for all diary farmers.

SUPPORT THE DEMOCRATIC PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore (Mrs. NORTHUP). Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Madam Speaker, this evening I would like to talk about two significant health care issues that the Democrats have made a major thrust, if you will, of their agenda for this Congress. One is the Patients' Bill of Rights, which is our HMO reform, our patient protection reform; and the second one is the effort that was announced today by President Clinton at the White House to modernize and strengthen Medicare and, most importantly, to provide a prescription drug benefit for all Medicare recipients for the first time.

As Members know, when Medicare began in the 1960s under President Johnson, there was not a prescription drug benefit. As part of the effort to modernize Medicare and strengthen Medicare, the President today went far towards coming up with a prescription drug benefit that I think is a wonderful way for this Congress to show that it really does care about our senior citizens.

Let me start this evening by talking a little bit about the Patients' Bill of Rights. I have said over and over again on the floor of the House of Representatives, both this session and previous sessions, that the most important issue, the issue that I hear the most from my constituents about and the issue that I think our constituents feel we should address immediately, is reforming HMOs. Because so often Americans who have managed care, whose insurance policy is essentially a managed care or HMO type of policy, find that there is not adequate protection under the law for them to receive quality care when they need it.

The horror stories have been recounted many times about Americans who need a particular operation and are told that the HMO will not pay for it or need a particular type of equipment and are told that the HMO does not cover that or who need to go to an emergency room and want to go to the closest one nearby to where they live or where they happen to be hurt and are told that they cannot go to that emergency room because that particular hospital does not come under the HMO plan. All we are seeking to do with the Patients' Bill of Rights is to provide sufficient protections, what I call common-sense protections under the law, under Federal law, that get rid of these horror stories.

Essentially, the Patients' Bill of Rights has two focuses. One is to make sure that the decision of what kind of medical care you receive is made by the doctor and the patient, not by the insurance company; and the second focus is that there be an opportunity, if you are denied care by the HMO, that you have some sort of appeal, external appeal, as well as the right to bring suit in court to make sure that your grievance is heard and that that incorrect decision can be overturned if it should be. Those are the two focuses of our legislation.

But there are a number of other things that come up in the context of the Patients' Bill of Rights. I would like to go into a little bit some of the objectives tonight. I say that there are four central objectives of the bill: Patients should have access to needed care, doctors should be free to practice medicine without improper interference from HMOs and insurance companies, the health plan's decision to deny care can be appealed by patients to an independent entity, and health plans are held accountable for their medical decisions that lead to harm.

Let me get into some of the specifics, because I think that they are important. As I mentioned, patients today face numerous obstacles as they seek access to doctors and needed health care services in the context of managed care. These barriers to quality health care range from managed care companies' refusal to pay for emergency room services without prior authorization to restricting patients' access to specialists.

These are the most important provisions that I am going to go through in the Patients' Bill of Rights that will provide patients with access to the care that they need when they need it.

First, access to emergency room care. The Patients' Bill of Rights allows patients to go to any emergency room during a medical emergency without having to call a health plan first for permission. Emergency room physicians can stabilize patients and begin to plan for poststabilization care without fear that health plans will later deny coverage.

Access to needed specialists. We hear many times about the fact that, under HMOs, patients have been told, ''Well, you can't go to a particular specialist.'' The Patients' Bill of Rights ensures that patients who suffer from a chronic condition or a disease that requires care by a specialist will have access to a qualified specialist. If the HMO network does not include specialists qualified to treat a condition, such as a pediatric cardiologist to treat a child's heart defect, it would have to allow the patient to see a qualified doctor outside its network at no extra cost. And the Patients' Bill of Rights also allows patients with serious ongoing conditions to choose a specialist to coordinate care or to see their doctor without having to ask their HMO for permission before every visit.

Another important provision in our Patients' Bill of Rights is access to an OB/GYN. The Patients' Bill of Rights allows a woman to have direct access to OB/GYN care without having to get a referral from her HMO. Women also would have the option to designate their OB/GYN as their primary care physician.

The other thing, because, as I mentioned earlier, one of the major concerns right now is access to prescription drugs, well, under the Patients' Bill of Rights, it requires that needed prescription drugs be available to patients. Currently, many HMOs refuse to pay for prescription drugs that are not on their preapproved list of medications. As a result, patients may not get the most effective medication needed to treat their condition. The Patients' Bill of Rights ensures that patients with drug coverage will be able to obtain needed medications even if they are not on the HMO's approved list.

Now, before I go on and talk a little more about the Patients' Bill of Rights, let me stress that what the Democrats have faced in this Congress is the fact that the Republican leadership refuses to bring up the Patients' Bill of Rights. They refuse to have a hearing in committee, they refuse to mark it up in committee, they refuse to bring it to the floor of the House of Representatives. This has been going on now since the beginning of this session, and we faced the same problem in the previous session of Congress.

So what do we do? Well, what we did last week is we started a petition process. There is such a thing as a discharge petition which Members can sign on the floor of the House of Representatives; and if a majority of Members of this House sign the discharge petition, then that forces the Republican leadership to bring the bill to the floor to have a debate, to have a vote, to have the American people see us have the opportunity to vote on this bill.

What we started last week was this petition drive. As of Friday, we had 180 signatures to our discharge petition, all Democrats. We are hoping, though, that we can eventually get some Republicans to join us; and we went through the same process last year in an effort to get the Patients' Bill of Rights to the floor.

I assure my colleagues that over the next few weeks we will do our best to get to that magic number of 218 which will bring the Patients' Bill of Rights to the floor, if we can get that number, and I think we can, because I think there is a huge groundswell, if you will, of public opinion that wants to see this legislation brought to the floor.

Let me just say a few more things about the Patients' Bill of Rights, what the legislation does. I stressed in the beginning this notion that doctors need to be free to practice medicine. Accountants, insurance companies, insurance company bureaucrats, should not be making medical decisions and deciding what type of care you receive. Yet some managed care organizations interfere with doctors' medical decisions and even go so far as restrict open communication between patients and doctors.

I think that most people are surprised to find out that if the HMO does not cover the particular type of procedure or operation that your doctor thinks you need, that the HMO can actually tell the doctor that he or she is not allowed to tell you what that procedure is. It is called a gag rule, because, essentially, the doctor is denied his or her freedom of speech, their first amendment rights. That is just the most egregious example, and one of the things that the Patients' Bill of Rights does is to prohibit insurers, HMOs, from gagging doctors. But even more important is the idea that the decision about what is medically necessary, what is defined under the insurance policy to be medically necessary, is defined by standards within that particular specialty of care. In other words, right now if you have an HMO and the HMO decides that a particular procedure or a length of stay in the hospital, for example, is not what they want to cover, they will simply say that what is medically necessary for you does not include that.

□ 2030

They will define what is medically necessary.

What we do in the Patients' Bill of Rights is we say no, the decision about whether a particular cardiac procedure is medically necessary is defined, is made by the board of specialists for cardiology. The decision about whether a child should stay in the hospital, as my colleagues know, a certain number of days or the mother should stay in the hospital a certain number of days after the baby is born is not defined by the HMO, the insurance company, but defined by the specialist for pediatric care or for obstetrics, whatever happens to be that specialty defines what the level of care, what the treatment, what the equipment, what the number of days in the hospital should be.

And that is very important because right now even if your HMO allows you to appeal the denial of care in a particular circumstance, that usually goes to a review board either within or outside the HMO that limits its review to whether or not the insurance policy is allowing you a procedure that they would normally allow. In other words, they allow what is medically necessary themselves, and all that the appeals process can do is to review whether they stood within the confines of their own definition of what is medically necessary.

That is not the way it should be. It should be that those standards are defined by the doctors, by the specialist in that particular area and that that is what is reviewed when it goes to an external review board or when it goes to a court of law, and it is a very important part of all this.

All we want to do is make the HMOs accountable for their actions. Some people have said to me, well, as my colleagues know, if you let an external review take place of whether or not someone should have been denied that particular procedure or if you let that person go to court and have the court decide, as my colleagues know, whether or not that denial of care was appropriate, you are going to have, as my colleagues know, endless lawsuits and the costs are going to go up and all this kind of thing. Well, none of that is true.

I see my colleague from Texas has joined me tonight, and he has pointed over and over again how Texas has enacted a Patients' Bill of Rights, and none of those concerns about extraordinary costs or a lot of litigation have come true. But what we are really saying is that there has to be accountability, that the HMOs, just like anyone else has to be accountable for their actions, and, if you have an external review process that is independent, that does not have people from the HMO making those decisions, or if you allow someone to go to court to overturn a denial of care or to have someone recover because the care was not provided and they suffered damages, then in the long run the HMO will be more accountable. They will do the right thing from the beginning because they will be fearful that their decision, their wrong decision, will be overturned or that they have to pay damages in a court of law.

So we are not really trying to do anything I think that most people do not already think should be the case, but, unfortunately, it is not the case. And I would point out that what we are seeing now on the Republican side, because I think they understand that this is a major issue and that they cannot keep denying us the opportunity to consider the Patients' Bill of Rights on the floor or in committee is that they have come up with their alternatives, what I call a piecemeal approach.

They have introduced eight different bills to cover some aspects of the Patients' Bill of Rights, but those eight bills are woefully inadequate in terms of the kinds of protections that are needed, they do not look at this problem in a comprehensive way, and most importantly, the Republican bills that are put out there, these eight bills, do not define medical, what is medically necessary in a way that leaves it up to the physician and the patients to make that decision. They essentially leave it up to the HMO, and they do not have any kind of accountability because they do not have an external independent review process and they do not allow you to sue in a court of law.

So we are going to go through this process, we are going to see the Republican leadership trying to say that they are going to do HMO reform, but hopefully our discharge petition will eventually force the Republican leadership to bring the Patients' Bill of Rights to the floor, and then we will have a full debate and a vote on the bill.

I wanted to tonight also go into what happened today at the White House where the President unveiled his plan to modernize and expand Medicare and, of course, the prescription drug benefit that is so important as part of that.

I think my colleague from Texas may have already discussed that to some extent tonight, but maybe what we can do, if I can yield to him, is we can talk somewhat about the Patients' Bill of Rights, and then we can go into the Medicare prescription drug benefit as well because I think it is so important, and I yield to the gentleman from Texas.

Mr. GREEN of Texas. Madam Speaker, I thank my friend from New Jersey for one, requesting this special hour this evening, but also for the announcement yesterday that you are going to continue to serve with us in the House, we hope, and not make that jump over to the other Senate side, and because of your leadership both in our health task force but also on this issue. I think we can use that experience here on this side of the aisle. The air is so rarified over in the Senate anyway, you have to have oxygen over there.

But, Madam Speaker, for months all we have heard is that we cannot pass a Patients' Bill of Rights because it will increase the cost and open employers to unfair lawsuits, both of which will supposedly force employers to drop insurance coverage from their employees. Essentially they are trying to kill

meaningful managed care reform with half truths and scare tactics.

The insurance industry, managed care organizations, HMOs and oftentimes even some of the big businesses have repeatedly tried to scare the American people by saying the bill would dramatically raise premiums and force employers to drop health insurance for their employees. Obviously, that is not the furthest thing I would ever want to do and I know every Member of the House would not want to do that.

Some of these special interest groups even suggest that the increase could go as high as a 40 percent increase in premiums, and once they are done spreading that inaccurate number, maybe we really ought to talk about what the bill may cost and even use some real life experience, what has happened in the State of Texas. But even on the Federal level our nonpartisan Congressional Budget Office after thoroughly analyzing each section of the Patients' Bill of Rights determined that the bill would cost beneficiaries only $2 a month; that is right, the cost of a happy meal at McDonalds. Patients and managed care could have what they really need as fairness and protection in accountability and for $2 a month. But the news is even better than they want to hear because in my home State of Texas, which passed a Patients Protections in 1997, the State of Texas Patient Bill of Rights included external appeals and accountability and liability sections, and you know the only premium increase that can be attributed is to the higher cost for prescription medication.

There have been increases, but it has been the standard increase whether it is in Dallas or Houston, it has been in San Francisco or Denver or in Washington or New York, anywhere else in the country. There has been no noticeable increase in premiums in the State of Texas since 1997 because of the managed care reform bills. So even the Congressional Budget Office at $2 a month may be over exaggerating, but again maybe we can afford a happy meal to make sure we get the health care we need.

In fact, in the State of Texas in the outside appeals 50 percent of those appeals are being found in the patients benefit; so in other words, 50 percent of the time if an HMO tells you that is not covered or we are not covering it, they are wrong, and that is what happened in the State of Texas. So again, for $2 a month or even less I would be more than happy to have an outside appeals process that is really an appeals process. Plus, there has been no mass exodus in the State of Texas for employers that drop health insurance in Texas. What Texas residents do have now is health care protections that they need and they deserve. Provisions included in the Patients' Bill of Rights in the State of Texas should be extended to all Americans and, most importantly, to the 8 million Texans who have insurance policies that come under federal law.

Again, we have many policies in our country that come under State law or Federal law, and no matter if all 50 States pass their own patient protections or the Patients' Bill of Rights, we still have to pass it on the Federal level because of the Federal law and ERISA. These include eliminating gag clauses so that the physicians will be able to communicate freely with their patients. That should not cost a dime except letting the doctors talk to their patients. Open access to specialists for women, children in the chronically ills of patients who will not need to have a referral every time they see a physician. They have to go back to their primary care doctor, and we understand this. A woman, for example, may pick a primary care doctor that is not her OB/GYN, and she should not have to go back to that primary care doctor every time she needs to go to her obstetrician. Same way a person who may be diagnosed with cancer. They should not have to go back to that primary care doctor every time they need a cancer treatment. They should be able to go to their oncologist that is on their list. External and binding appeals process that guarantees patients timely review of questionable decisions.

Again, in the State of Texas 50 percent of the time the appeals have been found for the patient, and 50 percent for the insurance company, and that is great; 50 percent of the time they are wrong, and before this law passed in Texas, 100 percent of the time they were wrong. It is just that we have found out that half the time they were right. Coverage for emergency care so families will not be required to stop at a pay phone to get pre-authorization because they could go to the nearest emergency care unit that they have and medical necessity for those decisions.

But also, and we heard it last week and we have heard testimony not only in our Committee on Commerce hearing we had, but also in our task force hearing we had last week: If you hold the medical decision maker accountable, if you hold that doctor or that provider accountable, then the person who is telling that doctor how to practice medicine ought to also be accountable, and in the State of Texas again; I hate to keep using Texas as an example, but that is where this has been tried and tested and proven.

There have been no more than three lawsuits anybody knows of filed since 1997; one because the appeals process is working. Patients only want to have the health care that they pay for, and so if they get it and then plus if they are ruled against half the time, then they are probably not going to go hire them a lawyer because the facts are already out there, and they know what reason was made for not having the health care that they expected they should have.

Instead they recognize the affordability and the value of the Patients' Bill of Rights. I am sorry to hear that our Republican leadership continues to push with sometimes half fixes and even loopholes. To be honest, I am not so sure I have been convinced that the leadership seriously wants to pass a managed care reform bill that truly protects patients with some of the things I have heard the last few weeks.

Certainly their actions to date have not given us any reason that they will, but I do think they would have compassion to bring a bill up on the floor so we can debate it here on the floor just like we are doing tonight. If our ideas do not have the majority vote, then so be it. That is the democracy and the American system. But we need to have, the American families need to have, the protections, and we ought to debate it openly here on the floor of the House, and whether it takes, as my colleagues know, 1 hour or 10 hours we ought to have that time here for the most important health care bills that will come along maybe in our lifetime.

Unfortunately that is not the case. Last year's floor consideration, as Members of the Committee on Commerce, we did not even have, were unable to consider the bill that came up here on the floor, was actually drafted in the Speaker's office, and we had one chance to mend it, one chance. And we all, we lacked five votes in coming up with a real strong Patients' Bill of Rights. Ours failed by 5 votes. What passed the House was not even seriously considered by the U.S. Senate because it actually weakened the law that had already been passed in a lot of our States.

And so that is why tonight I am happy to be here with you again and in talking about how important a comprehensive Patients' Bill of Rights, and let us stop stonewalling, let us go ahead and get this bill out here on the floor. Sure, we can have all the committee hearings we want, but we really need to get a comprehensive bill here on the floor of the House. It is a fair bill, but it rules that we can debate our ideas, and that way we can vote out here in public for everyone.

With that I would be glad the gentleman requested this time this evening, and again I know you wanted to talk about the President's plan today. And let me just say that a few minutes ago I spoke, and the President's plan may not go as far as I would like it to go, but it moves us down that road. In football terminology we may be on the one yard line now, he may move us to the 40 or 50. Of course, I would rather have a touchdown, but at least he moves us down the road on really prescription medication for our senior citizens.

And so I am glad the President announced that today. Hopefully we will go from here and go forward with it.

Mr. PALLONE. I want to thank the gentleman for his comments.

□ 2045

Madam Speaker, I just wanted to comment on some of the remarks that

my friend, the gentleman from Texas (Mr. GREEN), made because I think they are so significant.

First of all, with regard to the Patients' Bill of Rights, the gentleman has set forth not only tonight but on many occasions, including last week when we had our Democratic Health Care Task Force hearing, on the fact that there is no question that under the Texas law, which is very similar to what we have, that some of the concerns that have been expressed about HMO reform legislation, like the Patients' Bill of Rights, have just not materialized. The fact that there have been almost no lawsuits, the fact that the cost increases have been really a few pennies, really, per month, and I think that is important because as much as we realize a lot of these criticisms are not justified, many of the insurance companies, many of the HMOs continue to make these criticisms and in many cases spend a lot of money trying to advertise potential problems that might exist with the Patients' Bill of Rights; and the Texas legislation, which has been in force now for about 2 years, shows rather dramatically that those criticisms are not legitimate.

The problem, of course, is that this Texas law and the New Jersey law, which we have in my State, and all the State laws do not apply to the majority of the people who fall under a Federal preemption because their insurance is essentially Federal because their employer is self-insured or some other things that might bring them under Federal preemption. So we do need the Federal law, and I think we will get the Federal law if we keep pressing.

I did want to switch because I did not hear the gentleman this evening but I knew that he was talking about the announcement that the President made today, and I think that we are going to see that his proposal for Medicare reform and expansion, albeit modest, is something that the majority of the people will become very supportive of. And we hopefully will not have to press the Republican leadership to bring that up for the vote; but if we have to, we will.

If I could just talk briefly about the prescription drug benefit, I guess the hallmark of it, from what I understand, is that it will pay for half the cost of prescription drugs up to a total cost annually of $5,000 when it is fully in force, which I guess is in the year 2008. But initially when it goes into force, it will at least cover up to $2,000 annually, and we are talking about a premium which I think is about $24 a month beginning in the year 2002.

So if this went into place the first time in 2002, one would be paying $24 a month; and this would apply to anybody who wanted to. It is a voluntary system, a new part B benefit, that anybody who wants to could pay the $24 a month, and they would be guaranteed in that year up to $2,000 of prescription drugs that they might incur. A thousand of that, half of that, would be paid for by Medicare. Then that premium would eventually go up, I guess, to $44 a month when fully phased in at 2008, but at that point it would cover up to $5,000 in costs.

Now I say it is modest because I am sure some people will say, well, why is it not paying the whole cost? Why is it we only get 50 percent and we still have to put up the other 50 percent?

I think we have to look at the realities of the situation. We know that everything costs money and that the Federal budget is not infinite. The President is basically saying that he is going to put 15 percent of the surplus into Medicare, and this will be one of the benefits of that. When I think of most of the seniors that I know, they would be very glad to pay that $24 a month and to have half of their drug costs subsidized by Medicare.

The other thing which I do not think was heralded so much today but I am sure will be brought out as this unfolds is for beneficiaries with low incomes, below 135 percent of poverty, which I guess is defined as $11,000 for a single person or $17,000 for a couple, they would not pay premiums or cost sharing. Those with incomes between 135 and 150 percent of poverty would receive premium assistance as well, in the same way that we do with part B that covers the doctors' bills. I guess it is called the QMB. I have forgotten what QMB stands for, but these are people with low income who do not have to pay the premium. So between that and this $24 cost that anyone else wants to pay on a voluntary basis, I think it is a pretty good deal.

I would like to see it go further, but I think it is a very good beginning and something that hopefully we can get bipartisan support for.

I would yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, earlier, in a 5-minute special order, I talked about a constituent of mine that pays $260 a month for her prescription medication. That comes out to a little over $3,000 a year, $260 a month.

Basically, under the President's plan, and again we will all see how this applies to our own constituents but now she pays a little over $3,000 a year. Under the President's plan, she would pay $25 a month so that would be times 12. She would pay 200-and-something dollars. Let me see. I have to go back to my math but probably around $300 a year. And then she would get half of that so she would be paying $1,500 if her medication costs stay the same, $3,000. She would pay half under the President's plan and then the other half would be paid for by Medicare part B. So she would actually come out saving money.

Again, that is like I said, she still has to come up with her amount. She is paying this $260 a month now, and at $25 it just seems like it would save her money. It is not as far as I want but, like I said, it moves us down the field a little bit.

Again, I do not have all the numbers. We serve on the Committee on Commerce, not the Committee on Appropriation and the Committee on the Budget. We identify the problems. Then we have to figure out how to do it. If we cannot completely solve them, let us at least go part of the way to do it.

The President's plan goes $3,000 for the first few years, and then it goes up to $5,000 after that. I have constituents that have been to my townhall meetings literally for years and said that a husband or wife, oftentimes the wife has minimum benefits on Social Security because the wife worked traditionally at a lower wage job. Her whole check, every month, goes to their prescription medication. Their fear is that what happens when one of them passes away?

Now, sure, their prescription medication may be cut in half, but they are losing that income, and they are also going to lose some of their Social Security. So they cannot afford for one of them to pass away because of the high cost of their prescriptions.

It is just a shame in our country. I have seniors who have told me their blood pressure medicine that they have to take once a day, I really cannot afford it because it is really so expensive so I take it every other day. That should not be for that senior to have to do it or decide I am not going to have dinner tonight or I am not going to have breakfast or go to lunch because I need to take my medication. Those choices should not have to be made in a country as wealthy and as great as ours and who has a tradition, at least since the 1930s, of taking care of our seniors, first by a Social Security system that literally was the first welfare bill because people paid into Social Security so when they are retired they get something back on it, and then in 1965 with the Medicare bill and now in 1999 to expand it to include prescription medication.

The other thing the President talked about in his Medicare proposal was to correct some of the inequities in the Balanced Budget Act of 1997 where a lot of our hospitals and even our home health care providers, the cuts were so dramatic that they are not being able to provide some of the services. I know I get letters in my office from senior citizens but also hospitals. So by dedicating 15 percent of the budget surplus over and above the Social Security amount that we will need for Medicare, it shows that that will help us and not only with prescription medications.

So I congratulate the President. Again, I hope that we will have the chance on the floor of the House to debate prescription medication provisions for our senior citizens. Again, it may not go as far as I want to, but again let us show some progress in the legislative side. Instead of just saying no, we are not recognizing the problem, let us show we recognize the problem and do the best we can with the resources we have to do it.

Again, I thank the gentleman for taking this time tonight and also letting us talk a little bit about prescription medication because that is important to all of our constituents. Whether they live in Houston or Texas or New Jersey or California or whether they are Democrat or Republican, it is important for us to address that.

Mr. PALLONE. Madam Speaker, I want to thank the gentleman from Texas (Mr. GREEN) for his remarks. I know that we just heard about the details of this proposal today, but I am sure that over the next few weeks or few months we will be going into the details a lot more and basically pointing out the good points of the program.

I just wanted to mention, it is estimated that about 31 million Medicare beneficiaries would actually benefit from the coverage that the President outlined today. The reason there are so many is because so many older and disabled Americans rely so heavily on medication. In other words, somebody who is younger might say, well, will I even incur $25 worth of prescription drug costs per month? But for people who are over 65 or the disabled that are covered by Medicare, most of them incur prescription drug costs that are well over the $24 premium per month.

As I said, about 31 million people would benefit if they took advantage and opted into this new part B prescription drug benefit that the President has outlined.

The other thing I would say about it is that the way the President is structuring this Medicare prescription drug benefit, it ensures beneficiaries discounts similar to that offered by many employer-sponsored plans estimated to be, on average, over 10 percent for each prescription purchased. That has nothing to do with the limit. In other words, it has built into the prescription drug program these kinds of discounts; and, of course, the Medicare subsidy to pay half the cost is beyond the discount that one would also get. So I think that is another very significant aspect to it.

The other thing, there were a number of other things that the President mentioned today as part of the Medicare expansion that he unveiled, and I just wanted to mention a few of these because I think they are significant.

Very significant is that his proposal eliminates all cost sharing for preventive benefits in Medicare and institutes a major health promotion education campaign. Let me just talk a little bit about that preventive aspect.

One of the biggest criticisms that we have had over the years, not only of Medicare and Medicaid but just health care in general, is that we do not encourage prevention. Prescription drugs essentially are prevention. It used to be 30 years ago when Medicare was started that prescription drugs were not important because the emphasis on health care then was if one was in the hospital and if they had to have an operation they had the operation, and that was the way to cure them.

Prescription drugs have become more available and more prevalent over the last 30 years since the 1960s when Medicare began because it was a preventive measure. One takes the prescription drugs to prevent getting further sick or having to be hospitalized or having the operation, but there are other preventive benefits in Medicare that are just as important.

By eliminating existing copayments and deductibles for these kind of preventive services, I think the President goes far, combined with the prescription drug program, in stressing prevention as part of the Medicare program which is so important.

He said today, just to give an idea of the kind of preventive services that would no longer have those copayments and deductibles, just to give some examples of the cancer screening, bone mass measurements, pelvic exams, prostate cancer screening, diabetes self- management benefits, mammograms, these are the kinds of preventive measures that I think should not have the copayment deductible because we want everybody to take advantage of them, a significant part of his proposal today.

The other thing is he reiterated as part of his Medicare proposal today the Medicare buy-in for the near elderly. The plan includes the President's proposal to offer any American between the ages of 62 and 65 the choice to buy into the Medicare program for approximately $300 per month; displaced workers even at a lower age. Displaced workers between 55 and 62 who had involuntarily lost their jobs and insurance could buy in at a slightly higher premium, approximately $400 per month.

So what we are seeing here is an effort by the President to expand Medicare to the near elderly at no additional cost because this would be the cost of having those people enter into the Medicare program. I think that is also significant.

The last thing I wanted to mention on the President's Medicare proposal today, I think my colleague, the gentleman from Texas (Mr. GREEN) already touched on it, but I wanted to reiterate that his proposal extends the life of the trust fund, the Medicare Trust Fund, until at least 2027.

A lot of my constituents come up to me and say, is Medicare going to be there in a few years? Well, the answer is that if the President's plan is adopted, it will be. It will be there at least until 2027. He does that by dedicating 15 percent of the surplus, which is $794 billion over 15 years, to Medicare, to insure the financial health of the trust fund through at least the year 2027.

□ 2100

We will go into this more, Mr. Speaker, as we get a chance to look at his proposal in more detail over the next few weeks.

ON TURKISH INTRANSIGENCE AND CONCERNS REGARDING THE ENTITIES LIST AGAINST TURKEY AND PAKISTAN.

Mr. PALLONE. Mr. Speaker, what I would like to do now, if I could, and I will not take up the whole time, but I wanted to sort of change the subject and talk about two foreign policy areas which I am very concerned about.

The first one involves U.S. relations with India, which I often speak about as a member of our bipartisan India Caucus. It references legislation that I am introducing today with regard to the so-called ''entities list'' against both India and Pakistan.

The legislation I am introducing, Mr. Speaker, is a concurrent resolution aimed at getting the administration to review its so-called ''entities list'' with regard to India and Pakistan.

The Bureau of Export Administration has created a blacklist of private and public entities in the two countries, subjecting them to a near complete prohibition on all exports, including paperclips and paper cups, without regard to their specific use or whether these items contribute in any way to nuclear weapons or missiles.

In effect, the entities list imposes a trade embargo against nearly 300 companies and agencies with little or no direct connection to nuclear weapons programs. In practice, this is an essentially punitive list. Besides punishing the Indian and Pakistani entities, the list also ends up hurting U.S. firms and U.S. research organizations that have ties with them.

Mr. Speaker, the administration, I believe, has cast too wide a net in listing entities, including private companies and research institutions, that do not threaten U.S. security interests. There are a total of 196 entities from India and 92 from Pakistan on the list. This compares with a total of only 13 named entities from China and 13 from Russia.

There are some truly absurd examples of entities that have been included in this list. For example, medical equipment cannot be supplied to a cancer unit that comes under the administrative jurisdiction of an atomic research center. The trade restrictions are actually more permissive with regard to military than civilian entities. It is indicative of policies that I think have lost touch with the spirit of the laws that they were meant to implement.

Thus, I have introduced today my sense of the Congress resolution, similar to a provision approved in the other body, the Senate, as part of the fiscal year 2000 defense appropriation legislation.

It states that export controls should be applied only to those Indian and Pakistani entities that make direct and material contributions to weapons of mass destruction and missile programs, and only those items that can contribute to such programs.

The entities list was adopted, I think I mentioned, by the Bureau of Export

Administration last year in the wake of the imposition of unilateral U.S. sanctions pursuant to the Glenn Amendment to the Arms Export Control Act.

The sanctions were invoked automatically, pursuant to the Glenn Amendment. However, the naming of the Indian entities on the list is not a mandatory Glenn Amendment sanction. I would say that the list goes way beyond the intent of Congress when it enacted the Glenn Amendment in an effort to prevent nuclear detonations by what were termed nonnuclear powers by the Nuclear Non-Proliferation Treaty. Furthermore, the entities list is not subject to suspension or waiver.

Mr. Speaker, in the Omnibus Appropriations Act of the last fiscal year, there was a provision granting the President the authority to waive certain Glenn Amendment sanctions. This year both houses of Congress, both the House and Senate, are moving legislation to further waive or to suspend the sanctions, but the entities list would not be affected by these efforts. It is a discretionary measure imposed by the administration above and beyond what the Glenn Amendment provides for.

Mr. Speaker, I have repeatedly made the point that I have concerns about this discretionary approach in general. Personally, I would like to see the sanctions permanently repealed. I would at least favor suspension of the sanctions for some period of time, 5 years is provided for in the Senate language, rather than continuing to use the sanctions in a carrot and stick strategy to force concessions.

With the entities list, we have seen this discretionary approach taken to its logical extreme. Instead of controlling exports that have a direct bearing on nuclear or missile programs, the list is simply a broad technological embargo against non-weapons related private and commercial activities.

Mr. Speaker, I made the point that this list is punitive, but the real question is, whom does it punish? The named entities can generally find alternative suppliers from other countries. The real victims are the American companies, their employees, and suppliers.

Furthermore, the list is open-ended. The named entities from India and Pakistan are not accused of violating any law or commitment. There is nothing the entities can do to get delisted, since there was nothing really they did to get put on the list in the first place.

I have come to this floor on many occasions in the last year to express my concern that the sanctions regime against India has severely damaged the burgeoning economic relations that have been opened up since India undertook historic market reforms in the early 1990s.

The sanctions have forced the U.S. to oppose major projects funded by the World Bank and other international financial institutions. We have had to abandon nonhumanitarian aid, including technical assistance programs that were helping India establish the kind of viable financial institutions that it would allow for much-needed infrastructure and other development projects. The sanctions not only deprive the people of India of important opportunities, they also serve to cut the U.S. private sector out of one of the world's major emerging markets.

I am glad to see Congress is working on a bilateral and bicameral basis to lift the sanctions. Mr. Speaker, these efforts would not affect the Administration's entities list. It is up to Congress, working with the American private sector entities that have been hurt by this counterproductive policy, to speak out and urge the administration to reconsider.

I hope we can enact this legislation that I am introducing today, Mr. Speaker, and that the administration will respond in a meaningful way by removing entities from this list that simply do not belong there.

Mr. Speaker, I also wanted to take a few minutes, about at the most 5 minutes, to talk about something that I read about over the weekend in the New York Times that again indicated very strongly the Turkish government's intransigence with regard to the continued occupation of Cyprus.

I have a number of Cypriot constituents. I know the Cypriot Americans as a community have been to many Members of Congress, both Democrats and Republicans, many times to express their concern over the lack of progress in resolving the continued Turkish occupation of Cyprus. This year, actually July 20 of this year, next month, will mark the 25th anniversary of this illegal Turkish invasion and occupation of Cyprus.

The problem is that the Turkish side continues to refuse to come to the negotiating table with the intention of negotiating in good faith. Hundreds of attempts to solve this problem have been made, yet to date the islands is divided and remains one of the most militarized places on the face of the Earth.

Mr. Speaker, to its credit, following the leading role it played in bringing NATO's role with Serbia to an end, the group of eight major industrialized nations, the G–8, agreed to press for a new round of negotiations recently on the Cyprus issue.

The Secretary General of the U.N. endorsed the G–8's plan and subsequently announced he was prepared to invite the Greek and Turkish Cypriots to hold comprehensive peace negotiations. The Turkish side, however, did not waste a second in reaffirming its disrespect for the will of the international community.

Turkish president Rauf Denktash, he is the President of the Turkish occupied part of Cyprus, quickly dismissed the U.N.'s proposal for a new round of peace talks as nonsense.

After nearly 25 years of Turkish belligerence and intransigence over the Cyprus issue, this latest refusal to allow the peace process to move forward is hardly a surprise. I am certainly not surprised. But I nonetheless wanted to come down here to discuss this particular example on the House floor because, frankly, the U.S. Government is simply not doing enough to help bring Turkey to the negotiating table.

In my view, pressure by Members of Congress who support a just resolution to the Cyprus problem must be turned up. The justification the Turkish leader provided to Reuters News Agency for rejecting a new round of peace negotiations is absolute garbage. Denktash told Reuters he would not attend any negotiations at which the democratically-elected president of Cyprus, Mr. Clerides, represented the Cyprus government.

According to Denktash and his patrons in Ankara, the Cypriot government does not have any official jurisdiction or authority over the portion of the island that has been illegally occupied by Turkish troops for almost 25 years.

Adding to this absurdity, the Reuters report also noted that Denktash and Turkey claimed that ''decades of talks on an inter-communal basis have failed to acknowledge the existence, in effect, of two separate governments on the island.''

Mr. Speaker, these ridiculous claims were made by Denktash for the sole purpose of killing a new round of negotiations before they have a chance to succeed. That is what he is up to. Clerides, President Clerides, is recognized internationally as the President of Cyprus, and Turkey is alone in its recognition of the so-called Turkish Republic of Northern Cyprus. No other country in the world recognizes the portion of Cyprus that the Turks have illegally occupied for 25 years as an independent state.

The Turkish suggestion that peace negotiations must be between leaders of independent nations from the same island is way outside the realm of reality.

Mr. Speaker, the international community recently reaffirmed its position on the Cyprus issue. In December of last year, the U.N. Security Council passed a number of resolutions on the Cyprus situation, including Resolution 1217 which reiterates all previous resolutions on the Cyprus problem.

Those resolutions state that any solution to the Cyprus problem must be based on a State of Cyprus with a single sovereignty and international personality and a single citizenship, in a bi-communal and bi-zonal federation, with its independence and territorial integrity safeguarded.

So on the one hand we have the international community taking steps to reaffirm its commitment to a peaceful and just settlement to the Cyprus problem, and on the other hand, the

Turks are only hardening their position and thumbing their nose at whatever the international community suggests.

Their claim that a new basis for negotiations is needed because the negotiations over the last 2½ decades, which they have worked systematically to undermine, have failed to produce any results essentially says it all. Rejecting all reasonable and peaceful overtures and substituting unreasonable and unworkable conditions in their place is not an approach that will move the peace process forward.

Sadly, that is precisely why they make the suggestions. If the Turks were truly interested in moving the peace process forward, they would come to the table and abandon their belligerent and unreasonable conditions for negotiations.

They could also accept the standing offer from the Cypriot government to demilitarize the islands in an effort to reduce tensions, as well as the Cypriot government's offer to pay for the costs of the peacekeeping force following any such demilitarization.

The fact of the matter is that the Turkish side could do any of a number of things to reduce tensions and put the peace process back on track if Ankara, where the real decisions about Cyprus are made, allowed it to happen. History has shown we should not expect that to happen any time soon, and that is why the U.S. has to do more to make it happen.

Mr. Speaker, I just wanted to say that in my view, it is long past time to stop focusing public and private efforts on the Turkish Cypriots and intensify American efforts to move the peace process forward on the Turkish military, which has real and substantial influence on decision-making in the Turkish government.

To that end I would reiterate what I and many other Members of Congress have said publicly and privately to the administration. The United States government must stop spinning its wheels and convey to Ankara in forceful and unequivocal terms that there will be direct consequences in U.S.-Turkish relations if Ankara does not prevail upon the Turks to come to the negotiating table in good faith.

Almost 25 years have passed since Turkey invaded Cyprus. The recent comments by Denktash, who is now taking his orders from the very same Prime Minister in Ankara who presided over Turks 1974 invasion, suggest it might as well have been yesterday.

Mr. Speaker, finally, I think it is clear that the people of Cyprus have waited far, far too long for their freedom. It is my unshakable belief that the U.S. should immediately take the appropriate course of action against the Turkish government to help the Cypriot people attain their independence and their freedom and the cause of a united Cyprus without further delay. I do think these international issues are important.

CONFERENCE REPORT ON H.R. 775, Y2K ACT

Mr. GOODLATTE (during Special Order of the gentleman from New Jersey, Mr. PALLONE) submitted the following conference report and statement on the bill (H.R. 775) to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–212)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 775), to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF SECTIONS.

(a) SHORT TITLE.—This Act may be cited as the ''Y2K Act''.

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

Sec. 1. Short title; table of sections.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Application of Act.
Sec. 5. Punitive damages limitations.
Sec. 6. Proportionate liability.
Sec. 7. Prelitigation notice.
Sec. 8. Pleading requirements.
Sec. 9. Duty to mitigate.
Sec. 10. Application of existing impossibility or commercial impracticability doctrines.
Sec. 11. Damages limitation by contract.
Sec. 12. Damages in tort claims.
Sec. 13. State of mind; bystander liability; control.
Sec. 14. Appointment of special masters or magistrate judges for Y2K actions.
Sec. 15. Y2K actions as class actions.
Sec. 16. Applicability of State law.
Sec. 17. Admissible evidence ultimate issue in State courts.
Sec. 18. Suspension of penalties for certain year 2000 failures by small business concerns.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1)(A) Many information technology systems, devices, and programs are not capable of recognizing certain dates in 1999 and after December 31, 1999, and will read dates in the year 2000 and thereafter as if those dates represent the year 1900 or thereafter or will fail to process dates after December 31, 1999.

(B) If not corrected, the problem described in subparagraph (A) and resulting failures could incapacitate systems that are essential to the functioning of markets, commerce, consumer products, utilities, Government, and safety and defense systems, in the United States and throughout the world.

(2) It is in the national interest that producers and users of technology products concentrate their attention and resources in the time remaining before January 1, 2000, on assessing, fixing, testing, and developing contingency plans to address any and all outstanding year 2000 computer date-change problems, so as to minimize possible disruptions associated with computer failures.

(3)(A) Because year 2000 computer date-change problems may affect virtually all businesses and other users of technology products to some degree, there is a substantial likelihood that actual or potential year 2000 failures will prompt a significant volume of litigation, much of it insubstantial.

(B) The litigation described in subparagraph (A) would have a range of undesirable effects, including the following:

(i) It would threaten to waste technical and financial resources that are better devoted to curing year 2000 computer date-change problems and ensuring that systems remain or become operational.

(ii) It could threaten the network of valued and trusted business and customer relationships that are important to the effective functioning of the national economy.

(iii) It would strain the Nation's legal system, causing particular problems for the small businesses and individuals who already find that system inaccessible because of its complexity and expense.

(iv) The delays, expense, uncertainties, loss of control, adverse publicity, and animosities that frequently accompany litigation of business disputes could exacerbate the difficulties associated with the date change and work against the successful resolution of those difficulties.

(4) It is appropriate for the Congress to enact legislation to assure that the year 2000 problems described in this section do not unnecessarily disrupt interstate commerce or create unnecessary caseloads in Federal courts and to provide initiatives to help businesses prepare and be in a position to withstand the potentially devastating economic impact of such problems.

(5) Resorting to the legal system for resolution of year 2000 problems described in this section is not feasible for many businesses and individuals who already find the legal system inaccessible, particularly small businesses and individuals who already find the legal system inaccessible, because of its complexity and expense.

(6) Concern about the potential for liability—in particular, concern about the substantial litigation expense associated with defending against even the most insubstantial lawsuits—is prompting many persons and businesses with technical expertise to avoid projects aimed at curing year 2000 computer date-change problems.

(7) A proliferation of frivolous lawsuits relating to year 2000 computer date-change problems by opportunistic parties may further limit access to courts by straining the resources of the legal system and depriving deserving parties of their legitimate rights to relief.

(8) Congress encourages businesses to approach their disputes relating to year 2000 computer date-change problems responsibly, and to avoid unnecessary, time-consuming, and costly litigation about Y2K failures, particularly those that are not material. Congress supports good faith negotiations between parties when there is such a dispute, and, if necessary, urges the parties to enter into voluntary, non-binding mediation rather than litigation.

(b) PURPOSES.—Based upon the power of the Congress under Article I, Section 8, Clause 3 of the Constitution of the United States, the purposes of this Act are—

(1) to establish uniform legal standards that give all businesses and users of technology products reasonable incentives to solve year 2000 computer date-change problems before they develop;

(2) to encourage continued remediation and testing efforts to solve such problems by providers, suppliers, customers, and other contracting partners;

(3) to encourage private and public parties alike to resolve disputes relating to year 2000

computer date-change problems by alternative dispute mechanisms in order to avoid costly and time-consuming litigation, to initiate those mechanisms as early as possible, and to encourage the prompt identification and correction of such problems; and

(4) to lessen the burdens on interstate commerce by discouraging insubstantial lawsuits while preserving the ability of individuals and businesses that have suffered real injury to obtain complete relief.

SEC. 3. DEFINITIONS.

In this Act:

(1) Y2K ACTIONS.—The term ''Y2K action''—

(A) means a civil action commenced in any Federal or State court, or an agency board of contract appeal proceeding, in which the plaintiff's alleged harm or injury arises from or is related to an actual or potential Y2K failure, or a claim or defense arises from or is related to an actual or potential Y2K failure;

(B) includes a civil action commenced in any Federal or State court by a government entity when acting in a commercial or contracting capacity; but

(C) does not include an action brought by a government entity acting in a regulatory, supervisory, or enforcement capacity.

(2) Y2K FAILURE.—The term ''Y2K failure'' means failure by any device or system (including any computer system and any microchip or integrated circuit embedded in another device or product), or any software, firmware, or other set or collection of processing instructions to process, to calculate, to compare, to sequence, to display, to store, to transmit, or to receive year-2000 date-related data, including failures—

(A) to deal with or account for transitions or comparisons from, into, and between the years 1999 and 2000 accurately;

(B) to recognize or accurately to process any specific date in 1999, 2000, or 2001; or

(C) accurately to account for the year 2000's status as a leap year, including recognition and processing of the correct date on February 29, 2000.

(3) GOVERNMENT ENTITY.—The term ''government entity'' means an agency, instrumentality, or other entity of Federal, State, or local government (including multijurisdictional agencies, instrumentalities, and entities).

(4) MATERIAL DEFECT.—The term ''material deject'' means a defect in any item, whether tangible or intangible, or in the provision of a service, that substantially prevents the item or service from operating or functioning as designed or according to its specifications. The term ''material defect'' does not include a defect that—

(A) has an insignificant or de minimis effect on the operation or functioning of an item or computer program;

(B) affects only a component of an item or program that, as a whole, substantially operates or functions as designed; or

(C) has an insignificant or de minimis effect on the efficacy of the service provided.

(5) Personal injury.—The ''personal injury'' means physical injury to a natural person, including—

(A) death as a result of a physical injury; and

(B) mental suffering, emotional distress, or similar injuries suffered by that person in connection with a physical injury.

(6) STATE.—The term ''State'' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States, and any political subdivision thereof.

(7) CONTRACT.—The term ''contract'' means a contract, tariff, license, or warranty.

(8) ALTERNATIVE DISPUTE RESOLUTION.—The term ''alternative dispute resolution'' means any process or proceeding, other than adjudication by a court or in an administrative proceeding, to assist in the resolution of issues in controversy, through processes such as early neutral evaluation, mediation, minitrial, and arbitration.

SEC. 4. APPLICATION OF ACT.

(a) GENERAL RULE.—This Act applies to any Y2K action brought after January 1, 1999, for a Y2K failure occurring before January 1, 2003, or for a potential Y2K failure that could occur or has allegedly caused harm or injury before January 1, 2003, including any appeal, remand, stay, or other judicial, administrative, or alternative dispute resolution proceeding in such an action.

(b) NO NEW CAUSE OF ACTION CREATED.—Nothing in this Act creates a new cause of action, and, except as otherwise explicitly provided in this Act, nothing in this Act expands any liability otherwise imposed or limits any defense otherwise available under Federal or State law.

(c) CLAIMS FOR PERSONAL INJURY OR WRONGFUL DEATH EXCLUDED.—This Act does not apply to a claim for personal injury or for wrongful death.

(d) WARRANTY AND CONTRACT PRESERVATION.—

(1) IN GENERAL.—Subject to paragraph (2), in any Y2K action any written contractual term, including a limitation or an exclusion of liability, or a disclaimer of warranty, shall be strictly enforced unless the enforcement of that term would manifestly and directly contravene applicable State law embodied in any statute in effect on January 1, 1999, specifically addressing that term.

(2) INTERPRETATION OF CONTRACT.—In any Y2K action in which a contract to which paragraph (1) applies is silent as to a particular issue, the interpretation of the contract as to that issue shall be determined by applicable law in effect at the time the contract was executed.

(3) UNCONSCIONABILITY.—Nothing in paragraph (1) shall prevent enforcement of State law doctrines of unconscionability, including adhesion, recognized as of January 1, 1999, in controlling judicial precedent by the courts of the State whose law applies to the Y2K action.

(e) PREEMPTION OF STATE LAW.—This Act supersedes State law to the extent that it establishes a rule of law applicable to a Y2K action that is inconsistent with State law, but nothing in this Act implicates, alters, or diminishes the ability of a State to defend itself against any claim on the basis of sovereign immunity.

(f) APPLICATION WITH YEAR 2000 INFORMATION AND READINESS DISCLOSURE ACT.—Nothing in this Act supersedes any provision of the Year 2000 Information and Readiness Disclosure Act.

(g) APPLICATION TO ACTIONS BROUGHT BY A GOVERNMENT ENTITY.—

(1) IN GENERAL.—To the extent provided in this subsection, this Act shall apply to an action brought by a government entity described in section 3(1)(C).

(2) DEFINITIONS.—In this subsection:

(A) DEFENDANT.—

(i) IN GENERAL.—The term ''defendant'' includes a State or local government.

(ii) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(iii) LOCAL GOVERNMENT.—The term ''local government'' means—

(I) any county, city, town, township, parish, village, or other general purpose political subdivision of a State; and

(II) any combination of political subdivisions described in subclause (I) recognized by the Secretary of Housing and Urban Development.

(B) Y2K UPSET.—The term ''Y2K upset''—

(i) means an exceptional temporary noncompliance with applicable Federally enforceable measurement, monitoring, or reporting requirements directly related to a Y2K failure that are beyond the reasonable control of the defendant charged with compliance; and

(ii) does not include—

(I) noncompliance with applicable Federally enforceable measurement, monitoring, or reporting requirements that constitutes or would create an imminent threat to public health, safety, or the environment;

(II) noncompliance with applicable Federally enforceable measurement, monitoring, or reporting requirements that provided for the safety and soundness of the banking or monetary system, or for the integrity of the national securities markets, including the protection of depositors and investors;

(III) noncompliance with applicable Federally enforceable measurement, monitoring, or reporting requirements to the extent caused by operational error or negligence;

(IV) lack of reasonable preventative maintenance;

(V) lack of preparedness for a Y2K failure; or

(VI) noncompliance with the underlying Federally enforceable requirements to which the applicable Federally enforceable measurement, monitoring, or reporting requirement relates.

(3) CONDITIONS NECESSARY FOR A DEMONSTRATION OF A Y2K UPSET.—A defendant who wishes to establish the affirmative defense of Y2K upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that—

(A) the defendant previously made a reasonable good faith effort to anticipate, prevent, and effectively remediate a potential Y2K failure;

(B) a Y2K upset occurred as a result of a Y2K failure or other emergency directly related to a Y2K failure;

(C) noncompliance with the applicable Federally enforceable measurement, monitoring, or reporting requirement was unavoidable in the face of an emergency directly related to a Y2K failure and was necessary to prevent the disruption of critical functions or services that could result in harm to life or property;

(D) upon identification of noncompliance the defendant invoking the defense began immediate actions to correct any violation of Federally enforceable measurement, monitoring, or reporting requirements; and

(E) the defendant submitted notice to the appropriate Federal regulatory authority of a Y2K upset within 72 hours from the time that the defendant became aware of the upset.

(4) GRANT OF A Y2K UPSET DEFENSE.—Subject to the other provisions of this subsection, the Y2K upset defense shall be a complete defense to the imposition of a penalty in any action brought as a result of noncompliance with Federally enforceable measurement, monitoring, or reporting requirements for any defendant who establishes by a preponderance of the evidence that the conditions set forth in paragraph (3) are met.

(5) LENGTH OF Y2K UPSET.—The maximum allowable length of the Y2K upset shall be not more than 15 days beginning on the date of the upset unless specific relief by the appropriate regulatory authority is granted.

(6) FRAUDULENT INVOCATION OF Y2K UPSET DEFENSE.—Fraudulent use of the Y2K upset defense provided for in this subjection shall be subject to the sanctions provided in section 1001 of title 18, United States Code.

(7) EXPIRATION OF DEFENSE.—The Y2K upset defense may not be asserted for a Y2K upset occurring after June 30, 2000.

(8) PRESERVATION OF AUTHORITY.—Nothing in this subsection shall affect the authority of a government entity to seek injunctive relief or require a defendant to correct a violation of a Federal enforceable measurement, monitoring, or reporting requirement.

(h) CONSUMER PROTECTION FROM Y2K FAILURES.—

(1) IN GENERAL.—No person who transacts business on matters directly or indirectly affecting residential mortgages shall cause or permit a

foreclosure on any such mortgage against a consumer as a result of an actual Y2K failure that results in an inability accurately or timely to process any mortgage payment transaction.

(2) NOTICE.—A consumer who is affected by an inability described in paragraph (1) shall notify the servicer for the mortgage, in writing and within 7 business days from the time that the consumer becomes aware of the Y2K failure and the consumer's inability accurately or timely to fulfill his or her obligation to pay, of such failure and inability and shall provide to the servicer any available documentation with respect to the failure.

(3) ACTIONS MAY RESUME AFTER GRACE PERIOD.—Notwithstanding paragraph (1), an action prohibited under paragraph (1) may be resumed, if the consumer's mortgage obligation has not been paid and the servicer of the mortgage has not expressly and in writing granted the consumer an extension of time during which to pay the consumer's mortgage obligation, buy only after the later of—

(A) 4 weeks after January 1, 2000; or

(B) 4 weeks after notification is made as required under paragraph (2), except that any notification made on or after March 15, 2000, shall not be effective for purposes of this subsection.

(4) APPLICABILITY.—This subsection does not apply to transactions upon which a default has occurred before December 15, 1999, or with respect to which an imminent default was foreseeable before December 15, 1999.

(5) ENFORCEMENT OF OBLIGATIONS MERELY TOLLED.—This subsection delays but does not prevent the enforcement of financial obligations, and does not otherwise affect or extinguish the obligation to pay.

(6) DEFINITION.—In this subsection—

(A) The term ''consumer'' means a natural person.

(B) The term ''residential mortgage'' has the meaning given the term ''federally related mortgage loan'' under section 3 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602).

(C) The term ''servicer'' means the person, including any successor, responsible for receiving any scheduled periodic payments from a consumer pursuant to the terms of a residential mortgage, including amounts for any escrow account, and for making the payments of principal and interest and such other payments with respect to the amounts received from the borrower as may be required pursuant to the terms of the mortgage. Such term includes the person, including any successor, who makes or holds a loan if such person also services the loan.

(i) APPLICABILITY TO SECURITIES LITIGATION.—In any Y2K action in which the underlying claim arises under the securities laws (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)), the provisions of this Act, other than section 13(b) of this Act, shall not apply.

SEC. 5. PUNITIVE DAMAGES LIMITATIONS.

(a) IN GENERAL.—In any Y2K action in which punitive damages are permitted by applicable law, the defendant shall not be liable for punitive damages unless the plaintiff proves by clear and convincing evidence that the applicable standard for awarding damages has been met.

(b) CAPS ON PUNITIVE DAMAGES.—

(1) IN GENERAL.—Subject to the evidentiary standard established by subsection (a), punitive damages permitted under applicable law against a defendant described in paragraph (2) in a Y2K action may not exceed the lesser of—

(A) 3 times the amount awarded for compensatory damages; or

(B) $250,000.

(2) DEFENDANT DESCRIBED.—A defendant described in this paragraph is a defendant—

(A) who—

(i) is sued in his or her capacity as an individual; and

(ii) whose net worth does not exceed $500,000; or

(B) that is an unincorporated business, a partnership, corporation, association, or organization, with fewer than 50 full-time employees.

(3) NO CAP IF INJURY SPECIFICALLY INTENDED.—Paragraph (1) does not apply if the plaintiff establishes by clear and convincing evidence that the defendant acted with specific intent to injure the plaintiff.

(c) GOVERNMENT ENTITIES.—Punitive damages in a Y2K action may not be awarded against a government entity.

SEC. 6. PROPORTIONATE LIABILITY.

(a) IN GENERAL.—Except in a Y2K action that is a contract action, and except as provided in subsections (b) through (g), a person against whom a final judgment is entered in a Y2K action shall be liable solely for the portion of the judgment that corresponds to the relative and proportionate responsibility of that person. In determining the percentage of responsibility of any defendant, the trier of fact shall determine that percentage as a percentage of the total fault of all persons, including the plaintiff, who caused or contributed to the total loss incurred by the plaintiff.

(b) PROPORTIONATE LIABILITY.—

(1) DETERMINATION OF RESPONSIBILITY.—In any Y2K action that is not a contract action, the court shall instruct the jury to answer special interrogatories, or, if there is no jury, the court shall make findings with respect to each defendant, including defendants who have entered into settlements with the plaintiff or plaintiffs, concerning—

(A) the percentage of responsibility, if any, of each defendant, measured as a percentage of the total fault of all persons who caused or contributed to the loss incurred by the plaintiff; and

(B) if alleged by the plaintiff, whether the defendant (other than a defendant who has entered into a settlement agreement with the plaintiff)—

(i) acted with specific intent to injure the plaintiff; or

(ii) knowingly committed fraud.

(2) CONTENTS OF SPECIAL INTERROGATORIES OR FINDINGS.—The responses to interrogatories or findings under paragraph (1) shall specify the total amount of damages that the plaintiff is entitled to recover and the percentage of responsibility of each defendant found to have caused or contributed to the loss incurred by the plaintiff.

(3) FACTORS FOR CONSIDERATION.—In determining the percentage of responsibility under this subsection, the trier of fact shall consider—

(A) the nature of the conduct of each person found to have caused or contributed to the loss incurred by the plaintiff; and

(B) the nature and extent of the causal relationship between the conduct of each such person and the damages incurred by the plaintiff.

(c) JOINT LIABILITY FOR SPECIFIC INTENT OR FRAUD.—

(1) IN GENERAL.—Notwithstanding subsection (a), the liability of a defendant in a Y2K action that is not a contract action is joint and several if the trier of fact specifically determines that the defendant—

(A) acted with specific intent to injure the plaintiff; or

(B) knowingly committed fraud.

(2) FRAUD; RECKLESSNESS.—

(A) KNOWING COMMISSION OF FRAUD DESCRIBED.—For purposes of subsection (b)(1)(B)(ii) and paragraph (1)(B) of this subsection, a defendant knowingly committed fraud if the defendant—

(i) made an untrue statement of a material fact, with actual knowledge that the statement was false;

(ii) omitted a fact necessary to make the statement not be misleading, with actual knowledge that, as a result of the omission, the statement was false; and

(iii) knew that the plaintiff was reasonably likely to rely on the false statement.

(B) RECKLESSNESS.—For purposes of subsection (b)(1)(B) and paragraph (1) of this subsection, reckless conduct by the defendant does not constitute either a specific intent to injure, or the knowing commission of fraud, by the defendant.

(3) RIGHT TO CONTRIBUTION NOT AFFECTED.—Nothing in this section affects the right, under any other law, of a defendant to contribution with respect to another defendant found under subsection (b)(1)(B), or determined under paragraph (1)(B) of this subsection, to have acted with specific intent to injure the plaintiff or to have knowingly committed fraud.

(d) SPECIAL RULES.—

(1) UNCOLLECTIBLE SHARE.—

(A) IN GENERAL.—Notwithstanding subsection (a), if, upon motion made not later than 6 months after a final judgment is entered in any Y2K action that is not a contract action, the court determines that all or part of the share of the judgment against a defendant for compensatory damages is not collectible against that defendant, then each other defendant in the action is liable for the uncollectible share as follows:

(i) PERCENTAGE OF NET WORTH.—The other defendants are jointly and severally liable for the uncollectible share if the plaintiff establishes that—

(I) the plaintiff is an individual whose recoverable damages under the final judgment are equal to more than 10 percent of the net worth of the plaintiff; and

(II) the net worth of the plaintiff is less than $200,000.

(ii) OTHER PLAINTIFFS.—For a plaintiff not described in clause (i), each of the other defendants is liable for the uncollectible share in proportion to the percentage of responsibility of that defendant.

(iii) For a plaintiff not described in clause (i), in addition to the share indentified in clause (ii), the defendant is liable for an additional portion of the uncollecitble share in an amount equal to 50 percent of the amount determined under clause (ii) if the plaintiff demonstrates by a preponderance of the evidence that the defendant acted with reckless disregard for the likelihood that its acts would cause injury of the sort suffered by the plaintiff.

(B) OVERALL LIMIT.—The total payments required under subparagraph (A) from all defendants may not exceed the amount of the uncollectible share.

(C) SUBJECT TO CONTRIBUTION.—A defendant against whom judgment is not collectible is subject to contribution and to any continuing liability to the plaintiff on the judgment.

(D) SUITS BY CONSUMERS.—

(i) Notwithstanding subparagraph (A), the other defendants are jointly and severally liable for the uncollectible share if—

(I) the plaintiff is a consumer whose suit alleges or arises out of a defect in a consumer product; and

(II) the plaintiff is suing as an individual and not a part of a class action.

(ii) In this subparagraph:

(I) The term ''class action'' means—

(aa) a single lawsuit in which (1) damages are sought on behalf of more than 10 persons or prospective class members; or (2) 1 or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated; or

(bb) any group of lawsuits filed in or pending in the same court in which (1) damages are sought on behalf of more than 10 persons; and (2) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

(II) The term ''consumer'' means an individual who acquires a consumer product for purposes other than resale.

(III) The term ''consumer product'' means any personal property or service which is normally used for personal, family, or household purposes.

(2) SPECIAL RIGHT OF CONTRIBUTION.—To the extent that a defendant is required to make an additional payment under paragraph (1), that defendant may recover contribution—

(A) from the defendant originally liable to make the payment;

(B) from any other defendant that is jointly and severally liable;

(C) from any other defendant held proportionately liable who is liable to make the same payment and has paid less than that other defendant's proportionate share of that payment; or

(D) from any other person responsible for the conduct giving rise to the payment that would have been liable to make the same payment.

(3) NONDISCLOSURE TO JURY.—The standard for allocation of damages under subsection (a) and subsection (b)(1), and the procedure for reallocation of uncollectible shares under paragraph (1) of this subsection, shall not be disclosed to members of the jury.

(e) SETTLEMENT DISCHARGE.—

(1) IN GENERAL.—A defendant who settles a Y2K action that is not a contract action at any time before final verdict or judgment shall be discharged from all claims for contribution brought by other persons. Upon entry of the settlement by the court, the court shall enter an order constituting the final discharge of all obligations to the plaintiff of the settling defendant arising out of the action. The order shall bar all future claims for contribution arising out of the action—

(A) by any person against the settling defendant; and

(B) by the settling defendant against any person other than a person whose liability has been extinguished by the settlement of the settling defendant.

(2) REDUCTION.—If a defendant enters into a settlement with the plaintiff before the final verdict or judgment, the verdict or judgment shall be reduced by the greater of—

(A) an amount that corresponds to the percentage of responsibility of that defendant; or

(B) the amount paid to the plaintiff by that defendant.

(f) GENERAL RIGHT OF CONTRIBUTION.—

(1) IN GENERAL.—A defendant who is jointly and severally liable for damages in any Y2K action that is not a contract action may recover contribution from any other person who, if joined in the original action, would have been liable for the same damages. A claim for contribution shall be determined based on the percentage of responsibility of the claimant and of each person against whom a claim for contribution is made.

(2) STATUTE OF LIMITATIONS FOR CONTRIBUTION.—An action for contribution in connection with a Y2K action that is not a contract action shall be brought not later than 6 months after the entry of a final, nonappealable judgment in the Y2K action, except that an action for contribution brought by a defendant who was required to make an additional payment under subsection (d)(1) may be brought not later than 6 months after the date on which such payment was made.

(g) MORE PROTECTIVE STATE LAW NOT PREEMPTED.—Nothing in this section preempts or supersedes any provision of State law that—

(1) limits the liability of a defendant in a Y2K action to a lesser amount than the amount determined under this section; or

(2) otherwise affords a greater degree of protection from joint or several liability than is afforded by this section.

SEC. 7. PRELITIGATION NOTICE.

(a) IN GENERAL.—Before commencing a Y2K action, except an action that seeks only injunctive relief, a prospective plaintiff in a Y2K action shall send a written notice by certified mail (with either return receipt requested or other means of verification that the notice was sent) to each prospective defendant in that action. The notice shall provide specific and detailed information about—

(1) the manifestations of any material defect alleged to have caused harm or loss;

(2) the harm or loss allegedly suffered by the prospective plaintiff;

(3) how the prospective plaintiff would like the prospective defendant to remedy the problem;

(4) the basis upon which the prospective plaintiff seeks that remedy; and

(5) the name, title, address, and telephone number of any individual who has authority to negotiate a resolution of the dispute on behalf of the prospective plaintiff.

(b) PERSON TO WHOM NOTICE TO BE SENT.—The notice required by subsection (a) shall be sent—

(1) to the registered agent of the prospective defendant for service of legal process;

(2) if the prospective defendant does not have a registered agent, then to the chief executive officer if the prospective defendant is a corporation, to the managing partner if the prospective defendant is a partnership, to the proprietor if the prospective defendant is a sole proprietorship, or to a similarly-situated person if the prospective defendant is any other enterprise; or

(3) if the prospective defendant has designated a person to receive prelitigation notices on a Year 2000 Internet Website (as defined in section 3(7) of the Year 2000 Information and Readiness Disclosure Act), to the designated person, if the prospective plaintiff has reasonable access to the Internet.

(c) RESPONSE TO NOTICE.—

(1) IN GENERAL.—Within 30 days after receipt of the notice specified in subsection (a), each prospective defendant shall send by certified mail with return receipt requested to each prospective plaintiff a written statement acknowledging receipt of the notice, and describing the actions it has taken or will take to address the problem identified by the prospective plaintiff.

(2) WILLINGNESS TO ENGAGE IN ADR.—The written statement shall state whether the prospective defendant is willing to engage in alternative dispute resolution.

(3) INADMISSIBILITY.—A written statement required by this subsection is not admissible in evidence, under Rule 408 of the Federal Rules of Evidence or any analogous rule of evidence in any State, in any proceeding to prove liability for, or the invalidity of, a claim or its amount, or otherwise as evidence of conduct or statements made in compromise negotiations.

(4) PRESUMPTIVE TIME OF RECEIPT.—For purposes of paragraph (1), a notice under subsection (a) is presumed to be received 7 days after it was sent.

(5) PRIORITY.—A prospective defendant receiving more than 1 notice under this section may give priority to notices with respect to a product or service that involves a health or safety related Y2K failure.

(d) FAILURE TO RESPOND.—If a prospective defendant—

(1) fails to respond to a notice provided pursuant to subsection (a) within the 30 days specified in subsection (c)(1), or

(2) does not describe the action, if any, the prospective defendant has taken, or will take, to address the problem identified by the prospective plaintiff,

the prospective plaintiff may immediately commence a legal action against that prospective defendant.

(e) REMEDIATION PERIOD.—

(1) IN GENERAL.—If the prospective defendant responds and proposes remedial action it will take, or offers to engage in alternative dispute resolution, then the prospective plaintiff shall allow the prospective defendant an additional 60 days from the end of the 30-day notice period to complete the proposed remedial action or alternative dispute resolution before commencing a legal action against that prospective defendant.

(2) EXTENSION BY AGREEMENT.—The prospective plaintiff and prospective defendant may change the length of the 60-day remediation period by written agreement.

(3) MULTIPLE EXTENSIONS NOT ALLOWED.—Except as provided in paragraph (2), a defendant in a Y2K action is entitled to no more than one 30-day period and one 60-day remediation period under paragraph (1).

(4) STATUTES OF LIMITATION, ETC., TOLLED.—Any applicable statute of limitations or doctrine of laches in a Y2K action of which paragraph (1) applies shall be tolled during the notice and remediation period under that paragraph.

(f) FAILURE TO PROVIDE NOTICE.—If a defendant determines that a plaintiff has filed a Y2K action without providing the notice specified in subsection (a) or without awaiting the expiration of the appropriate waiting period specified in subsection (c), the defendant may treat the plaintiff's complaint as such a notice by so informing the court and the plaintiff in its initial response to the plaintiff. If any defendant elects to treat the complaint as such a notice—

(1) the court shall stay all discovery and all other proceedings in the action for the appropriate period after filing of the complaint; and

(2) the time for filing answers and all other pleadings shall be tolled during the appropriate period.

(g) EFFECT OF CONTRACTUAL OR STATUTORY WAITING PERIODS.—In cases in which a contract, or a statute enacted before January 1, 1999, requires notice of non-performance and provides for a period of delay prior to the initiation of suit for breach or repudiation of contract, the period of delay provided by contract or the statute is controlling over the waiting period specified in subsections (c) and (d).

(h) STATE LAW CONTROLS ALTERNATIVE METHODS.—Nothing in this section supersedes or otherwise preempts any State law or rule of civil procedure with respect to the use of alternative dispute resolution for Y2K actions.

(i) PROVISIONAL REMEDIES UNAFFECTED.—Nothing in this section interferes with the right of a litigant to provisional remedies otherwise available under Rule 65 of the Federal Rules of Civil Procedure or any State rule of civil procedure providing extraordinary or provisional remedies in any civil action in which the underlying complaint seeks both injunctive and monetary relief.

(j) SPECIAL RULE FOR CLASS ACTIONS.—For the purpose of applying this section to a Y2K action that is maintained as a class action in Federal or State court, the requirements of the preceding subsections of this section apply only to named plaintiffs in the class action.

SEC 8. PLEADING REQUIREMENTS.

(a) APPLICATION WITH RULES OF CIVIL PROCEDURE.—This section applies exclusively to Y2K actions and, except to the extent that this section requires additional information to be contained in or attached to pleadings, nothing in this section is intended to amend or otherwise supersede applicable rules of Federal or State civil procedures.

(B) NATURE AND AMOUNT OF DAMAGES.—In all Y2K actions in which damages are requested, there shall be filed with the complaint a statement of specific information as to the nature and amount of each element of damages and the factual basis for the damages calculation.

(Co MATERIAL DEFECTS.—In any Y2K action in which the plaintiff alleges that there is a material defect in a product or service, there shall be filed with the complaint a statement of specific information regarding the manifestations of the material defects and the facts supporting a conclusion that the defects are material.

(d) REQUIRED STATE OF MIND.—In any Y2K action in which a claim is asserted on which the plaintiff may prevail only on proof that the defendant acted with a particular state of mind, there shall be filed with the complaint, with respect to each element of that claim, a statement of the facts giving rise to a strong inference that the defendant acted with the required state of mind.

SEC. 9. DUTY TO MITIGATE.

(A) IN GENERAL.—Damages awarded in any Y2K action shall exclude compensation for damages the plaintiff could reasonably have avoided in light of any disclosure or other information of which the plaintiff was, or reasonably should have been, aware, including information made available by the defendant to purchasers or users of the defendant's product or services concerning means of remedying or avoiding the Y2K failure involved in the action.

(b) PRESERVATION OF EXISTING LAW.—The duty imposed by this section is in addition to any duty to mitigate imposed by State law.

(c) EXCEPTION FOR INTENTIONAL FRAUD.—Subsection (a) does not apply to damages suffered by reason of the plaintiff's justifiable reliance upon an affirmative material misrepresentation by the defendant, made by the defendant with actual knowledge of its falsity, concerning the potential for Y2K failure of the device or system used or sold by the defendant that experienced the Y2K failure alleged to have caused the plaintiff's harm.

SEC. 10. APPLICATION OF EXISTING IMPOSSIBILITY OR COMMERCIAL IMPRACTICABILITY DOCTRINES.

In any Y2K action for breach of repudiation of contract, the applicability of the doctrines of impossibility and commercial impracticability shall be determined by the law in existence on January 1, 1999. Nothing in this Act shall be construed as limiting or impairing a party's right to assert defenses based upon such doctrines.

SEC. 11. DAMAGES LIMITATION BY CONTRACT.

In any Y2K action for breach or repudiation of contract, no party may claim, or be awarded, any category of damages unless such damages are allowed—

(1) by the express terms of the contract; or

(2) if the contract is silent on such damages, by operation of State law at the time the contract was effective or by operation of Federal law.

SEC. 12. DAMAGES IN TORT CLAIMS.

(a) IN GENERAL.—A party to a Y2K action making a tort claim, other than a claim of intentional tort arising independent of a contract, may not recover damages for economic loss unless—

(1) the recovery of such losses is provided for in a contract to which the party seeking to recover such losses is a party, or

(2) such losses result directly from damage to tangible personal or real property caused by the Y2K failure involved in the action (other than damage to property that is the subject of the contract between the parties to the Y2K action or, in the event there is no contract between the parties, other than damage caused only to the property that experienced the Y2K failure),

and such damages are permitted under applicable Federal or State law.

(b) ECONOMIC LOSS.—For purposes of this section only, and except as otherwise specifically provided in a valid and enforceable written contract between the plaintiff and the defendant in a Y2K action, the term ''economic loss'' means amounts awarded to compensate an injured party for any loss, and includes amounts awarded for damages such as—

(1) lost profits or sales;

(2) business interruption;

(3) losses indirectly suffered as a result of the defendant's wrongful act or omission;

(4) losses that arise because of the claims of third parties;

(5) losses that must be pled as special damages; and

(6) consequential damages (as defined in the Uniform Commercial Code or analogous State commercial law).

(c) CERTAIN OTHER ACTIONS.—A person liable for damages, whether by settlement or judgment, in a civil action to which this Act does not apply because of section 4(c) whose liability, in whole or in part, is the result of a Y2K failure may, notwithstanding any other provision of this Act, pursue any remedy otherwise available under Federal or State law against the person responsible for that Y2K failure to the extent of recovering the amount of those damages.

SEC. 13. STATE OF MIND; BYSTANDER LIABILITY; CONTROL.

(a) DEFENDANT'S STATE OF MIND.—In a Y2K action other than a claim for breach or repudiation of contract, and in which the defendant's actual or constructive awareness of an actual or potential Y2K failure is an element of the claim, the defendant is not liable unless the plaintiff establishes that element of the claim by the standard of evidence under applicable State law in effect on the day before January 1, 1999.

(b) LIMITATION ON BYSTANDER LIABILITY FOR Y2K FAILURES.—

(1) IN GENERAL.—With respect to any Y2K action for money damages in which—

(A) the defendant is not the manufacturer, seller, or distributor of a product, or the provider of a service, that suffers or causes the Y2K failure at issue,

(B) the plaintiff is not in substantial privity with the defendant, and

(C) the defendant's actual or constructive awareness of an actual or potential Y2K failure is an element of the claim under applicable law, the defendant shall not be liable unless the plaintiff, in addition to establishing all other requisite elements of the claim, proves, by the standard of evidence under applicable State law in effect on the day before January 1, 1999, that the defendant actually knew, or recklessly disregarded a known and substantial risk, that such failure would occur.

(2) SUBSTANTIAL PRIVITY.—For purposes of paragraph (1)(B), a plaintiff and a defendant are in substantial privity when, in a Y2K action arising out of the performance of professional services, the plaintiff and the defendant either have contractual relations with one another or the plaintiff is a person who, prior to the defendant's performance of such services, was specifically identified to and acknowledged by the defendant as a person for whose special benefit the services were being performed.

(3) CERTAIN CLAIMS EXCLUDED.—For purposes of paragraph (1)(C), claims in which the defendant's actual or constructive awareness of an actual or potential Y2K failure is an element of the claim under applicable law do not include claims for negligence but do include claims such as fraud, constructive fraud, breach of fiduciary duty, negligent misrepresentation, and interference with contract or economic advantage.

(c) CONTROL NOT DETERMINATIVE OF LIABILITY.—The fact that a Y2K failure occurred in an entity, facility, system, product, or component that was sold, leased, rented, or otherwise within the control of the party against whom a claim is asserted in aY2K action shall not constitute the sole basis for recovery of damages in that action. A claim in a Y2K action for breach or repudiation of contract for such a failure is governed by the terms of the contract.

(d) PROTECTIONS OF THE YEAR 2000 INFORMATION AND READINESS DISCLOSURE ACT APPLY.—The protections for the exchanges of information provided by section 4 of the Year 2000 Information and Readiness Disclosure Act (Public Law 105–271) shall apply to any Y2K action.

SEC. 14. APPOINTMENT OF SPECIAL MASTERS OR MAGISTRATE JUDGES FOR Y2K ACTIONS.

Any district court of the United States in which a Y2K action is pending may appoint a special master or a magistrate judge to hear the matter and to make findings of fact and conclusions of law in accordance with Rule 53 of the Federal Rules of Civil Procedure.

SEC. 15. Y2K ACTIONS AS CLASS ACTIONS.

(a) MATERIAL DEFECT REQUIREMENT.—A Y2K action involving a claim that a product or service is defective may be maintained as a class action in Federal or State court as to that claim only if—

(1) it satisfies all other prerequisites established by applicable Federal or State law, including applicable rules of civil procedure; and

(2) the court finds that the defect in a product or service as alleged would be a material defect for the majority of the members of the class.

(b) NOTIFICATION.—In any Y2K action that is maintained as a class action, the court, in addition to any other notice required by applicable Federal or State law, shall direct notice of the action to each member of the class, which shall include—

(1) a concise and clear description of the nature of the action;

(2) the jurisdiction where the case is pending; and

(3) the fee arrangements with class counsel, including the hourly fee being charged, or, if it is a contingency fee, the percentage of the final award which will be paid, including an estimate of the total amount that would be paid if the requested damages were to be granted.

(c) FORUM FOR Y2K CLASS ACTIONS.—

(1) Jurisdiction.—Except as provided in paragraph (2), the district courts of the United States shall have original jurisdiction of any Y2K action that is brought as a class action.

(2) EXCEPTIONS.—The district courts of the United States shall not have original jurisdiction over a Y2K action brought as a class action if—

(A)(i) a substantial majority of the members of the proposed plaintiff class are citizens of a single State;

(ii) the primary defendants are citizens of that State; and

(iii) the claims asserted will be governed primarily by the laws of that State;

(B) the primary defendants are States, State officials, or other governmental entities against whom the district courts of the United States may be foreclosed from ordering relief;

(C) the plaintiff class does not seek an award of punitive damages, and the amount in controversy is less than the sum of $10,000,000 (exclusive of interest and costs), computed on the basis of all claims to be determined in the action; or

(D) there are less than 100 members of the proposed plaintiff class.

A party urging that any exception described in subparagraph (A), (B), (C), or (D) applies to an action shall bear the full burden of demonstrating the applicability of the exception.

(3) PROCEDURE IF REQUIREMENTS NOT MET.—

(A) DISMISSAL OR REMAND.—A United States district court shall dismiss, of, if after removal, strike the class allegations and remand, any Y2K action brought or removed under this subsection as a class action if—

(i) the action is subject to the jurisdiction of the court solely under this subsection; and

(ii) the court determines the action may not proceed as a class action based on a failure to satisfy the conditions of Rule 23 of the Federal Rules of Civil Procedure.

(B) AMENDMENT; REMOVAL.—Nothing in paragraph (A) shall prohibit plaintiffs from filing an amended class action in Federal or State court. A defendant shall have the right to remove such an amended class action to a United States district court under this subsection.

(C) PERIOD OF LIMITATIONS TOLLED.—Upon dismissal or remand, the period of limitations for any claim that was asserted in an action on behalf of any named or unnamed member of any proposed class shall be deemed tolled to the full extent provided under Federal law.

(D) DISMISSAL WITHOUT PREJUDICE.—The dismissal of a Y2K action under subparagraph (A) shall be without prejudice.

(d) EFFECT ON RULES OF CIVIL PROCEDURE.—Except as otherwise provided in this section, nothing in this section supersedes any rule of Federal or State civil procedure applicable to class actions.

SEC. 16. APPLICABILITY OF STATE LAW.

Nothing in this Act shall be construed to affect the applicability of any State law that provides stricter limits on damages and liabilities, affording greater protection to defendants in Y2K actions, than are provided in this Act.

SEC. 17. ADMISSIBLE EVIDENCE ULTIMATE ISSUE IN STATE COURTS.

Any party to a Y2K action in a State court in a State that has not adopted a rule of evidence substantially similar to Rule 704 of the Federal Rules of Evidence may introduce in such action evidence that would be admissible if Rule 704 applied in that jurisdiction.

SEC. 18. SUSPENSION OF PENALTIES FOR CERTAIN YEAR 2000 FAILURES BY SMALL BUSINESS CONCERNS.

(a) DEFINITIONS.—In this section—

(1) the term ''agency'' means any executive agency, as defined in section 105 of title 5, United States Code, that has the authority to impose civil penalties on small business concerns;

(2) the term ''first-time violation'' means a violation by a small business concern of a federally enforceable rule or regulation (other than a Federal rule or regulation that relates to the safety and soundness of the banking or monetary system or for the integrity of the National Securities markets, including protection of depositors and investors) caused by a Y2K failure if that Federal rule or regulation has not been violated by that small business concern within the preceding 3 years; and

(3) the term ''small business concern'' has the same meaning as a defendant described in section 5(b)(2)(B).

(b) ESTABLISHMENT OF LIAISONS.—Not later than 30 days after the date of enactment of this Act, each agency shall—

(1) establish a point of contact with the agency to act as a liaison between the agency and small business concerns with respect to problems arising out of Y2K failures and compliance with Federal rules or regulations; and

(2) publish the name and phone number of the point of contact for the agency in the Federal Register.

(c) GENERAL RULE.—Subject to subsections (d) and (e), no agency shall impose any civil money penalty on a small business concern for a first-time violation.

(d) STANDARDS FOR WAIVER.—An agency shall provide a waiver of civil money penalties for a first-time violation, provided that a small business concern demonstrates, and the agency determines, that—

(1) the small business concern previously made a reasonable good faith effort to anticipate, prevent, and effectively remediate a potential Y2K failure;

(2) a first-time violation occurred as a result of the Y2K failure of the small business concern or other entity, which significantly affected the small business concern's ability to comply with a Federal rule or regulation;

(3) the first-time violation was unavoidable in the face of a Y2K failure or occurred as a result of efforts to prevent the disruption of critical functions or services that could result in harm to life or property;

(4) upon identification of a first-time violation, the small business concern initiated reasonable and prompt measures to correct the violation; and

(5) the small business concern submitted notice to the appropriate agency of the first-time violation within a reasonable time not to exceed 5 business days from the time that the small business concern became aware that the first-time violation had occurred.

(e) EXCEPTIONS.—An agency may impose civil money penalties authorized under Federal law on a small business concern for a first-time violation if—

(1) the small business concern's failure to comply with Federal rules or regulations resulted in actual harm, or constitutes or creates an imminent threat to public health, safety, or the environment; or

(2) the small business concern fails to correct the violation not later than 1 month after initial notification to the agency.

(f) EXPIRATION.—This section shall not apply to first-time violations caused by a Y2K failure occurring after December 31, 2000.

And the Senate agree to the same.

From the Committee on the Judiciary:

HENRY HYDE,
F. JAMES SENSENBRENNER, Jr.,
BOB GOODLATTE,

From the Committee on Commerce, for consideration of section 18 of the Senate amendment:

TOM BLILEY,
MICHAEL G. OXLEY,
Managers on the Part of the House.

From the Committee on Commerce, Science, and Transportation:

JOHN MCCAIN,
TED STEVENS,
CONRAD BURNS,
SLADE GORTON,
RON WYDEN,

From the Committee on the Judiciary:

ORRIN HATCH,
STROM THURMOND,

From the Special Committee on the Year 2000 Technology Problem:

ROBERT F. BENNETT,
CHRISTOPHER DODD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing vote of the two Houses on the amendment of the Senate to the bill (H.R. 775), to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying report.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

DEFINITION OF Y2K ACTION

The House and Senate versions had different definitions of Y2K action. The conferees agreed to a definition that makes the intended scope of the Act clear. The modified definition includes actions that involve both actual and potential failures that could occur or cause harm before January 1, 2003. The conferees want to ensure that the Act applies to those cases involving questions such as the determination of liability to shareholders or responsibility for the costs of remediation even when there is no actual Y2K failure. Additionally, the conferees note that there have already been many cases filed involving Y2K issues in which there has been no actual failure but only potential, prospective, or anticipated failures. The conferees intend to include these types of cases within the scope of the Act.

FINANCIAL INSTITUTIONS

The Senate amendment to H.R. 775 contained an amendment by Senator Inhofe, incorporating language proposed by Senator Hollings, to ensure that a homeowner cannot be foreclosed upon due to a Y2K failure. The conferees agree that the actual language adopted was broader than the intent stated by Senator Hollings, and after consultation with the Federal Deposit Insurance Corporation, and the House Committee on Banking and Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs, the conferees have agreed to modify section 4(h) of the Senate amendment. It is the conferees' intent that the section, as modified, will provide the protections proposed by Senator Hollings without affecting all financial transactions, including those which do not involve either a consumer/homeowner or an actual Y2K failure.

The modified language limits the applicability of the protections to residential mortgages. It requires the consumer to provide notice of the Y2K failure and of the consumer's inability to timely fulfill his or her obligation to pay. The modified language also limits the applicability of this subsection to transactions occurring between December 16, 1999, and March 15, 2000.

OTHER MATTERS

The conferees agree that while other differences exist between the House bill and the Senate amendment, many of these differences do not reflect a difference in intent. For example, the House bill contained a definition of ''damages'' while the Senate amendment does not. The conference substitute does not include a definition of ''damages'' because the conferees agree that the House definition is self-evident in actual practice and under State law, so that the definition is unnecessary.

APPLICATION OF ACT

The conferees agreed to add language to section 4, relating to the scope of application of the Act, to make it clear that in any Y2K action that arises under the securities laws, the provisions of the Act (other than section 13(b)) do not apply.

Y2K UPSET PROTECTIONS

The conference substitute includes the Inhofe amendment with modifications. The purpose of the Inhofe amendment is to waive penalties for limited, exceptional and temporary noncompliance with federally enforceable measurement, monitoring, or reporting requirements, for which there was otherwise no violation of the underlying substantive federally enforceable regulation. For example, in the environmental arena, because of a Y2K failure, a facility's monitoring or reporting equipment fails to operate properly; the facility continues to function normally and all applicable pollution standards or limits are otherwise met. In that situation, the facility would get the benefit of the waiver provided it met the conditions set forth under this section. However, if, aside from the monitoring or reporting requirements, the facility has violated the underlying federally enforceable requirement to which the monitoring or reporting requirement related, or if there was actual or imminent harm to the public health, safety, or the environment, the facility would not get the benefit of the defense.

The phrase ''measurement, monitoring, or reporting'' broadly covers a range of federal requirements, but not every term need apply to every federal program. For example, the term ''measurement'' is not intended to apply to federal environmental statutes.

PROPORTIONATE LIABILITY

Prior to the conference, the House version of the Proportionate Liability section provided that a defendant would only be responsible for that portion of a Y2K claim that corresponds to the defendant's percentage of responsibility for the harm experienced by

the plaintiff. This provision would supersede existing laws imposing joint and several liability on defendants. The Senate amendment was substantially similar in the scope of the general rule but added several exceptions to it. The conference substitute incorporates a number of modifications, as follows:

Under the original Senate formulation, in most circumstances, a defendant would only be proportionately liable for the damages for which the defendant was responsible. The proportion of responsibility would be based as a ''percentage of the total fault of all persons, including the plaintiff, who caused or contributed to the total loss incurred by the plaintiff.'' If alleged by the plaintiff, the fact-finder would also have to make a determination of whether the defendant ''acted with specific intent to injure the plaintiff'' or knowingly committed fraud. If the fact-finder answers either of those two questions in the affirmative, then that individual defendant will remain jointly and severally liable for the plaintiff's damages. Subsection (c)(2)(A) defines the circumstance under which a defendant commits knowing fraud for purposes of this section. Subsection (c)(2)(B) makes clear that simply reckless conduct by the defendant is not enough to trigger the knowing fraud definition of this section.

The other two exceptions to proportional liability contained within the original Senate amendment deal with what happens when there is an uncollectible share of liability. The original formulation of the uncollectible share exception provided that a defendant would be liable for an uncollectible share in proportion to that defendant's total responsibility but the defendant's total liability for the uncollectible share could not exceed 50 percent of that defendant's proportionate share. The second exception deals with when there is an uncollectible share and ''the plaintiff is an individual whose recoverable damages under the final judgment are equal to more than 10 percent of the net worth of the plaintiff'' and the plaintiff's overall net worth is less than $200,000. In the second case, all other defendants remain entirely jointly and severally liable for the uncollectible share.

The additional amendment proposed by the Senate and agreed to by the House conferees modifies the general rule for uncollectible shares. Under this amendment, a defendant would be liable for an additional 100 percent of its proportionate share as applied to the uncollectible share, rather than being liable for only up to 50 percent of the defendant's proportionate share. In addition, the amendment holds a defendant liable for an additional 50 percent of that defendant's proportionate share of the uncollectible amounts if that defendant acted with reckless disregard for the likelihood that the defendant's acts would cause the harm or loss suffered by the plaintiff. The amendment also permits certain plaintiffs who are individual consumers and who bring individual suits, rather than class actions, to hold other defendants liable for uncollectible shares consistent with state law.

The original Senate amendment also contains provisions dealing with settlement discharge and a defendant's right to contribution from fellow defendants. Subsection (e) indicates that a defendant may settle a Y2K action at any time before a final verdict or judgment is reached and such a defendant will be discharged from all contribution claims brought by other persons. The amendment also makes clear that a defendant who, because of the exceptions contained in the amendment, becomes jointly and severally liable for a portion of the plaintiff's damages, may recover contribution from any other person who would have been liable for the plaintiff's damages. The determination of a claim for contribution must be based on the percentage of responsibility of the defendant ''against whom a claim for contribution is made.''

The conference agreement makes clear that State laws are not preempted. This section does not preempt State statutes that limit a defendant's liability to a lesser amount than that determined under this section or otherwise provide greater protection to a defendant from joint and several liability.

The general intent behind this section is to impose proportional liability upon a defendant rather than joint and several liability. The conferees are of the view, except for limited exceptions, that it is inherently unfair to hold a defendant that has limited culpability liable for the entire amount of the judgment obtained by the plaintiff. This section does not allow defendants to transfer the amount of their responsibility to other parties. Rather, this section recognizes and holds defendants liable for the actual amount of harm they actually caused, and for orphan shares of individual consumers.

The original exceptions contained in the Senate amendment as well as the subsequent Senate amendment agreed to by the House conferees, provides a limited escape route for plaintiffs that could be grossly disadvantaged by a pure formulation of proportional liability. These exceptions only apply in the context of when the defendant engaged in especially egregious conduct or when the damages awarded to the plaintiff may not be entirely recoverable due to a defendant's insolvency or other problem in paying.

DUTY TO MITIGATE

Prior to the conference, the House version of the Duty to Mitigate section stated the duty of plaintiffs to avoid damages which ''could reasonably have been avoided in light of any disclosure or other information'' including information made available by the defendant. The Senate Amendment was substantially identical except for its reference to ''Y2K action'' rather than the House version's ''Y2K claim.'' The House conferees agreed to recede to the Senate formulation. The Senate proposed an additional amendment that was agreed to by the House.

The additional amendment kept the Senate formulation substantially intact but added 2 new subsections. Subsection (b) includes the plaintiffs duty to mitigate but makes clear that the Federal mitigation requirement is in addition to any State mitigation requirement. Subsection (c) provides an exception to the plaintiff's affirmative duty to mitigate where the plaintiff has relied on the defendant's fraudulent representations regarding the Y2K readiness of the product that is the basis of the plaintiff's suit.

This provision is intended to further this legislation's fundamental goal of Y2K remediation. This section affirms State law that requires plaintiffs to take reasonable steps to limit their damages. The amendments agreed to by the conferees provide that in limited circumstances where the defendants are engaged in egregious conduct, a plaintiff will be relieved of this affirmative duty.

Section 9 affirms, at the Federal level, the Uniform Commercial Code provisions addressing the responsibility of plaintiffs to limit their damages by obtaining other conforming goods (UCC §2–712, duty to ''cover'') and limitations on a buyer's consequential damages to those which could not have ''reasonably'' been prevented. These concepts establish an independent affirmative responsibility on buyers. The basis for this responsibility to avoid ''losses that reasonably could have been prevented'' arises without reference to any action by the seller/defendant. Section 9, as amended by the conferees, recognizes the unprecedented risk attaching to Y2K and accordingly adds to these established Uniform Commercial Code principles in one significant way. The section extends the concept of mitigation to events occurring prior to the actual tort or contractual breach.

ECONOMIC LOSS

Both the House and Senate bills included language to codify the economic loss rule. That rule states that a party who has suffered only economic damages must generally sue to recover those damages under contract, not tort, law. The House version, however excepted all intentional torts from the scope of the rule while the Senate version did not expressly address intentional torts. The Senate and House agree to an amendment that clarifies this exception to the economic loss rule. Under the conference substitute, the economic loss rule applies to all torts except intentional torts arising independent of a contract. This codifies the rapidly emerging trend in State law to apply the economic loss rule to bar intentional tort claims, such as fraud claims, where such claims are intrinsic to, or indistinguishable from, an underlying contractual dispute between the parties. Simply put, breach of contract, intentional or otherwise, does not generally give rise to a tort claim; it is simply breach of contract. If, however, there is an intentional tort that is extraneous to the underlying contract claim, this section will not limit a party's ability to recover economic losses under applicable law.

WARRANTY AND CONTRACT PRESERVATION

The intent of section 4(d) of the conference substitute is to enhance business certaintly and discourage frivolous lawsuits that attempt to undermine established contractual relationships. This section makes clear that contract terms and provisions shall be fully enforced so contracting entities have the benefit of their bargains. The mere fact that a Y2K-related problem arises should not cause courts to disregard or diminish enforceable contract terms unless those terms are directly contrary to a specific statute. Thus, exclusions of liability, disclaimers of warranty and similar limitations will be recognized and enforced as written. The conferees, however, agreed to an amendment that clarifies that this section does not make enforceable contract terms that are otherwise unenforceable under State law doctrines of unconscionability, including adhesion, recognized as of January 1, 1999 under controlling judicial precedent.

APPLICATION OF IRDA

The conferees agreed to an amendment to section 13 of the Senate amendment to make it clear that the protection for exchanges of information provided by the Year 2000 Information and Readiness Disclosure Act apply to Y2K actions under the Act.

TECHNICAL CHANGE TO SECTION 16 (THE ALLARD AMENDMENT)

The conference substitute contains a technical change to section 16 which will prevent any potential misinterpretation of this section. The intent of section 16, which is the text of an amendment offered to S. 96 by Senator Allard, is to clarify that nothing in this Act will preempt or prevent the applicability of any State law which imposes more restrictive limits on damages and liabilities than the limits provided for in this Act. The original wording, ''greater limits,'' left room for confusion and possible misinterpretation by providing an opportunity for argument that any State law with higher limits on damages and liabilities would supersede this

Act. Because this Act supersedes any State law which allows a plaintiff to pursue or collect any amount in damages or liabilities which are above and beyond the amounts provided for in this Act, the conferees want to clarify the wording of this section. The new wording, ''stricter limits,'' coupled with the language ''affording greater protection to defendants in Y2K actions'' than would be afforded under the Act, ensures that this Act grants deference only to State laws which cap damages and liabilities at a lower amount than provided for in this Act.

From the Committee on the Judiciary:
HENRY HYDE,
F. JAMES SENSENBRENNER, Jr.,
BOB GOODLATTE,
From the Committee on Commerce, for consideration of section 18 of the Senate amendment:
TOM BLILEY,
MICHAEL G. OXLEY,
Managers on the Part of the House.

From the Committee on Commerce, Science, and Transportation:
JOHN MCCAIN,
TED STEVENS,
CONRAD BURNS,
SLADE GORTON,
RON WYDEN,
From the Committee on the Judiciary:
ORRIN HATCH,
STROM THURMOND,
From the Special Committee on the Year 2000 Technology Problem:
ROBERT F. BENNETT,
CHRISTOPHER DODD,
Managers on the Part of the Senate .

MILK, A CONTROVERSIAL ISSUE

The SPEAKER pro tempore (Mr. PETERSON of Pennsylvania). Under the Speaker's announced policy of January 6, 1999, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 60 minutes or less.

Mr. GUTKNECHT. Mr. Speaker, tonight we are going to talk about an issue which I suspect most of our colleagues and anyone else who might be watching on C-Span tonight would say, how in the world can the issue of milk be a controversial issue?

I think if they pay any attention tonight, they will find that milk is an enormously controversial issue, particularly for those of us in the upper Midwest. It is a very difficult issue I think for the average person to completely understand, and we hope that we do not bore our colleagues who may be watching tonight.

It is a little like the story of the little boy who came in and asked his mother a question. His mother was kind of busy and she said, well, why don't you ask your dad? The little boy, said, well, I didn't want to know that much about it. I suspect a lot of people who may tune in tonight may say, well, I did not want to know that much about milk policy here in the United States.

To start off, though, I think we have to kind of look at this chart and begin to understand the history. First of all, let me say that this is June. It is Dairy Month.

□ 2115

Some people know that. A lot of people do not know that. But June is dairy month for a very interesting reason.

Back in the thirties, farmers recognized that in June, we reach what is called the peak of the spring flush. That is when dairy cows produce the most amount of milk they are going to produce all year. At the same time, schools get out, a lot of kids go home, they drink less milk, more soft drinks, more lemonade and so forth, and so at the very time milk production goes to its peak, consumption drops.

Back in the thirties the Chain Drugstore Association got together with the Dairy Association and had the first dairy month. Now it has become a very big event, particularly in the upper Midwest, and we encourage people all over the country to enjoy milk, but, more importantly cheese and cottage cheese and yogurt, ice cream, all the other things made from the real thing, dairy products, real cheese, real milk.

Back in the thirties we were suffering from some rather difficult financial circumstances for all Americans, but for farmers in particular, and they came up with a rather convoluted system back in 1937 as part of the agricultural marketing agreement in 1937 to create various regions around the country and price milk based on where it came from and what it went into.

We are going to talk about this whole issue a little bit tonight, but I want to talk about the disparities that this system is creating.

This is the 1998 average blend prices for current Federal milk marketing orders. What it demonstrates, and I think the numbers may be too small to really pick up on the television screen, so any of the Members who may be watching in their offices who would like a smaller version of this so that they can actually look at it and read the numbers, I am going to read some of them for you. But in effect what we have is a system where milk is priced to the dairy farmer based on what it goes into and where it comes from.

Now, this may seem bizarre, but in 1937, Eau Claire, Wisconsin, was considered the epicenter of the dairy production area in the United States. Anybody who has ever watched a Green Bay Packers game understands that there is an awful lot of cheese produced in Wisconsin. There is also a lot of cheese produced in my district. As a matter of fact, there is one cheese plant in my district that produces 500,000 pounds of cheese every single day. That is a lot of cheese, and, of course, we cannot eat all of that cheese in the upper Midwest. But what they did is they created this system because they decided that Eau Claire, Wisconsin, was the epicenter of the dairy production area for the United States.

They said the closer you are to Eau Claire, Wisconsin, the less you will get for your milk. Because of all the cheese plants and because back in 1937, we did not have the interstate highway system and refrigerated trucks, it probably made some sense back in 1937 to have a system so that it would encourage production in places like Texas, Los Angeles, the Pacific Northwest, particularly out here in the populated areas of the eastern seaboard, Boston, New York, Washington. They wanted to encourage more dairy production in those areas relative to Wisconsin, Minnesota, northern Illinois and Iowa.

So they came up with this rather convoluted system, which may have made some sense in 1937, but, guess what, since 1937, we built the interstate highway system, we have refrigerated trucks that can now get milk almost anywhere in the United States within a matter of a few days, while the milk is still absolutely fresh, delicious and wonderful to enjoy.

But we still have the system. It is interesting, once you create a Federal Government program, in fact, Mark Twain once observed the most permanent thing on Earth is a temporary government program. Back in 1937 they created this system, and to give you some of the numbers that are shown on this chart to kind of give you an idea of the differences, the average blended price for the upper Midwest, including Minnesota, most of Wisconsin, the eastern Dakotas, part of northern Iowa, and I think it actually gets into northern Illinois, the average blended price last year that was paid to dairy farmers was $13.57 per hundred pounds of milk.

Now, that is another thing most people do not understand. The dairy farmer always receives his milk check based on the number of hundreds of pounds of milk. So the average dairy farmer in the upper Midwest got $13.57. That was what the Federal Government mandated. ''Mandated'' is an important word. We are going to talk about that a little bit.

Now, if you were a dairy farmer for example in Washington or Oregon, the Federal Government mandated a price of $14.75. If you were in central Arizona, that price was $14.90. But if you lived down here in the southeast, one of the States that produced milk, for example in southern Tennessee, Mississippi, Alabama, Georgia, that dairy farmer got $16.13, mandated by the Federal Government. If you lived in southern Florida, for example, down in the Tampa Bay region, your price was $16.82. The differential, $13.57 if you live in my district, or Wisconsin or parts of Illinois, $13.57, but if you are down in Florida, it is $16.82.

Again, that may have made sense back in 1937 when we did not have the interstate highway system, did not have refrigerated trucks, but it does not make a whole lot of sense today. So we are here tonight to talk about this and sort of raise some of the questions, rhetorical questions, and ask if anybody can honestly defend a system that says to dairy farmers that your product will be based on where it comes from and what it goes into.

Incidentally, to make things even more complicated, yes, milk is priced based on what it goes into. If your milk goes into fluid milk, the stuff that comes in containers that you drink and everybody loves, good for your body, gives you a white mustache, if it goes into fluid milk, it is worth more than if it is going into what is called Class 2 milk, which is spoonable. That would include ice cream, cottage cheese, yogurt. Class 3 milk is products like cheese and butter. Class 4 milk is powdered milk.

So we have four classes of milk, and, again, that determines the price that the dairy farmer gets that does all of the work, that gets up every morning at 5 o'clock in the morning because cows have to be milked at least twice a day. This is not a job for the faint of heart. Anybody who wants to go into the dairy business, see me, because there are lots of people looking for folks who want to get up at 5 o'clock every single morning, 365 days a year, and milk those cows. That is what they have to do.

But the real problem is if you live in Minnesota, Wisconsin, what we call the upper Midwest region, the eastern Dakotas, you get $13.57. If you live in southern Florida, you get $16.82. Now, is it any wonder that some of our producers in the upper Midwest say, this is not fair? It is absolutely not fair. That is a system that we hope to change.

I started this conversation tonight by saying you would not think that milk is a particularly controversial issue. Well, it is, because, believe it or not, the people in Florida think this is a pretty good system. What is wrong with the system that pays our dairy farmers $16.82? In fact, I am in my third term in Congress. I have learned in those three terms that whenever you talk about leveling the playing field, you can always bet that at least half of the people participating in that debate do not want to level the playing field. Why? Because relatively speaking, their constituents lose.

Well, the point that we have been making in the upper Midwest since 1937, now, let me do a little arithmetic, it is now 1999, less 37, that amounts to, what, 62 years. For 62 years the dairy farmers in our region have been receiving less money relative to dairy farmers in anywhere else in the United States. So for 62 years we have been saying it is time to level the playing field.

I have got another chart here, and, again, if anyone would like a copy of these charts, we would be more than happy to send them out. If you contact my office we will send them to you. But this gives some idea of the producer Class 1 blended price benefit.

A regional average, it shows how the differences work out between the northeast, the average, what the average is in the Appalachian region. Florida, for example, as I mentioned, you can see by this bar chart, Florida receives the best of all the deals, and, unfortunately, the region that we represent is down here way at the bottom.

Again, we are not asking for special privileges, we are not asking for special favors, but we are asking in the day and age when we have the interstate highway system, we have refrigerated trucks, all we are asking is for equal pay for equal milk.

I have joining me tonight a couple of my colleagues, one from Illinois and one from the State of Wisconsin, and I want to yield some time to my colleague, a freshman member, the gentleman from Wisconsin (Mr. RYAN), from, I believe, the First Congressional District. I represent the First Congressional District in Minnesota the gentleman from Wisconsin (Mr. RYAN) represents the First Congressional District in Wisconsin. I wonder if you want to talk a little bit about this and what the dairy farmers are talking about and ultimately the unfairness of the system we have.

Mr. RYAN of Wisconsin. I thank the gentleman for yielding. I would like to thank the gentleman from Minnesota for your leadership on this issue. As you know, I am a new Member of Congress. I was just elected in this last November elections. I was elected as a Republican based on the free market, thinking that we were here to make sure as we go into the next century, we will do so based upon the principles that built this country, that the individual is the nucleus of our society, the individual is the nucleus of our economy, based on the principles of the market.

When I had come to learn the kind of system we have, that binds our dairy markets, it is absolutely amazing that we still have a dairy market, that we still have a dairy policy that is based upon a geographical location in the middle of the United States, in Eau Claire, Wisconsin. Well, I come from Wisconsin.

There is something else that is happening for Members that are viewing this in their office. There are Members of the Republican Party who are advancing legislation right now to try to solidify the status quo. We are actually trying to move toward the market direction and the USDA is actually moving in that way. I would like to go through some remarks first and then I would like to ask my senior colleague from Minnesota a few questions.

Today I am here to join you, to express strong opposition to the legislation that is being introduced by the gentleman from Missouri (Mr. BLUNT), a Republican. This legislation is scheduled to be marked up in the Committee on Agriculture actually tomorrow.

This legislation would essentially say that we are going to force the status quo on the rest of the country. Not only are farmers who lived under the current system for 62 years have to do so, this legislation proposes that farmers continue to live under the current system.

What does this do? This system forces a continuation of this welfare system that will be funded on the backs of hard-working farmers in the Midwest, and particularly in the upper Midwest. The USDA has a proposal which goes moderately in the right direction toward a market-based system. It does not go all the way, but it goes a good step in the right direction.

The USDA proposal reflects a step toward a more market-friendly system. As Republicans, I think it is important to be fighting for this system, not against it. But I do not see this as really a partisan issue. This is just an issue about fairness and equity.

As representative from Wisconsin, which as everybody knows, is America's dairyland, if you see anybody drive by in Wisconsin, you see the license plate says ''America's dairyland.'' The problem in Wisconsin is we are losing dairy farmers every single year. We are America's dairyland right now; we have been America's dairyland forever.

My fear is we will not be America's dairyland in the future, because just last year we lost 2,000 dairy farmers because of this antiquated system. That is 2,000 dairy farmers.

I just enjoyed participating in the Kenosha County Dairy Day breakfast. You mentioned June is dairy month. I participated in the Kenosha dairy breakfast about 2 weeks ago in Kenosha, Wisconsin, out in the county area. What was wonderful was to see all the children running around enjoying milk. The Dairy Days in Wisconsin is an opportunity for people in the cities to come out and see how farm operations work, to see how farmers work, to see how you have to get up so early in the morning to milk the cows and you have to do it twice a day, to appreciate nature, to appreciate rural America, something we are so prideful of in Wisconsin.

My fear is if we keep this antiquated system in place, we will not see those days, at least in Wisconsin, because we are losing so many dairy farmers.

Well, as a representative from Wisconsin, from America's dairyland, I feel it is my duty to address the devastation this bill will cause, not only for the farmers in my personal district in Wisconsin that I serve, but also for other Midwest regions.

The dairy farmers in the Midwest have long been operating under this system that penalizes them for being more efficient and more productive. These are principles that we as a Nation should be advocating. However, I stand before you today, and I see other Members, other Members of Congress from all these other regions, fighting to keep this antiquated system in place.

So when you come to Congress and you think we are going to fight for fairness, we are going to fight for equity in this country, it is not always the case. The system that we have today may have been appropriate in the 1930s, as the gentleman from Minnesota mentioned, but the need for

that kind of system is gone. We have the interstate highway system, we have refrigerated trucks. Advances in technology and transportation have simply eliminated the need for this type of antiquated system.

Other regions in this system enjoy surpluses in dairy production. The surplus State is no longer just Wisconsin. We have surplus States all over the country. Your ability to get milk no longer depends on how close or far you live away from Eau Claire, Wisconsin. In my opinion, it is time to stop punishing Midwest farmers based on this horse and buggy perception of the world around us.

Now, in 1996, Congress recognized this. They recognized that this system has outlived its usefulness. In 1996, the farm bill required that the USDA reform the milk marketing order in a fair and equitable manner.

□ 2130

We relied on the USDA to develop a proposal that would serve all farmers in the country in the best possible way. This was a wise decision by Congress in 1996. The only objective of the USDA was to create a more fair and more equitable system based on market forces.

So what we have before us today, after the USDA floated two rival proposals, one we call 1–A and one we call 1–B, 1–A was more or less the status quo, 1–B was going more toward the market-driven area, so the location on where one lived did not have such a bearing on the price a farmer gets for the milk he produces. What the USDA came out with was something in between, a step toward 1–B, a step away from the status quo. This will take place if nothing else is done. But there are forces that are building here in Congress to stop this small reform from taking place.

One of the things that the Members of Congress who are from these other regions have been saying, they have been using these exaggerated claims that this kind of reform, this small reform toward the market-based system, will devastate farmers across the country. They are using exaggerated estimates. I would like to address that for one moment.

Contrary to these exaggerated claims that this will result in huge losses to dairy farmers across the country, the USDA estimates that this change will result in a loss of revenue of approximately $2.8 million on average in all Federal order regions. Let me put that in perspective. The total loss per hundredweight, per hundred gallons of milk, is estimated to be about .02 cents under the new regulation proposed by the USDA, not the massive losses that the proponents of the status quo are saying.

Now, this nominal change in revenue will make all the difference to the farmers in the first district of Wisconsin, which I represent; in northern Illinois, as my colleague, the gentleman from Illinois (Mr. MANZULLO), will soon talk about. I urge my colleagues to rely on the expertise of the USDA and allow the reform decision of the USDA to stand. I urge my colleagues who are thinking of freezing in place the status quo to think about the principles that built this country. Do we want to freeze in time 1937? Because today is 1999. We do not live under 1937 circumstances. We have the technology, we have the transportation, we have the advances to allow the milk pricing system to set up in a fair and equitable way.

There is one other way of looking at this issue, because I know this dairy issue can be quite complex. We have Class 1, Class 2, Class 3, and Class 4 milk. We have all of these different milk marketing orders. Let us put it in this kind of perspective.

What about orange juice? Do orange producers get a higher price for orange juice if they live farther away from Florida? It is sort of like saying that since I live in Janesville, Wisconsin, I should pay a higher price for the orange juice I purchase because it is made in Florida, but someone who lives in South Carolina will pay less for their orange juice.

It is like saying a country music singer is going to get a lower price for producing country music if they live in Nashville, Tennessee, than if they are a country music singer out in California. This is a crazy system.

Mr. GUTKNECHT. If the gentleman will yield, it is even more convoluted than that. It is one thing if the country music industry or the orange juice industry or the taconite industry or the automobile industry, if they decide that it does make some sense to have regional differentials, that is one thing, because that would be the market determining that. The difference here is the Federal Government sets this price.

There is no other example, and we have searched in vain, whether we are talking orange juice, country music, computers, software, ice water, hockey sticks, there is no example anywhere else in our entire economy where we have a product where the Federal Government sets the price that the producer is paid based on where it comes from and what it goes into.

We produce taconite in the upper—what we call the iron range of Minnesota. They also produce taconite on the upper peninsula of Michigan. There is no Federal agency that says, well, if that taconite goes into automobiles, if that taconite that is ultimately produced and is melted down and produced as steel that goes into automobiles, well, it is worth one price; but if that taconite is melted down and it goes into refrigerators, then it is worth a different price.

Now, if the market decided that that was true, because we know that stainless steel is worth more than rolled steel, and we know I beams are probably worth less than other fine steel, but, again, that is not determined by the Federal Government, that is the market that sorts that out.

So I wanted to just make that point that there are a lot of areas where there are regional differentials. We probably do pay more for orange juice in Minnesota than they do in Tampa, Florida, but that is because of transportation costs and other factors where the market determines. It is not determined by the Federal Government.

Mr. RYAN of Wisconsin. That is a wonderful point to make. Because if we look at today in society and look at the marketplace, why should the government be dictating the price of milk based on where we live in relation to Eau Claire, Wisconsin? It is absolutely asinine. It is just crazy. But that is the world we are living in today.

What is more, the USDA is trying to move moderately away from that policy toward more of a market-based system so that it is fair and equitable for all farmers, especially those who have been punished for 62 years under this antiquated system. Yet there are Members of Congress here today, here in this body, here in the majority who are trying to stop that from happening, who are trying to freeze in place this crazy antiquated system where, just as the Member from Minnesota mentioned, they mandate the price the producer gets based on how far from Eau Claire, Wisconsin, one lives.

In my hometown of Janesville, and I am so proud of this fact, we have a General Motors plant. And in Janesville, Wisconsin, in our General Motors plant, we produce Chevy Tahoes, which I drive. It is a great truck. It is good for four-wheeling. We produce Suburbans, we produce Yukons. These are wonderful trucks. Actually, the sales really took off when they added the four doors onto the Chevy Tahoe and the Yukon. Before it was a 2-door vehicle, and the sales were only okay. Once we added those four doors onto the Tahoes and the Yukons the sales took off. They really just took off. And anyone can buy a Chevy Tahoe all over this country, but no one is getting a different price for a Chevy Tahoe because they farther or closer away from Janesville, Wisconsin, where they are produced.

A Chevy Tahoe is the same price in New York City as in Janesville, Wisconsin. People can get a Chevy Tahoe in Denver or in California, same as they can in Janesville, Wisconsin. That is the way the market works.

Now, it may be a little more costly to ship a Chevy Tahoe from Janesville, Wisconsin, all the way up to California, and maybe the buyer will pay a little bit more because it cost to have the Chevy Tahoe carted out to California, that transportation cost may be factored into the price, but the government is not mandating that.

Mr. MANZULLO. If the gentleman will yield on that, I think a more distinctive example would be if there were Chevy Tahoe plants in every State, manufacturing took place in every

State, but the price of that Chevy Tahoe depended upon how far one lived from Detroit, Michigan, for example. And the farther an individual got away from Detroit, Michigan, the more expensive it would be to buy that particular Chevy Tahoe. And to complicate it, would be that it would be sort of impractical to go 500 or a 1,000 miles away to buy the very vehicle that a person could get in that particular area. And that is what it is with these milk orders.

And, by the way, there is a Chrysler Neon plant in the district I represent. I wanted to make sure we get that on for the RECORD.

Now, let's say the government regulated the sale of pineapples. Probably a pretty poor example, because Hawaii is the only State in the Union where pineapples are grown, but let's say pineapples were grown in California and Florida, but the price of pineapples depended upon the center being Honolulu, where the price that the producer would receive from the processor of pineapples would be lower the closer it is to Honolulu; and, obviously, the grower in Florida would get a much better price out of it.

Mr. RYAN of Wisconsin. It would be a government mandated price.

Mr. MANZULLO. Oh yes, it is. I have a letter here I wanted to read from a processor, but had the gentleman finished his statement?

Mr. RYAN of Wisconsin. Sure. Be happy to yield.

Mr. GUTKNECHT. We are delighted to have the gentleman from Illinois (Mr. MANZULLO) join us and be happy to yield some time to him to talk about this.

Mr. MANZULLO. We really have to put a face to what we are doing. We are not talking about milk as a sterile commodity that is produced by cows with no personalities. We are talking about people. And I want to talk about my neighbor, Henry Ebert. He lives on Conga Road, right across the street. In fact, our pastures come together underneath the little bridge that separates Conga from our pastures; and we share the creek there. I have beef cattle, usually sell them in the fall; and, of course, dairy cattle have to be kept year-round.

Now, I remember one night I got a call from Henry. It was after I had sold my cattle for the year. And he said, ''Don, my electric fencer broke. Could I borrow yours?'' I said, sure. So I disconnected mine and took it over to the Ebert farm. It was about 8 o'clock in the evening. This man had been up, I think, since 4, 4:30, 5 o'clock and he was standing on his feet and attempting to hook up, or beginning to hook up the wires that went into the electric fencer. I just looked at him and it just amazed me that this man had been on his feet 18, 20 hours a day, and he and Elaine get away maybe 1 week out of the year, and the only reason they can do that is that their son is farming with them. And here he is, so tired he is swaying on his feet. So I said, ''Henry, let me hook up that fencer for you.'' I was really afraid he was going to touch some wires and hurt himself.

In fact, I do not know if I hooked it up or just suggested to him he wait until when his son came in, it has been so many years ago. But I was really concerned because he was so tired on his feet, and that is when accidents happen on the farms. And it really brings into focus the fact that we are dealing with some real people here. We are dealing with people that are being severely impacted. The Eberts' real estate taxes go up every year.

Mr. GUTKNECHT. Does the gentleman mean to say that the real estate taxes are not based on how far away a farmer is from Eau Claire, Wisconsin?

Mr. MANZULLO. No, of course not.

Mr. GUTKNECHT. How about the feed prices?

Mr. MANZULLO. Everything goes up.

Mr. GUTKNECHT. So feed prices are not based on how far a farmer is from Eau Claire, Wisconsin?

Mr. MANZULLO. Nothing.

Mr. GUTKNECHT. Their other input costs, their electric bill is not based on how far they are from Eau Claire, Wisconsin; only the price they get from their local cooperative or whomever they sell their milk to; right?

Mr. MANZULLO. And it is the price that his buyer is forced to charge.

Henry's son, Hank, now is in the business with them; and they are working on the farm. And I talked to him again a couple nights ago because I needed some help with a power impact wrench to change some blades on a Woodson mower. And we talked again; and he said, ''Don, I don't know how long this can go on. I just don't know how long we can go on.'' Because I think the price of milk is, what, $10.50 to $12, I am not quite sure what it is, but it is substantially lower than the $17 mark that it hit several months ago.

And I said, ''Henry, the only thing I can tell you is this. You are one of only 34 or 35 dairy farmers left in Ogle County. In neighboring Stevenson County we have about 250 dairy farmers. That is the number one dairy producing county in the State of Illinois.

In the entire 16th Congressional District, which I represent, which goes from the Mississippi River all the way over to McHenry County, which has Harvard Milk Days and the same type of festival that the gentleman from Wisconsin has, there are 730 Henry Ebert families similarly situated, similarly with the first generation trying to hand their farm over to the second generation. And some night we will talk about estate taxes that makes that almost impossible to do without a huge bill to pay taxes on the farm that they own.

And Henry sells to Dean Foods, and I had a conversation today with Gary Corbett, who is VP of industrial relations, and he sent me this letter and attached a key to it, and I want to read part of it for the record.

It said, ''Dear Congressman MANZULLO: I am writing on behalf of Dean Foods Company, which operates five plants,'' and has a technical research center in the district that I represent. He said, ''Please, enough is enough already. Is the House ever going to tire of introducing dairy legislation and allow us to run our own business? First, we had the 1996 Fair Act, which mandated Federal Order Reform, provided for the discontinuance of the Price Support Program, and promised more reliance on the market, to let the market itself determine the price of milk.

☐ 2145

''That process has resulted in USDA releasing its final rule on Federal order reform which is to take effect on October 1, 1999.'' That is the 1–B, the one that goes a long way, it is not perfect, but it is a good compromise of moving in the right direction and hats off to Secretary Glickman for really spearheading the gigantic effort on that.

He said, ''No sooner was the final rule released than more legislation has been proposed in the House. One, to mandate Class 1 differentials, one which would extend the dairy price support program, another one which provides for creation of dairy compacts.''

He says, ''Does the House have nothing else to do but micromanage the dairy industry from Washington?'' That is the other thing. The pricing is in Eau Claire but the managing comes from Washington. ''There is no industry in which Congress interjects itself daily except the dairy industry.''

Corbett says, ''Reject dairy compacts; they represent socialism at its finest. We cannot live with a system that picks a price out of the air with no basis in supply and demand fundamentals. The Soviet Union tried it for four decades. It was a miserable failure and it will fail in the U.S.

''While we view compacts as the total antithesis of the American system of free enterprise, we are just as concerned that Congress feels the need to continue promulgating dairy legislation without waiting to observe the impact of legislation previously passed.

''We are totally exasperated at the House's continual effort to micromanage our industry from Washington.''

I remind you, this is Dean Foods Company which is the processor that buys the milk from Henry Ebert who lives on Conger Road in Egan, Illinois, and is my next-door neighbor.

''Below is a key to our offices.'' He taped a key. In fact here is a photocopy. It is amazing that the key that he taped was a key from an old Cadillac car. I said, ''That is as close as I will ever get to a Cadillac.'' He said, ''We grabbed any key that we could around here that was excess, we just taped it to these letters that we sent out.'' Of course it is symbolic.

He said, ''Below is a key to our offices. You might as well come run our business directly rather than try from D.C. Then maybe you can feel the same frustration we experience in having our business turned upside down regularly through congressional intervention. Let the 1996 Fair Act have a chance to work.'' That is the law that the gentleman from Wisconsin described that mandated the Department of Agriculture come up with a workable solution moving toward a free enterprise system.

He says, ''Stand by the promise of the 1996 farm bill to deliver a dairy policy that is more market oriented and consumer friendly. We do not need this narrow economic self-interest piece of legislation burdening our industry.''

So here is Dean Food, which has I think operations in 37 States saying, ''Look it. We are standing alongside the farmers, the dairy farmers in your district. Let us be able to move forward, to be able to allow the market to operate on a free enterprise basis.'' We also had the original J.L. Kraft cheese factory in our district over in Jo Daviess County which buys a tremendous amount of milk.

But I would ask the gentleman from Minnesota, the base price for Grade A milk is fixed by the sale of Grade B milk for cheese purposes in Eau Claire, Wisconsin. Tell me how that makes sense, especially since only 5 percent of the milk produced nationwide is Grade B.

Mr. GUTKNECHT. I think the gentleman has asked a question which I cannot answer. I think it is a great rhetorical question. It is particularly troubling for those of us in the upper Midwest where about 85 percent of our milk goes into cheese. One other thing. We have already made this far more complicated, I think, than the average Member can really understand. But the problem, of course, is if you artificially set the price of milk too high in some regions, which in our opinion they do, what it does is that fluid milk begins to back up in the system and then goes into cheese, which drives the cheese price down, which drives our price down, which drives everybody's price down.

Mr. RYAN of Wisconsin. So what the gentleman is saying is, they get hit once, farmers in Wisconsin, in Illinois, in Minnesota, they get hit once because the price that they get for their milk that they produce is lower for the rest of the country.

Mr. GUTKNECHT. For two reasons. Because, first of all, more of their milk goes into cheese and because they are closer to Eau Claire, Wisconsin.

Mr. RYAN of Wisconsin. Because they are producing cheese and they are closer to Eau Claire, Wisconsin. So farmers, say, in New York or Florida or Arkansas and Alabama are getting higher prices. They are producing Class 1 milk, fluid milk, the kind of you drink out of the bottle, that gives you the mustache. They are overproducing that, which is then getting turned into cheese which is suppressing the price of Class 3 or cheese prices which we produce in the upper Midwest, so that further depresses the prices. So you get hit twice. Is that what the gentleman is suggesting?

Mr. GUTKNECHT. I think that is a pretty accurate characterization. Then the gentleman from Illinois pointed out something else, that a few years ago as part of a compromise, and unfortunately that is a word that we hear, some of us think we hear too often, here in Washington but as part of a compromise, they allowed six of the northeastern States where they have a lot of population, they have big markets for fluid milk, they allowed them to create what can only be called a cartel, a compact between those six States that would in effect keep other milk out and in effect help to artificially drive their price of milk up even higher.

Now, what is truly ironic about this, and I know both of you and particularly the gentleman from Illinois has been one of the real fighters for free trade in this Congress and he has got a lot of high tech companies that really do depend, and I know I have a lot and I suspect the gentleman from Wisconsin does as well, companies who recognize the importance of world trade. In fact, I am wearing a Spam watch tonight. They produce Spam in my district. Every day in Austin, Minnesota, we turn 16,000 pigs into Spam. Spam is a great export product. But we need export markets. Whether we are producing Spam or whether we are producing cheese or whether we produce automobiles, you name it, the United States desperately needs to export more of what we produce. At the very time we are trying to open up markets for our farmers, whether it be in China, whether it be in Japan, whether it be in the European Union, Africa, Central, South America, anywhere else in the world, at the very time we are saying we have got to open up markets for our products around the world, we cannot open up markets in the East. There are six States that try to keep our dairy farmers from coming in and competing. It really is like salt in a very sore wound.

Mr. RYAN of Wisconsin. Was part of the purpose of the Constitutional Convention when our country was created not to avoid those type of trade wars, to try and avoid these interstate commerce trade wars, so we would not have barriers from State to State, that we would be able to have free trade among the States within the United States of America? Is this proposal, this Northeast Dairy Compact essentially not a trade barrier between one State and another State within the United States of America?

Mr. GUTKNECHT. I would say it is more than just essentially. It is a trade barrier. In my opinion it violates both the letter and the spirit of the commerce clause of the Constitution. The gentleman is correct. One of the fundamental reasons that the 13 colonies came together and formed a Federal union was to keep the colonies from setting up artificial trade barriers and to allow free trade between the 13 colonies. But we do have a constitutional expert among us. As I said, the gentleman from Illinois has been one of the really true fighters in terms of opening up markets and free trade here in the United States.

Mr. MANZULLO. I appreciate the comment from the gentleman from Wisconsin. That precisely is the reason why we had the Constitutional Convention, because the States used to have tariffs among each other. They used to have their own money, their own coinage. They would treat people who lived in one State differently than people who lived in another State. Finally the Constitutional Convention got together and said, ''Wait a second. We're Americans. You can't have tariff barriers among each other.'' What amazes me about this entire milk marketing, there are now 34 or 35 marketing orders nationwide.

Mr. GUTKNECHT. Thirty-one. The goal was to reduce it to no more than 13.

Mr. MANZULLO. That is correct. I think the proposal was to put it at about 11, that would be out there. I cannot think of any other foodstuff or manufactured item or service, price of service, that is mandated by congressional act and turned over to a bureaucracy to come up with 31 different price orders based upon the sale of 5 percent of the Nation's milk in Eau Claire, Wisconsin, on anything that similar. There is nothing anywhere. We are not talking about loans. We are not talking about deficiency payments. We are not talking about emergency bailouts because of floods. Those things come and go but a residential area can get hit just as well as an agricultural area. I do not know of any legal price fixing that exists like this. In fact, the antitrust laws that are set up in this country will attach severe penalties to executives of corporations who even whisper of getting together and having prices that are similar to each other.

Mr. RYAN of Wisconsin. I would like to bring it back from the constitutional question, because there are clear implications that the compacts violate the commerce clause of the Constitution. But let us go back to the human toll that is taken with this pricing system. I live in Janesville, Wisconsin. Just east of me on County Trunk A are the Barlass Farms. I used to work for Grande Cheese Company. When I was a young kid in high school, I worked for Grande out with the milk trucks. I used to put up the signs and just do some odd jobs around Grande. The Grande Cheese Company would do a lot of work and buy milk from milk producers around Rock County, Wisconsin, where I live. The Barlasses I got to know at an early age. The patriarchs of the Barlass family are about to retire

and their two boys are taking over the family farm. They milk Jersey cows. Most of the cows we milk in southern Wisconsin are Holsteins but they milk Jerseys and they take quite a bit of pride in milking Jerseys. Because the Barlasses, their parents are going to try and pass the farm on to them, they have got problems, with capital gains taxes, with the estate tax, that if they pass away, their farm is going to be taxed so much so at a 55 percent rate that they may have to sell the farm and discontinue having their sons farm it for them because of the estate taxes. On top of that, the capital gains taxes they pay are so high because they are not indexed for inflation that they are paying tax rates as high as 70 percent when you take into account the fact that they are paying on the inflationary gains of their assets.

Look at all of that. How difficult it is with this price system, the fact that in Wisconsin we have lost 2,000 dairy farmers just last year. The Barlasses have a tough time as it is, with the estate tax, with the things that the government is imposing on them right now. And look at what else is happening. Look at what is being piled on top of them. What is being piled on top of them is that irrespective of their efforts to keep their family farm alive and they say they know they have to grow it to survive, they have got to get more money from the bank to invest in better technology with the dairy farm, to get more cow, to grow, to get bigger, for surviving. But if that is not enough, what they have to face is this pricing system, that just by the very fact that they farm and raise Jersey cows in Rock County, Wisconsin, southern Wisconsin, which is located fairly close to Eau Claire, Wisconsin, in the whole scheme of the country, they get a lower price for the milk they produce than farmers around other parts of the country. That is the other part that is crushing their ability to keep their family farm alive. Not only are they getting hit with a lower price but we have a system that even lowers the price more because of the oversupply of Class 1 milk. So not only is it very difficult to keep a farm alive, just on its own, but we have a milk pricing system which is based upon this antiquated, socialistic, Depression era program that they and many other farmers like them are going out of business. And that there are Members of Congress here today who swear to uphold the Constitution, who swear to uphold the commerce clause of the Constitution, who out of this side of their mouth talk about upholding market principles, the free market, the individual, and then out of this side of their mouth they say, ''Well, not for the dairy industry, not for milk. For orange juice, yes, for Chevy Tahoes, yes, for free trade, yes, but not for milk.'' I would ask them, these Members of Congress who are saying this out of this side of their mouth and that out of that side of their mouth, go talk to the Barlasses because I do not know what to tell them. I do not know how to explain to them that in this country, the market should survive.

□ 2200

Mr. MANZULLO. Mr. Speaker, if the gentleman would yield, as my colleagues know, there is another class, and these are the consumers who pay more for the cost of dairy products as a result of this incredible system of pricing. I mean you have a price system that does not make sense. As my colleagues know, who is going to pay more on this thing? The consumer ends up paying more. But what we are saying this evening is to let the free market float, let the dairy farmers have the opportunity to be part of the dairy system because at least in the area of the country that we come from, as my colleagues know, we are talking about the survival of dairy families. This is critical.

I was at an ag breakfast in Stephenson County in Freeport which is, as I said before, is the largest dairy production county in the State of Illinois, and a lot of farmers were coming through. I was there quite early and to the later morning, and there was this sense of, and I know farmers have been depressed in the past because of what has happened in the cycles and everything, but I have never seen such a sense of, and I cannot even find the word, the adjective, is the look on the faces of the dairy families because they know that the only chance they really had to have a piece of the free market system was in the reforms that the U.S. Department of Agriculture came up with under 1 B and now that could be strangled because people want to keep the present pricing and our good colleague from Missouri (Mr. BLUNT), love him dearly, he is a great Member of Congress, I am very close to him, but we think he is incorrect on that particular issue.

And so I just wanted to commend the gentleman from Minnesota (Mr. GUTKNECHT) for taking the tremendous leadership and explaining this very difficult concept to other Members and the American people.

Mr. GUTKNECHT. I yield to the gentleman from Wisconsin. We need to wrap it up here for any last comments you would have.

Mr. RYAN of Wisconsin. I would just like to ask the gentleman from Minnesota a couple of questions so people understand the timing of the issue.

Is it the case that the bill that we are talking about, freezing the status quo in place; that is, being drafted up, marked up, in the Agriculture Committee tomorrow?

Mr. GUTKNECHT. Absolutely, tomorrow afternoon.

Mr. RYAN of Wisconsin. And if this legislation does not pass, if nothing happens, then by October the USDA, the U.S. Department of Agriculture, will implement these forms which are a step in the right direction towards the free market; is that correct ?

Mr. GUTKNECHT. It is a small baby step in the right direction, and if Congress takes no action, the President does not sign a bill, the USDA's rule will go into effect October 1, and the anticommerce clause compacts will disappear, and we will move gradually, and I mean very gradually, to a more level playing field for dairy farmers around the United States; that is correct.

Mr. RYAN of Wisconsin. So what the gentleman from Minnesota is saying, that the train is already leaving the station, and it is heading in the direction of the market, and the USDA is driving this train, but that if nothing else happens, but that there are Members of Congress here among us, friends of ours from other States, who are trying to stop that train.

Mr. GUTKNECHT. They are trying to derail that train.

Mr. RYAN of Wisconsin. Trying to derail that train, trying to stop this modest reform from taking place so, if they can intervene in Congress, to stop this from happening. Is that precisely what?

Mr. GUTKNECHT. That is exactly correct, and at least I am delighted that the dairy farmers in the upper Midwest have Members like yourselves who are joining me and others to try and at least get the facts out on the table because John Adams, who served in this body, former President, a great patriot; one of my favorite quotations from John Adams is that facts are stubborn things. And I think in this case the facts are so overwhelming that so many things have changed since 1937 that a system that may have made some sense in 1937; just look at this map, and you can see how incredibly bizarre. In fact, a Supreme Court justice was asked to review this, and he referred to this system as, and I quote, Byzantine, and if ever there was a time to say it is time to scrap this system, come up with a new system that levels the playing field that is based on real market principles, if ever there was a time, that time is now and that place is here because here is an interesting fact about milk.

They are now allowing markets to set the price of milk in Moscow. Would it not be wonderful if we tried at least a modified version of that here in the United States? And who knows? We might actually begin to increase per capita consumption of milk.

And if I can just finally say this: If there is one really great tragedy about this system where we have regional conflicts, where the southeast dairy farmers compete and argue against the dairy farmers in Iowa, and the dairy farmers in Carolina are against the dairy farmers in the upper Midwest; any time you have farmers spending so much energy arguing with each other, then it means that they are not spending that energy trying to figure out how in the world can we sell more milk, how can we sell more cheese, how can we sell more ice cream not only

here in the United States, but around the world.

And the real tragedy is we are pitted against each other, we are arguing against each other, when at the end of the day the simple fact about agriculture in America today is this: We cannot eat all that we can grow. The only way that we can increase real farm income is become aggressive in world markets. But while we are spending all of our energy arguing with each other, we are losing tremendous market opportunities whether it be in Asia, China, Japan, Central America, South America, Europe, other parts of the world who really, if we can just show them what we can produce, I think we can get a bigger and bigger market share and increase the size of the pie rather than arguing about who gets the largest slice.

Mr. RYAN of Wisconsin. If the gentleman would yield, is not another loser in this the American consumer as well?

Mr. GUTKNECHT. Yes.

Mr. RYAN of Wisconsin. Are not people who buy milk paying higher prices because of this system?

Mr. GUTKNECHT. Well, that is an argument that the consumer groups and now even some of the people against government waste and some of the other taxpayer groups have weighed in and begun to say particularly in the larger cities, that they are paying artificially higher prices for dairy products, that if we had a more market based reform along the lines of what Secretary Glickman has proposed that they would see lower prices, and this would benefit poorer people, and frankly, we believe, in the long run, would increase consumption.

Mr. RYAN of Wisconsin. So not only are we talking about hurting upper Midwest dairy farmers, it is just not a regional clash, we are talking about poor inner city parents who are trying to provide for their children with a lot of single, we have the illegitimacy rate in the inner city is as high as 70 percent in this country in inner city America. We are talking about these mothers, these young mothers in many cases, trying to raise their babies and their children, to try and nurture them with dairy products, and they are paying a higher price for these products because of this?

Mr. GUTKNECHT. Artificially higher prices, yes.

Mr. RYAN of Wisconsin. Because of this government mandate?

Mr. GUTKNECHT. I would yield to the gentleman from Illinois and then we are going to yield back our time.

Mr. MANZULLO. I would ask for leave to attach this letter from Dean Food Company and be part of the RECORD:

DEAN FOODS COMPANY,
Franklin Park, IL, May 19, 1999.

Hon. DON MANZULLO,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN MANZULLO: I am writing on behalf of Dean Foods Company with whom, we hope, you are quite familiar. Dean operates five plants and our technical research center, all in your district.

Please, enough is enough already! Is the House ever going to tire of introducing dairy legislation and allow us to run our business? First, we had the 1996 Fair Act, which mandated Federal Order Reform, provided for the discontinuance of the Price Support Program, and promised more reliance on the market. That process has resulted in USDA releasing its Final Rule on Federal Order Reform which is to take effect on October 1, 1999 and required two years of industry work to complete.

No sooner was the Final Rule released than more legislation has been proposed in the House; HR 1402 to mandate Class I Differentials, HR 1535 which would extend the Dairy Price Support Program and now the most onerous of all HR 1604 which provides for the creation of dairy compacts. Does the House have nothing else to do but micro-manage the dairy industry from Washington? There is no industry in which Congress interjects itself daily except the dairy industry.

Reject dairy compacts; they represent socialism at its finest. We cannot live with a system that picks a price ''out of the air'' with no basis in supply/demand fundamentals. The Soviet Union tried it for four decades; it was a miserable failure, and it will fail in the U.S.

While we view compacts as the total antithesis of the American system of free enterprise, we are just as concerned that Congress feels the need to continue promulgating dairy legislation without waiting to observe the impact of legislation previously passed. We cannot make sound business decisions if you continually change the rules.

We are totally exasperated at the House's continual effort to micro-manage our industry from Washington. Below is a key to our offices; you might as well come run our business directly rather than try from D.C. Then maybe you can feel the same frustration we experience in having our business turned upside down regularly through congressional intervention.

Let the 1996 Fair Act have a chance to work. Stand by the promise of the 1996 Farm Bill to deliver a dairy policy that is more market oriented and consumer friendly. Please vote ''NO'' on HR 1604; we do not need this narrow economic self-interest piece of legislation burdening our industry.

Sincerely,

GARY CORBETT,
Vice President, Governmental and Dairy Industry Relations.

Mr. RYAN of Wisconsin. I would also just like to ask, mention to the gentleman from Minnesota (Mr. GUTKNECHT), and thank him for his leadership. The gentleman from Minnesota (Mr. GUTKNECHT) has provided excellent leadership here in Congress on this issue. I want to thank him on behalf of the dairy farmers of Wisconsin for his leadership on this issue, and I also thank the gentleman from Illinois (Mr. MANZULLO). Our districts butt up against each other. He has the Wisconsin border, I have the Illinois order, and hopefully we can fight together on behalf of the dairy farmers in our areas along and with the leadership of the gentleman from Minnesota (Mr. GUTKNECHT) to try to get resolve to this, to make sure that we can stop what is going on here in Congress. So the USDA, the train can leave the station toward the market so we can go down the road of getting a market-based system, and I want to just thank the gentleman from Minnesota for his leadership.

Mr. GUTKNECHT. Well, I thank the gentleman, and I just, in summing up, one of the expressions that I think every farm State legislator, whoever represents a farm area, this expression they all understand, we all understand, and that is that a deal is a deal and a bargain is a bargain, and you know, out in farm country they sell a $100,000 combine on a handshake, they trade their grain on a phone call.

We have very few written contracts because everybody understands the principle that a deal is a deal and a bargain is a bargain, and 2 years ago and then again last year we made a deal, we made a bargain, to allow the Secretary to go forward with market-oriented ag reforms, dairy reforms, that would move us to a fairer, simpler system. That was the deal, that was the bargain, that is what we shook hands on, that is what we expect, and as far as I am concerned, I do not care how many cosponsors they may have in the House, I am going to continue fighting, arguing, making the case, sharing the facts with the Members, with the American public because at the end of the day a deal is a deal, a bargain is a bargain. We ought to have market-based reform as far as dairy products, and as far as I am concerned, we will not stop until we get them. I thank my colleagues for joining me.

ILLEGAL NARCOTICS AND THEIR IMPACT ON OUR SOCIETY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes.

Mr. MICA. Mr. Speaker, I have come to the floor again to talk about the subject of illegal narcotics and its impact on our society, and tonight I would like to start with a small tribute, first of all, to our Drug Enforcement Administration administrator Tom Constantine who will be feted tomorrow upon his retirement, and I would like to first pay tribute to his tremendous service. Next month, in just a few days, Tom Constantine, the administrator of the Drug Enforcement Administration, will retire and return to Schenectady in New York where he lived prior to moving to Washington, D.C. and serving this administration.

Tom Constantine has been the administrator for DEA for the past 5 years, and he had a very long and distinguished career before he came to our Nation's capital. Mr. Constantine began his career as a deputy sheriff in Erie County in New York in 1960 and became a State trooper in 1962. In 1986, he was named superintendent of the New York State Police, and he served in that position with great honor and recognition. Since Tom Constantine has taken over the DEA in 1994, the agency has added 1,200 new agents, and

he is overseeing the revamping and the modernization of the agency's intelligence operations.

During his tenure, he has initiated new programs to foster closer cooperation which is so important with our State and local law enforcement agencies and to enhance their ability to fight violent crime caused by drugs. Recently Tom Constantine opened a $29 million training academy for the agents of DEA and also for our foreign, State and local police that they participate in with training. The facility which can house 250 trainees is located in Quantico, VA.

Mr. Constantine also was one of only 19 people ever to be named as an honorary FBI Agent, and for anyone aware of the longstanding rivalry between DEA and FBI, they really can know and appreciate the significance of this award and recognition. Over the past few years, Administrator Constantine and the FBI Director, Mr. Louis Freeh, bridged the gap between those two Department of Justice law enforcement agencies, and I believe they increased the effectiveness of our law enforcement efforts against major drug trafficking organizations.

□ 2215

Mr. Constantine believed that if Mexican authorities wanted to hurt the drug trade, then they could hunt down and arrest their country's top smugglers and major drug lords and send them to the United States for trial, and we know how many of them have been requested for extradition from that country.

As he stated in testimony before our subcommittee, the one I chair, which is the Subcommittee on Criminal Justice, Drug Policy and Human Resources, there are 15 to 25 key drug traffickers who are primarily responsible for the drug trade. Cases have been prepared against them. They have been indicted in the United States, and arrest warrants have been issued, but they still have not been extradited.

Tom Constantine, I believe, is one of the finest examples of law enforcement professionals to ever serve at any level in our law enforcement agencies, whether it be local, State or national. His service to the safety and the well-being of our Nation should be noted, and I know that I join many other of my colleagues tonight on the eve of his being recognized on his retirement in saluting his fine work to both the Drug Enforcement Administration and to every citizen in our Nation.

Mr. Speaker, tonight, in addition to that small tribute to a great leader in the war on drugs, Mr. Tom Constantine, I would like to provide, Mr. Speaker, my colleagues and the American people with an update since my last speech last week on the floor on the topic of illegal narcotics and talk about the impact, some of the happenings and some of the tragedies that have faced our Nation and even our Nation's capital in the last week since I last talked on this subject.

Then I would also like to talk about a Geraldo Rivera report which was aired, a very lengthy report, some of it accurate, some of it inaccurate, but since we have raised the question of legalization, since we have raised the question of decriminalization, since this topic is now very much in vogue in talk shows and special programs and in news reports, I think that it is important that we deal with the facts, and I would like to talk about those facts tonight.

The first thing, in the update of some of the news, the news relating to the war on drugs and the situation relating to crime that emanates from illegal narcotics continues to be bad.

Just in today's Washington Post, I would like to read from an editorial that said, and I will quote, the headline is, Shot, 5 months old. The latest stray gunfire victim may be the most innocent of all, a 5-month-old baby boy. He was seated with his mother and a man on an apartment stoop in southeast Washington on Friday, this past Friday, when they were shot in an attack by two masked gunmen. The man, apparently the intended victim, is dead. The mother is hospitalized. The baby, guiltless as a lamb, is in critical condition. As with hundreds of other children caught in the city's violence, the wounded baby did not elect to enter this world. Neither did he choose to live in a neighborhood where drugs, gangs or gun battles flourish.

I think if we look at our Nation's capital as an example, and what a tragic example, the last week with death and mayhem in the streets of our Nation's capital, even critically wounding a 5-month-old, we see the roots of some of the problem in drug trafficking and illegal narcotics.

Last week, the Nation's capital, Congress, anyone with any sensibility, was absolutely distraught by what took place with the death and killing of a 55-year-old grandmother in the District of Columbia. We saw, those of us who serve in Washington, our Nation's capital and the local residents in this area, saw the funeral and the tragedy of, again, this slaying. I thought I would read a little bit, this is from the Washington Times, about that tragedy and the root of that problem.

Tuesday night, police charged Derek Terrell Jackson, age 19, with first degree murder while armed in the shooting death of Mrs. Foster-El, 55, a grandmother who was shot in the back while shielding children from gunfire. D.C. police said the cause of the southeast shooting is unusual. In drug-ravaged areas of the city, rival gangs normally shoot each other in turf wars. An open air drug market has operated for years only a block away from Ms. Foster-El's backyard in the 100 block of 56th Place, Southeast. Again, headline, a tragedy and a neighborhood filled with drugs, crime, violence.

Today's Washington Post gives us a story under the crime and justice heading of Maryland, and if they are not killing each other, they are killing innocent folks with guns. This is an account from Maryland in today's paper. A 16-year-old Gaithersburg youth pleaded guilty yesterday to first degree murder in the slaying of a 15-year-old who was beaten and stabbed to death after being blamed for a bad drug deal, prosecutors said.

This goes on to say that the individual charged struck the teenager in the head with a large rock and stabbed him repeatedly after he begged for his life, prosecutors said. Another tragedy in the area of our Nation's capital, a 16-year-old first bludgeoning a 15-year-old and then stabbing him to death.

Another report, on the Tuinei death, this is from an Associated Press story in McKinney, Texas. Former Dallas Cowboy offensive tackle, Mark Tuinei died of a lethal combination of heroin and a form of drug called ecstasy, according to autopsy results released Tuesday.

I spoke in a previous special order about the tragedy possibly being linked to illegal narcotics, and here we see that deadly combination of heroin and ecstasy. We find high purity heroin coming in from Colombia and also from Mexico, and young people and even strong athletes do not realize the deadly potential of heroin just by itself, and then to mix it with some other drug proves to be fatal, not only in Texas but as I cited in my own central Florida area where we now have the number of drug overdose deaths in central Florida exceeding the number of homicides.

Further update on the news, I spoke last week of an article relating to Plano, Texas, which has also been ravaged by drug deaths. Tonight there is a story that was published, I believe, over the weekend, 6–27–99, by Tracy Eaton in the Dallas Morning News, a rather large story about the region's heroin supply and this would be the Texas region, linked to deaths in Plano. The headline says, Mexican production driving economy in the Mexican area.

The story goes on and talks about the fields now of poppies. Again, part of this administration's policy did not serve us well in certifying Mexico, and Congress must also take the blame for certifying Mexico with fully cooperating while it is increasing dramatically the production of illegal narcotics, particularly black tar deadly heroin.

Let me read a little bit from this story in the Dallas Morning News. Over the past 3 years, and I think I cited this last week, 18 young people from Plano or with ties to the city have died of heroin overdoses. Plano, with its wholesome reputation and all-American city status, is not the only spot that has been hit. Oklahoma City, Cleveland, Milwaukee, Seattle, Boston and Atlanta have all seen tragic strings of heroin-related deaths as part of what United States officials call a national epidemic.

Let me quote, and this is a quote, the world is awash in heroin. It is really a nightmare, said retired Army General Barry McCaffrey. He is director of the White House Policy on Drug Control and our Nation's drug czar. He goes on to say, and let me quote Barry McCaffrey, he says, ask our eighth graders are they fearful of using heroin, and around 50 percent say no. It is crazy, that is what Barry McCaffrey said, our drug czar.

The article goes on to cite an interesting report this news reporter had obtained, and let me read a little bit further. It says, a confidential U.S. intelligent report obtained by the Dallas Morning News calls heroin, and again this is a confidential report that the news folks have that we do not have it, but it calls heroin, and this is in quotes, a growing national threat. An increased supply of heroin is causing prices to drop and encouraging traffickers to develop new markets. This, in turn, leads to a new generation of consumers.

That is the end of this confidential report. Maybe the administration does not want this to get out.

Many of these new customers are in small towns and communities, the report read, and let me read again a quote from the report. Suburban consumers age 12—now listen to this. Suburban consumers age 12 to 25 have been one of the fastest-growing user groups, the report read. Then it goes on to another quote, heroin use among women of all ages has increased significantly.

So the most vulnerable in our society, our young people, age 12 to 25, are becoming our leading consumers. They go on to cite how heroin deaths nationwide have nearly doubled since this administration took office, according to the latest government statistics.

I always quote the absolutely startling statistic since 1992/1993, again with the institution of this administration's drug policy, heroin use among our teenage population has soared 875 percent.

This is a story today in the Dallas Morning News that I thought would be of interest and provide, Mr. Speaker, my colleagues with a little update.

Let me talk a little bit more about the impact of illegal narcotics and drug deaths and what is happening. Again, a sampling, just a recent case. Just in the past few months there has been a distressing number of drug-related deaths. This is in New York. For example, heroin users in the East Village of New York City have been overdosing at an alarming pace this year, according to a report. One local expert estimates that more than 30 people have died from heroin overdoses since mid-May. It is suspected that the high purity levels are poisoning people who are not prepared for its strength. And I spoke about the Tuinei case, a very strong athlete who died from a heroin ecstasy overdose.

In Orlando last March, a heroin overdose victim was left to die as his friends watched him turn blue from suffocation. The victim was left sitting on a toilet for 8 hours after he was found semi-conscious in his bathroom.

□ 2230

He was then moved to a bedroom where he stayed for 4 hours before someone called 911. At least one of his friends played video games while his friend died in the next room.

Two roommates in San Francisco died of a so-called flesh-eating bacteria, this is recently, after injecting themselves with Mexican black tar heroin. This should be good news for the heroin users out there, that this flesh-eating bacteria is now a special surprise from the Mexican heroin producers. Two others were hospitalized with the infection. The bacteria suspected in the deaths produces toxin that degrade human tissue. It is suspected that the bacteria may be in the dirt that adheres to the drug in the processing facilities in Mexico.

Another report, and this is also from my area in Sanford, Florida, central Florida, a gentleman there plowed into a car driven by a pregnant woman, which caused the premature delivery and death of her twin sons. He had cocaine, Valium, and methadone in his system. The concentrations found in his blood indicated that he had probably taken one dose of each of the three drugs within 24 hours of the crash.

The pregnant woman was 7 months pregnant at the time. The crash pinned her in the car. Once freed she was flown to the hospital, where doctors delivered the boys 13 weeks premature. One of the boys died the day of the crash and the other the next day.

This is an example, again, that I cite time and time again of drug-related deaths. These two premature babies may not be counted in the 14,000-plus that were killed last year because of drug-related deaths. Those who were on our highways and in highway fatalities may or may not be counted. Those who were suicides may or may not be counted. Those who again have died in some other fashion may or may not be counted.

Here is an example of several more lives snuffed out by illegal narcotics in probably the biggest social problem that we have facing our Nation.

This month a former nurse accused of holding 2 women hostage for nearly 3 days in a hospital, then killing one and critically injuring another, had struggled with a heroin problem for more than 15 years. How will those deaths be recorded? How will those injuries be recorded?

In Texas last week, a man convicted of beating his girlfriend's 4-year-old daughter to death because babysitting kept him from buying drugs was sentenced to death by lethal injection.

In a murder that shocked Mexico early this month, and I think I cited this death before, and it takes quite an incident to shock Mexico, but early this month a prominent TV and radio celebrity, Francisco Stanley, was gunned down in broad daylight by two men who sprayed the victim's car with automatic fire. Mr. Stanley was carrying credentials provided by the Ministry of Interior identifying him as a Federal agent.

Additionally, autopsy results indicate that he was a cocaine user. Mexican media reports have stated that he may have dealt cocaine in the show business world. The way the killing occurred has led investigators to suspect that in fact, this, too, was the work of drug traffickers.

That is a little bit on some of the recent news and an update on some of the cases I have cited before. This past week our Subcommittee on Criminal Justice, Drug Policy, and Human Resources conducted a hearing on the topic of the del Toro case, in particular, and the subject that we posed and the title of the hearing was ''Getting Away With Murder: Is Mexico a Safe Haven for Killers or Drug Dealers,'' and in particular, the del Toro case.

The del Toro case is an absolutely heinous crime that was committed by a United States citizen. Even though his name is del Toro, he was born in the United States. He was not a Mexican national. He was born to U.S. citizens.

There is no question from the testimony we had or from what law enforcement has made public that on November 7, 1997, Sheila Belush was found murdered in her home in Sarasota, Florida. She was murdered while her young children, some of them just babies, were left with her, with the body. This is a particularly heinous crime, as I said. She was shot, then she was finished off with a kitchen knife, stabbed in her own home in Sarasota. Her husband testified before our subcommittee asking for justice.

Jose Luis del Toro fled to Mexico, and has used the Mexican corrupt judicial system to flee from justice from the United States. We have asked for his extradition and it has been refused. Again, the system which is so corrupt which we heard about in this hearing denied justice to Mr. Belush and the children that she left behind.

This is not the only case of an extradition request being ignored by the Mexican government. It is one of dozens and dozens. In fact, in the last 10 years there have been 275 requests of extradition, and in particular, relating to murders and illegal drug dealers, drug lords. We have some 30 or 40 requests of these major traffickers and murderers that have been ignored.

To date, not one Mexican national has been extradited to the United States. Only after complete disruption caused by Members of Congress and by others have we received one American. A Mr. Martin was returned several weeks ago. But this committee or this subcommittee showed that justice is not being done in the del Toro case, that the Mexican judicial system is becoming a haven for murderers and drug

dealers, and that that country is not complying with simple requests for extradition.

Anyone who heard the testimony of this father, this husband, and the details of how this crime was committed against his family, and to hear the pain he has suffered and they have suffered in losing the wife and mother of these children, would cry out also for justice.

Again, this is not the only case. Tonight I might cite a couple of cases just for information of the Congress, Mr. Speaker.

First of all, first of all, I often refer to Mexico as a haven for drug dealers. Certainly one of our major wanted individuals is Rafael Caro-Quintero. He is a drug lord who is wanted for the kidnapping and killing of our United States DEA agent, Special Agent Enrique Camarena, 14 years ago. Unfortunately, justice has not prevailed in the del Toro case, in the murder of Sheila Belush. Justice has not prevailed in the just incredible, again, heinous torture death of Enrique Camareno, who was tortured to death, and Rafael Caro-Quintero has been convicted of kidnapping and killing our United States agent.

Special Agent Camareno was kidnapped and tortured by this individual and his cohorts. His cohorts, I might say, included, and we have evidence of this, scores of Mexican police and Mexican government accomplices who participated in, again, the murder and torture of our drug enforcement agent some 14 years ago. Caro-Quintero ordered the killing because raids organized by Camareno, our agent, were disrupting his drug operations.

The United States would like this individual extradited so that justice can be served in the United States in the Camareno death. Again, at least this individual was responsible for organizing the death and mayhem committed against our DEA agent. This is one individual.

Tonight we also have with us an individual, another individual who is a drug dealer. This is Agustin Vasquez-Mendoza. Mr. Vasquez-Mendoza is believed to be responsible for the 1994 murder of another United States DEA agent, and that is DEA Special Agent Richard Fahs. Vasquez-Mendoza is not believed to have been the actual trigger man, but he was the criminal mastermind behind the murder of Special Agent Fahs.

Our special agent, DEA agent, was fatally wounded by Vasquez-Mendoza's henchmen during an undercover drug buy in Glendale, Arizona. After the murder, Vasquez-Mendoza fled to Mexico, where he is still believed to be hiding. We have indicted this individual. We have also requested the Mexican government to extradite that individual so that he also can meet justice in the United States and under our system, where we know he would be tried fairly and where we have the evidence to convict that individual.

I might say, Mr. Speaker, there is a $2.2 million award for information leading to the arrest or conviction of this fugitive. Again, his name is Agustin Vasquez-Mendoza, and the date of birth is March 23, 1974, and he is suspected of being in Mexico. There will be $2.2 million for return of this individual, and also having this individual, Agustin Vasquez-Mendoza, brought to justice.

Those are a couple of points I wanted to make, and bring folks up to date relating to news in the drug war and also the hearing that we conducted in our subcommittee on the question of extradition, and two of our unfortunately numerous cast of individuals who have been indicted and we have requests that have been ignored by the Mexican government for extradition to see justice in the United States.

Additionally, tonight I wanted to spend some time, as I said earlier, talking about a report that aired on television. I saw it over the weekend. Geraldo Rivera had over the weekend at least a 1-hour story. There was a series of stories. He called it ''Drug Bust, the Longest War,'' and he had some information that was correct and he had some information in it that was way off base.

I thought it would be important to set the record straight, particularly since so many Members of Congress and the general public watch some of these shows and obtain information about what is going on in the war on drugs from these reports.

□ 2245

I think it is critical, again, to correct information that came out.

First of all, I think Geraldo Rivera did a fairly accurate job describing the situation in Mexico, the corruption that exists, the drug lords running rampant, the problem with no extradition, the interviews relating to, again, corrupt activities and drug activities in Mexico being conducted in a routine manner and very few people being brought to justice.

I think also the report did summarize that part of the problem was that the Congress, and also the administration, we must say, did not bring Mexico to task, and that has been a difficulty in trying to get Members of Congress to pay attention to this problem. The major source of illegal narcotics, some 60 to 70 percent of the hard drugs coming into the United States, heroin, cocaine, methamphetamines, come from and through Mexico. As I cited, Mexico is now a major producer, producing 14 percent of all the heroin coming into the United States.

I think the report was on target about some of the problems. Also on target that this Congress has not responded, and this administration has not responded, in appropriately decertifying Mexico for trade and for financial benefits because the dollar has reigned supreme here, and both Members of Congress and the administration are afraid in any way to impact that trade, that business, that finance.

That is unfortunate, that we have allowed our neighbors to the south to become close to a narco-trafficking state. It is not at the stage of a Colombia, but, if it continues, the whole system of justice, the entire governmental process, could be lost, and it could become a narco-terrorist state. That is not that far-fetched.

Mr. Rivera had in his report some statements that I believe need correction. He went on to talk about waging the war on drugs and said that the war on drugs is basically a failure. In fact, I have a transcript of his report. Let me read a little bit of it. It says, ''We have always made waging the war the top priority. If only we could get more boats, more planes, more soldiers, we could win this fight.''

Then his second sentence here is, ''Drug treatment has always been a distant second place.''

Now, first of all, we have to deal with the facts. Now, I know Mr. Geraldo Rivera is not noted for always dealing with the facts, but I thought it would be an interesting approach to try to bring some of the facts out tonight that he spoke about. First of all, he thinks that the emphasis during this administration has been on getting more boats, more planes and more soldiers.

Well, Mr. Rivera is wrong. In fact, I had our staff pull up, subcommittee staff, pull up drug spending for interdiction, and this would be the account under which we would get more planes, more boats, more soldiers, the military spending.

If we could trace this chart before 1991, maybe we could focus on this chart here, but you would see from early 1980 when President Reagan took office a steady increase in expenditures for interdiction. This would be using the military and other sources, getting to drugs just as they came out of their source, interdicting them before they come to our borders. That certainly has to be a Federal responsibility. You would see that all the way up to 1992 with President Bush, and that was his policy.

In 1993, and, again, you have to remember the Democrats controlled the White House, the Senate and the House of Representatives by overwhelming majorities in the legislative bodies, and, of course, the executive agency, the presidency. They began a steady decline, and it went right to 1995, in expenditures. In fact, there are some absolutely incredible figures, and let me see if I can dig those up here, about the cuts that were made.

Well, you can see right here, for example, just in military spending on the war on drugs there was a 50 percent cut during that period. Then the other part of this would be what about what is going on now?

Well, I put this little cover on here to show that with the Republicans taking over Congress, we have restarted the war on drugs. The war on drugs basically ended in January of 1993 when

this President took office. We restarted the war on drugs, and you can see from this period in here where the new majority took over to here, we have just begun to get back to the point where we were, and we still are not there. Even this shows a projection for 1999 to get beyond where we were. But, again, this chart shows the actual spending on boats, planes and soldiers.

Now, of course, this is also shown in 1999 dollars, and we began in 1991 dollars, so we actually have a net decrease in spending.

The war on drugs was closed down by this administration in the area of international programs. Now, international programs, in this category, again, if we looked at what this does, this is stopping drugs at their source.

While this program dealing with the military was in the several billion dollar range, again, the military is still operating, they are operating in the Caribbean, they are operating around the world, they have been operating in Panama, they have been operating from our bases, and they have a military mission, so it is slightly different. I would have to even argue about that being a total cost. It is something that they are given as an additional mission.

This budget deals with Federal drug spending for the international work. That would be at the source country. This is in the millions of dollars. Back with President Reagan and President Bush, we would have seen the same curve from the early eighties to 1992 with President Bush in office.

Then we saw basically again a close-down in the war on drugs. This chart shows exactly what took place. On January 1, 1993, this President took office, closed down the war on drugs. This is particularly significant because this is stopping drugs at their source.

Now, if you took cocaine, for example, 100 percent of the cocaine was grown with coca in Peru and Bolivia. This is the 1992–1993 era. We knew exactly where the cocaine was, and it can only grow at certain altitudes in the coca bush, et cetera. They closed this down. We saw huge increases in production.

What happens here is when we stop spending money closest to where the drugs are produced, you have greater production, and we will talk about that in just a second. But this is the most effective way. If you could stop drugs, for example, we have been able, if you look when the Republicans took over here, working with Speaker HASTERT, who was then chairman of the National Security International Affairs Criminal Justice Subcommittee which had oversight over drug policy in the prior Congress, this is where we restarted this program, and this is where we achieved in two countries that we would operate with that we had permission from the administration to operate with, Peru and Bolivia, we have now cut their production by 50 percent of cocaine.

Actually, where the administration had a terrible policy in Colombia, Colombia has now become in the last six years the major producer of cocaine. They are actually growing it and producing it, processing it, the largest producer in the world. So our program in these two areas has been significant in cutting 50 percent of the supply.

The administration stopped military assistance, helicopters, supplies, equipment, on sort of a human rights basis, and I could spend the rest of the evening talking about that bogus position, which has now turned Colombia into the major cocaine and heroine producing country.

In 1993 there was no heroin produced really to speak of in Columbia. Now Colombia is, again, through the policy of this administration, not getting the guns, boats and ammunition to that country, the direct policy of this administration, and is now becoming the major producer.

I also put a little cover on this to show what we have done in the last year to try to get us back up to the levels, because stopping illegal narcotics is far less costly, and, again, this is only in the millions of dollars as opposed to the billions of dollars on the other charts. If we can stop the supply, we can, at its source, eliminate a lot of the interdiction costs and the law enforcement costs.

What is absolutely fascinating is staff produced this little graph, and this graph is very interesting, because it shows that 12th grade drug use among our young people actually mirrored the spending patterns of this administration. When they decreased the amount for international programs and interdiction, what happened is the supply increased, the price went down, it was available, and when heroin can be bought for the price of marijuana or cocaine you have developed a nice market and a young audience and consumer group that we have heard about that, again, begins using this hard stuff coming in. This is an incredible graph, because it absolutely mirrors the pattern of failure that this administration adopted.

Now, again, Mr. Rivera said here, ''Drug treatment has always been a distant second place.'' This is not something I made up. I am quoting from the text which we obtained of his program.

Another myth, Mr. Speaker, Mr. Rivera made, and that is borne out by this chart. This chart shows at the bottom the actual amount of dollars expended on drug treatment. If we go back to 1991 and we compare it with 1999, we see that in fact drug treatment expenditures have gone up almost every single year. There is one year in here, 1996, where it did not go up, but we have actually doubled the amount of money-plus on drug treatment. So it is not taking ''a distant second place.'' And this is the policy also adopted in 1993 by this administration, to spend more money on treatment, cut the interdiction, the source country programs, and put emphasis here.

So this policy and liberalization policy which we have pointed out not only gives us more spending for treatment, but more people to treat, and we use Baltimore as a great example. It has now risen to 39,900 heroin addicts in the City of Baltimore through a liberal policy. Again, this debunks some of the statements that were made by Mr. Rivera in his recent account.

It is interesting too that in today's Washington Post, and possibly in other publications across the country, our drug czar, Barry McCaffrey, made an opinion editorial piece that was published, and let me read from that and what he says.

☐ 2300

First of all, let me pick up on the part about the effectiveness of some of these programs. Drug use in this country has declined by half since 1979. The number of users dropped from 25 million in 1979 to 13 million in 1996. Again, this does not coincide with what the report of Mr. Rivera said.

And again this is according to our drug czar. ''You would think that under the Republican administration there might be less spent on drug treatment.'' And again I'm quoting from Barry McCaffrey, the head of our Office of Drug Policy under the Clinton administration, and this is his quote in this op-ed today, ''In the past 4 years the administration increased spending.'' I have to beg to differ with him, but the Republican majority increased spending on prevention by 55 percent, while spending on treatment rose 25 percent.

So treatment and prevention, in fact, have risen dramatically under this Republican-controlled Congress, contrary to Mr. Rivera's statement that drug treatment has always been a distant second place.

Additionally, the liberal policies we found actually create a bigger dependent population. I thought it was interesting what Mr. McCaffrey said about who commits crime and who is responsible for the disproportionate share of our Nation's violence that we hear about, and these are his words: ''Drug dependent individuals are responsible for a disproportionate percentage of our Nation's violent and income-generating crimes, such as robbery, burglary or theft. The National Institute of Justice surveys consistently find that between one-half and three-quarters of all arrestees have drugs in their system at the time of the arrest. In 1997, a third of State prisoners and about one in five Federal prisoners said they had committed the crimes that led to incarceration while under the influence of drugs.'' This is, again, part of the op-ed of General McCaffrey.

Then the myth about liberalization and that we should allow more folks to become addicts and hooked on hard drugs and that this is harmless, and this is what Barry McCaffrey says in

today's op-ed. ''Injection drug users place themselves at great risk. A University of Pennsylvania study of Philadelphia injection drug users found that four times as many addicts died from overdose, homicide, heart disease, renal failure and liver disease as did from causes associated with HIV disease.''

Dr. James Curtis, Director of Addiction Services at Harlem Hospital Center, explains, and this is a quote from him, ''It is false, misleading and unethical to give addicts the idea that they can be intervenous drug abusers without suffering serious injury.

So, in fact, the myth that we have folks behind bars, and again I appreciate the sensationalism that Mr. Geraldo Rivera tries to provide, and some of it is entertaining, but we must deal with facts, particularly on such a serious subject as what is happening in our society as a result of illegal narcotics trafficking.

Mr. Rivera in his piece cited, and again from his transcripts, two women, and one with tears in her eyes testified that she had only been arrested this one time on drug trafficking and, in fact, I think she said whe was duped, she claimed, into carrying a package of cocaine for a drug dealer. That was one case. The second lady, who had received a mandatory sentence, was there because she was dealing with four ounces of cocaine.

He also cited that most of the people in Federal prison were nonviolent offenders. Well, the facts are a little bit different, and I have cited this study, but a study just out from the New York State Commissioner of Criminal Justice reports that, in 1996, 87 percent of the 22,000 people in jail in New York for drug crimes were in for selling drugs or intent to sell. Of the 13 percent doing time for possession, 76 percent were arrested for selling drugs and pleading down to possession. The study further shows that the most convicted first-time drug offenders end up on probation or in treatment, again contrary to what this national report by Geraldo Rivera tried to portray. It just does not hold water.

In fact, at a recent hearing we held in the Subcommittee on Criminal Justice, Drug Policy and Human Resources, the drug czar from Florida, Mr. Jim McDonough, testified that in a thousand cases they looked at, only 14 out of the total were there for possession and, in fact, some of that may have been also watered down for other offenses.

The facts are that, in fact, virtually all convicted criminals who go to prison are violent offenders, repeat offenders or violent repeat offenders. It is simply a myth that our prison cells are filled with people who do not belong there or that we would somehow be safer if fewer people were in prison. A scientific survey of State prisoners conducted by the U.S. Department of Justice found that 62 percent of the prison population had a history of violence and that 94 percent of the State prisoners had committed one or more violent crimes or served a previous sentence of incarceration or probation.

The New York study that we cited last week and again tonight was interesting. It was a rather in-depth study, and it showed that in New York, for example, one really had to work at it to be incarcerated in prison, and that no one was there just for a minor offense or for even for a first-time felony.

In California, the 1994 prison population rose to 125,000 inmates. Numberous experts and journalists insisted the State's prisons were overflowing with first-time offenders and harmless parole violators. The results of another study, this California Department of Corrections analysis of randomly selected felony offenders admitted to the state's prison and classified as nonviolent, reveals that 88.5 percent of these offenders had one or more prior adult convictions. The average number of prior convictions was 4.7. A fifth of these so-called nonviolent felons had been committed to prison once or twice before.

There is study after study to refute what Geraldo Rivera would try to lead the American people and the Congress to believe. A 1996 study of individuals in prison in Wisconsin found that about 91 percent of the prisoners had a current or prior adult juvenile conviction for a violent crime. About 7 percent of the prisoners were in for drug trafficking. None were sentenced solely for possession or as a drug user, and fewer than 2 percent were first-time drug or property offenders. Prisoners served less than half their sentence time behind bars, and 82 percent were eligible for discretionary parole within a few years.

So the facts are not as presented, again sensationally, by Geraldo Rivera. They do show a different picture, if we just take a few minutes to look at them.

According to a study published in the Journal of American Medical Association last year, nondrug users who live in households where drugs, including marijuana, are used, are 11 times as likely to be killed as those living in drug-free households. Drug abuse in a home increased a woman's risk of being killed by a close relative some 28 times.

So, again, the myths that were portrayed in this presentation tried to make us feel warm and fuzzy about releasing folks into the population.

□ 2310

I do not want to say that we do not need to treat folks in prison and I think a very good case could be made for that, but we must have effective treatment programs, not only in prison but also for other individuals, such as those portrayed, those individuals such as the young woman who was on drugs, as a young man who went back to drugs. We must work together to find solutions to this incredible problem facing our society but we must also not just listen to the Geraldo Riveras but to the facts about drugs and illegal narcotics and their impact on our society.

CHINA

The SPEAKER pro tempore (Mr. HAYES). Under the Speaker's announced policy of January 6, 1999, the gentleman from California (Mr. ROHRABACHER) is recognized for 50 minutes.

Mr. ROHRABACHER. Mr. Speaker, by the end of July, the Congress will again vote on most-favored-nation status, that is, granting this special status to the People's Republic of China. This is the 11th year in which I will have voted on this issue, and this time, however, it will be called, instead of MFN, most-favored-nation status, it will be called NTR, normal trade relations.

Every year, as the Communist Chinese refuse to lower their huge tariffs on American exports, goods that in fact make it impossible for us to have a trade balance with them and we end up with, every year, even though we vote most-favored-nation status, they keep those huge tariffs on our goods while their goods can flood into our country at very low tariffs and thus we end up every year with a huge deficit in our trade balance with the Communist Chinese and they have a huge surplus, 60, $70 billion worth of surplus.

So what are we doing? Why are we doing this year after year after year when the final result is always that they maintain high tariffs against our products while we permit their products to flood into our markets? What is going on here? Is that something that is good for the United States of America? Is it good for us to have an unfair trading relationship with the world's worst human rights abuser? Of course we are being told that if we do this, other things will happen, like, for example, not only will they lower their tariffs eventually, but eventually they will liberalize their country and become more democratic.

Of course, we have not seen any evidence of that at all. There has been no evidence that they are reforming in terms of opening up their markets to our people who would like to sell our products there and there is no evidence that they are becoming more liberal or that there is less oppression in Communist China.

The difference between this year's vote and past years when we voted on this will be that Congress is voting most-favored-nation status, or, I should say, normal trade relations status and we are granting that to the Communist Chinese, not only knowing that it is not lowering their tariffs and their trade barriers to our products coming in while they exploit our own, putting our people out of work with cheap products, of course, again knowing that it is not having any impact on liberalization, in fact it is more repressive now in Communist China than it

was 10 years ago. There was an opposition 10 years ago. Now there is none. There are no free newspapers, opposition party or anything such as that. No, but we have known that all along. What is the difference this time is that we are doing this this year, Congress will be voting on this issue this year knowing, thanks to the Cox Committee and the New York Times and the Washington Times that the Beijing dictatorship is at this moment now beginning to produce nuclear weapons based on technology that it has stolen from us.

So here we are about to vote to grant this trading status, normal trading relations with Communist China, this Communist dictatorship, knowing that at this very same moment they are beginning to go into production on the first generation of weapons of mass destruction that have been improved and made possible and their delivery made more reliable and more certain by U.S. technology. These weapons of mass destruction, which will soon be able to incinerate any city in the United States, will be delivered by a new generation of Chinese rockets that have been made, as I say, more reliable and more deadly by American corporations and scientists working on either our government's payroll or working on the payroll of these huge American corporations. But, of course, the technology that they are giving and bestowing on the Chinese to make their rockets more reliable and more effective, this is deadly weapons technology which cost us, the American taxpayer, tens of billions of dollars to develop over the Cold War. They taxed it from our pockets in order to protect our country. We were told we were doing this in order to make our country more secure. But instead, this technology has been used and when we vote for normal trade relations with Communist China, we will now do so knowing that our relations with Communist China have not made it better for us economically in terms of the trade barriers are still there, it has not made China any freer but that they have actually, on top of all of these things, managed to upgrade their rockets, upgrade their capabilities with this technology, billions of dollars of technological secrets from the United States, and, of course, the rockets are loaded with their most deadly weapons, weapons beginning to be built based on the technology again that they got from the United States. In that case they stole it from us.

Of course we are being told that our trade relationship with Communist China is mutually beneficial. It is a mutually beneficial relationship. That means it must be good for us in some way, as well as for the Chinese people in some way. Well, it is not good for the Chinese people. It is good for their clique that holds power with an iron fist in China beating down all opposition. And it is good for a few billionaires here in the United States—I call them Bill's Billionaire Buddies—but it certainly is not making China any less a threat to the peace and it certainly is not making our country any more prosperous, and even though China supposedly is more interdependent on us now, they do not seem to be any less belligerent, hostile and aggressive than they were 10 years ago. Yet every year, 50 and $60 billion in hard currency, because we have molded the relationship with Communist China, these are the rules we have set down. The leaders of the United States of America have determined what the rules of the game are. They have sat down with the Communist Chinese, their bosses in Beijing, and said, we agree to these rules of the game. And at the end of the year, the Communist Chinese gangsters who run that country, they earn and they have to play with $60 billion in hard currency.

So any talk about human rights and all these other things that are paraded up and down like the administration will suggest they believe in these things, the Communist Chinese dictators know that that is a lot of baloney, because if we really meant that we supported democracy and human rights or we were really concerned about the massacres in Tibet or the massacres of Muslims in the far western reaches of their country, we would be changing the rules of the game so that the Communist Chinese would not end up with these tens of billions of dollars of hard currency.

They laugh at us. They think that it is a big joke. They think that our leaders do not believe in a darned thing and that human rights is nothing more than sloganeering; and that when this Congress again votes for most-favored-nation status or, as it is called now, normal trade relations, we too will be confirming for these dictators in Beijing, the world's worst human rights abusers, the people who now are using our technology to aim weapons at our cities that could potentially incinerate our populations, they know that we are still if we bestow on them this status, that Congress itself does not care enough about these violations in order not to vote to change the system that is working against us.

□ 2320

Yes, in this hall all of us, all of my colleagues, we will all vote on this issue, and it will be a message to those Chinese dictators, and unfortunately it will be a message to the people of China. What is really unfortunate is that the people of China are America's greatest allies. Those people who are now trying to defend their horrendous actions in supporting the Communist Chinese dictatorship are doing everything they can to try to divert the argument by claiming that this is in some way antiChinese.

Those of us who are concerned about Communist Chinese power and what the economic relationship and what the other relationships we have had with the Communist Chinese have done to our country, we are, we are not in any way condemning the people of China. The people of China live under a Fascist like dictatorship. We cannot blame them, and in fact they are our greatest allies; we are on their side.

What we want is freedom for those people in China, and when China has a democracy and the people of China are able to choose their own leaders and demand honest government and demand humane government and demand a government that respects the rights of people and does not waste their money on militarism and weapons systems, then China will no longer be a threat to the world; China will be a friend.

In fact, if China had a democratic system now like Great Britain or Italy or Japan or other countries like that, we would not even be concerned that perhaps they would learn some of our nuclear weapon secrets. We would not care because it was a democratic, peace loving country. No, those people who are arguing that there is some kind of racism behind this are trying to deflect criticism, trying to deflect those who would unravel this mystery that has been left behind of what our policy is all about and why we have a policy that is so demonstrably against the economic and security interests of our country and of the Western World.

Tonight I hope to convince anyone willing to listen that our trade relationship with Communist China is wrong. It is not working for the benefit of the American people, and it is not making China more open, nor is it making it more democratic. It is not making peace more likely, and in fact our China policy is merely filling the bank accounts of a new class of billionaires, both billionaires here and billionaires there.

You have Chiang's cronies, his crony comrades, and Bill's billionaire buddies. At the same time, this perverted process bolsters the military might and economic power of, as I say, a nation that is controlled by a militaristic dictatorship that is the planet's worst human rights abuser, a government that is engaging in genocide in Tibet and has recently obliterated any organized political opposition among its massive population. It is a ruthless government that even while modernizing its military is already bullying its neighbors, and let us remember this when we are talking about China:

We just spent tens of billions of dollars in the Balkans in order to save those people in Kosovo who were under the threat of genocide. Yet China, Communist China, is committing that same kind of genocide on the people of Tibet. They are committing similar genocide, and we are conducting, we do not know what is going on right now, but in the far reaches of western China against their Muslim population. But the people of Tibet continue to face this brutality in an attempt to wipe their culture off the face of the map. But yet when it comes to China, we

have policies that encourage American businessmen to invest in China, building up their industrial capabilities while a reaction in Serbia and in Kosovo is to basically declare war on Serbia.

Now let me just say for the record I did support the Kosovars' right to freedom and independence, and I thought we should have armed the Kosovars and recognized their independence. I think that the people of Tibet and other people in the world have that right, but the United States, and now I am not advocating that we go into Tibet and go into these countries around the world where they do have people who are being oppressed like this, but we should always side with people who are being oppressed by dictatorial regimes, by monstrous dictators like Mr. Milosevic.

Mr. Milosevic is a Serbian dictator, and we have put a price on his head. At the same time we are shaking hands with the monsters in Beijing who have committed bloody crimes that are at least on the scale of Mr. Milosevic, and we are setting up a trading system which will be reaffirmed by a vote on Most Favored Nation status, normal trade relations, that will in the end result in tens of billions of dollars, $60 billion of hard currency at the end of the year, at the end of the accounting, will be in their hands because of the rules that we have set up.

This makes no sense. It is contrary to the principles of our country, it is contrary to the values of our people, and worse than that, it is contrary to our national security interests. It is contrary to the safety, it undermines the safety of each and every person who lives in the United States of America, and we have seen that because they are taking that money and modernizing their weapon systems and using technology that they have stolen from the United States and that they have used to lure American businessmen into giving them to enable them to have rockets and missiles armed with weapons of mass destruction capable of incinerating millions of Americans that they would never have had in 20 or 30 years from now if it was not for the help that we were giving them and the relationship that we have established with this incredibly nonsensical, idiotic trade relationship.

Dealing with China today is reminiscent to the threat that the world faced from the emerging Japanese military power in the 1920s. It is almost deja vu. As Yogi Berra said, it is deja vu all over again. Think about the 1920s. We are now in a period of prosperity as we were in the 1920s, and there was a new power emerging in the world, but yet the United States did not feel that it could focus on that power, and in fact in Europe where Adolf Hitler just a few years later would emerge, the Japanese were ahead of Hitler. We ignored that threat as well because by the time that threat happened things were too ominous for us. And in the 1920s, we had a country, the Japanese empire; it was run by thugs, it was run by gangsters, these people who brutally beat up and murdered anybody who believed in democracy in their country, and there was a bit of a power struggle there with people who wanted to go toward the west in Japan in the early 1920s who were murdered and suppressed. We saw that happening. The thugs that ran Japan in the 1920s believed in racial superiority.

□ 2330

They are perceived that they had an historic right to dominate Asia and the Pacific; and, of course, they saw something else. The Japanese realized that the United States was the only country capable of standing between their goals of domination of Asia and the Pacific and that we were the only country, the courage of our people was the only thing, that could stop them from expanding their brutal regime and its control to all of Asia and the Pacific basin.

I am afraid, Mr. Speaker, that that is the kind of threat that we face now in Asia. It is not the 1920s, but there is a regime that is run by gangsters and dictators, thugs, people who are murdering their opposition, people who hate the West and hate everything that we stand for, people who believe that they are racially superior, people who believe that they have an historic right to dominate all of Asia and the Pacific basin. This country, of course, that I am referring to is Communist China.

Communist China, again, if it was a democracy, would be no problem. This would be an era of hope. It would be an era of incredible opportunity for all humankind if China would be ruled by democracy rather than ruled by gangsters and thugs who commit heinous crimes to maintain their power and stand for everything that we oppose.

Yes, just like with Japan, the Communist Chinese regime understands that only the United States has the power to stand between them and their goals; and their goal in Communist China today, their goal is to dominate all of Asia, all the way from Central Asia, where I predict soon we will see a massive influx of Chinese into the sparsely populated Central Asian republics. We will see territorial claims made there and claims on Siberia and Mongolia and Manchuria, and we will see claims as we have already seen of the Communist Chinese, rights to dominate all of Southeast Asia down through Burma and Cambodia and, yes, our great ally, Thailand. The communists in Vietnam, that dictatorship, is frightened to death.

We see that the Communist Chinese are trying to expand their area of domination. They now have taken over small islands very close to the coastline of the Philippines. The Philippines, one of our great allies, a country struggling to be democratic, a country that has such close ties with the United States, a country that has a free press and freedom of religion, a country that represents the type of democratic reform and economic progress and the attempts by their new president to uplift the poorest of the poor in the Philippines, these people are trying their hearts out, they are doing everything they can to uplift their country only to be confronted with a militaristic threat of Communist China on their doorstep, where the Spratly Islands now, which are only 100 miles off their shore and 800 miles off the shore of Communist China, the Communist Chinese have come in and occupied some of those islands and built fortifications and stationed war ships in the lagoons; this to a practically demilitarized Philippines.

This kind of bullying cannot be ignored. We ignored it when the Japanese did this during the 1920s, and it led to a war that cost millions of lives.

Today we still have a chance to try to change that. We sold the Japanese during this time airplane designs. We sold them fuel. We sold them metal. We had quite a trading relationship with them. In fact, Germany with all this talk about how free trade and interactive trade is going to make somebody less aggressive, totally was interactive economically with the rest of Europe. We even had exchange programs with the Japanese. We let the Japanese militarists study our systems up close. There were military exchanges. We actually gave Japanese military officials the right to look at our military bases and talk to us about our military tactics and have interaction with our military in the 1920s.

Of course, the Japanese thought we were weaklings. Their reaction to our openness was not, oh, my, the Americans then are not really our enemy. Instead, the Japanese militarists were saying what weaklings these are, because we were dealing not with a democratic regime that would have looked at that as a friendly gesture but a dictatorship, tough guys running a country, and that is what we have in China today.

They interpret our willingness to have these same type of military exchange programs, our willingness to let Communist Chinese scientists come into our laboratories, our willingness to permit a trade relationship to continue that gives them $60 billion a year of hard currency, they look at that as weakness. They do not look at that as being friendship.

I went to the Spratly Islands. I went there. The State Department did everything they could to prevent me from going there, and I went with a member of my staff, Al Santoli, and a couple of other Americans, with a couple of Filipino legislators, and we flew right over the Spratly Islands and saw them building those fortifications. Our government, the State Department, tried everything they could do to prevent me from getting there so that I could not explain that to the American people and take the pictures that would open up this debate.

I have also led the congressional opposition to what I consider the mind-boggling military exchange program that we have had between the Pentagon and the Communist Chinese. This year, the so-called game plan for military exchanges included Communist Chinese officials attending workshops or seminars on supplies, how to supply their army and do so effectively, on logistics, on special operations, on military strategy. This was part of the Clinton administration's game plan for how we were going to interact with the Communist Chinese military. It included letting the Communist Chinese attend sophisticated air and naval war games as well as observing our elite 82nd Airborne Division at its paratrooper training operations at our National Training Center in California.

Now, this was part of the administration's game plan for this year, despite the fact that the administration already knew that the Communist Chinese had a major espionage effort that had stolen our most sacred secrets, our most well-kept secrets on nuclear weapons. They knew the Communist Chinese had come into possession of nuclear weapons secrets that had cost us tens of billions of dollars and were upgrading their rockets and upgrading their weapons systems based on this technology. But yet they went right ahead to plan this military exchange program as if there was nothing wrong.

Yes, well, something is wrong. Something is wrong all right. Something is terribly wrong here in Washington. And despite the revelations of Chinese weapons espionage, the espionage at our weapons laboratories, a Chinese delegation, now this is after we have known all about how the Chinese have managed to get their hands on some of this technology that eventually came from our weapons laboratories, this administration still had scheduled a Chinese delegation to visit Sandia National Nuclear Weapons Laboratory in New Mexico.

□ 2340

All of these exchange programs with the military even went there. First of all, what I want to know is why any potential hostile power to the United States has its scientists roaming around our laboratories in the first place. But now we are being told even after the administration knew that they had stolen these secrets, secrets that could put in jeopardy or are putting in jeopardy, these secrets are putting in jeopardy the lives of tens of millions of Americans, they are still moving forward with this, blase, blithefully moving forward and blithefully, again, coming to Congress asking us, forget all about that, forget about all the security stuff, go ahead and grant most-favored-nation status, normal trade relations with the communist Chinese as if none of that has taken place.

We have learned a lot of this since last year. For 10 years we have been voting to grant this. If Congress votes again to do this, it will do so knowing these revelations, knowing about these revelations of this espionage and about how damaged our national security has been.

Of course, we are being told that China is being liberalized by our trade. Let us just tackle that question, is China actually being liberalized because we are trading with them? And by the way, no one is talking about cutting off trade. We are just talking about not granting them the same trade status we would to a democratic society.

During this time when we have granted this vicious dictatorship the same trading status we would to Italy, Belgium, or England, we have found that they were going in the opposite direction. There is no more opposition in China. They are either in their Lao Gai prison camps or they are in exile or they have been murdered.

Ten years ago there was an opposition. Tibet is still being destroyed. There is still genocide going on. In fact, the World Bank, supported by our tax dollars, is thinking about spending $100 million in order to help transport regular Chinese people into the territory where Tibetan people live. Gee, thanks. Our taxpayers are even subsidizing the genocide.

There is no free press in China. There has been no evolution towards a free press.

Now the Chinese, of course, are insisting that we register religious people. If you just register these religious people, they will be free to practice their religion. We have heard that before. Did we not hear that in Germany in the 1930s, if the Jews just register, everything will be okay? We have seen this in the past in China, where people were lured out into the open, and then a few years later when the hammer came down, they were arrested and they were slaughtered.

Anybody suggesting, and this goes for Billy Graham or whoever else is trying to convince Christians to register in China, should be ashamed of themselves because they are not reading history and they are giving the benefit of the doubt to this bloody regime, and they in the end will cost the lives of these believers.

Of course, they also have forced abortion, which continues unabated, and we have seen no development of an independent judiciary. In fact, the President of the United States, for us to vote on most-favored-nation, for it to be granted, I should say normal trade relations, the President has to certify every year that there has been some progress made toward these democratic goals, that human rights are being more respected.

Is there any evidence of that at all? No. The only evidence is that the President is not taking that job seriously when it comes to certifying that there has been human rights progress. I think that is the most charitable way that I can put this, because he certifies that there has been progress made in China on human rights when all of this bloody repression goes on.

This trade relationship has, as I say, resulted in this annual trade surplus for the communist Chinese. We are being told if you believe in free trade, you have to believe in this. You have got to support it, because after all, you are for free trade. That is one of the reasons we have been having some good times here in the United States is because we have free trade.

I have three words for that: Baloney, baloney, baloney. We are not talking about free trade here. Free trade is something that is mutually beneficial. We have already demonstrated that this is not mutually beneficial trade, it is going to help the clique that runs communist China who are billionaires, and a few of our billionaires. It is trade that is manipulated by this powerful and ruthless and calculating communist Chinese regime.

On our side, of course, we do have these multinational corporations who have shown us just how loyal they are by taking their first chance. Whenever they can get away with doing it, they will bestow upon the communist Chinese weapons and technology that could very well end up killing Americans, and they know darned well that that is the risk of what is happening, but they are eager to make a buck, a very quick buck.

These multinational corporations, and by their very nature, multinational means they end up with the flag of the United States not even sometimes being flown outside. Sometimes they will fly the U.N. flag or whatever.

Then of course we have a clique of billionaires who also are benefiting, because we have set up this system so it not only provides the communist Chinese with $60 million in hard currency, we have set up a system that subsidizes businessmen when they decide to close up a factory in the United States and open it up in China; in other words, building the industrial capacity and technological capacity of this vicious dictatorship.

That is what this vote, by the way, is all about. It is not about the ability of American corporations to sell American products in Communist China. It is not about that at all. If we do not grant most-favored-nation status or normal trade relations, as they now call it, it will not deny any American businessman the right to sell over there. The only difference is whatever business he does in Communist China will have to be done at his or her own risk.

By granting most-favored-nation status, we are permitting these businessmen to obtain loans that are subsidized or guaranteed by the American taxpayer through the Export-Import Bank, through OPEC, through IMF, World Bank, Asian-Pacific bank, all kinds of things. There are so many of

these institutions out there that we do not even know about, but of course if we do not grant them official status, they will not get these guaranteed loans or these subsidies. And thus, by voting on ''free trade,'' what we are really doing is subsidizing businessmen for closing jobs here and closing factories here which will only make them 5 or 6 or 7 percent, because they have competition and environmental laws and things like that that they have to deal with here; but instead, it permits them to have it guaranteed in order to set up a factory over in a Communist dictatorship, taxing our people in order to guarantee the loans so the guy will set up a factory providing jobs in Communist China which will eventually put our people out of work over here.

Almost none of the trade we are talking about with Communist China is where we are selling refrigerators or selling some product that is manufactured here, because the Chinese erected all these barriers that we cannot get through. When they talk about business with China, what they are really talking about is American companies going over there and setting up factories for production in China.

Does that make any sense? This is not good for the United States of America, it is not good for our people, especially when it is a dictatorship.

On top of that, we have other countries that are democratic countries, even in Indonesia now, where they actually are trying to have democracy after 20 years, and I think they have a real chance if we get behind them and try to help establish the democracy in Indonesia. They have such a corrupt, terrible dictatorship now the Indonesian people have risen up. Let us try to help them and the Philippines.

But certainly, why should we do that, why should we encourage people to invest in a Communist dictatorship, instead of the Philippines or these other countries? What is happening is we have some very powerful interests in the United States of America who are making big bucks off short-term profits, and it is done at the expense of our country, at the expense of the economic well-being and the expense of our national security.

These people are having a tremendous impact. They are in fact doing everything they can to ensure that this system continues.

Today we heard evidence at the Committee on Science. It was a report given to us by former Senator Rudman, who gave us a report on the security situation of our national labs, which he had been studying for several months.

He verified a story that recently ran in the New York Times just a few days ago that the White House actually knew of the Chinese espionage that we have been talking about tonight, that the White House was made aware of this in 1995.

☐ 2350

This was Senator Rudman today verifying that fact. This is a full year before what we have been told now. Up until now the White House has always told us, remember, like there were only going to be a few FBI files and it turned out to be hundreds of FBI files? The White House until now has told us they did not know about it until 1996. That was bad enough. Now we find out they were actually alerted to this in 1995, and Senator Rudman's report condemned the administration for not treating this information with the due diligence that it deserved.

What Senator Rudman did not put in his report was what happened to those loyal watchdogs who warned the White House of this communist Chinese espionage at the Department of Energy that resulted in their ability to operate their nuclear weapons systems and their rockets. What Senator Rudman did not put in his report was that Notra Trulock, who was someone who was overseeing security at the Department of Energy, tried to warn the administration and was demoted and was castigated and was attacked and almost thrown out of a job. What we did not hear about was Ed McCallum, Chief of Security at the Department of Energy, who warned the administration that something terrible was happening and that we had to look at the security issues, and right now he has been put on administrative leave because they went digging and digging until they could find something on that man to try to hurt him for alerting us to that information. Victor Reis, Victor Reis, who today Senator Rudman applauded for his diligence, an assistant secretary, one of the shining lights of responsibility at the Department of Energy, was fired just this week from the Department of Energy. Three people trying to warn America, watchdogs, trying to scream out, ''danger, danger,'' and instead what are they given for their diligence, for their hard work and loyalty to this country? They are beaten up, they are cast off out of their jobs, their families are put in jeopardy of losing everything. These are civil servants. This is a pattern of abuse, it is a pattern of abuse of these contentious watchdogs, and it is beyond imagination that this administration has been doing this, and we just sit by and let it happen.

These watchdogs warned us that the communist Chinese were acquiring these deadly weapons which put Americans in jeopardy by the tens of millions, and for it they were fired, they were demoted, attacked, humiliated, their families' lives were put in jeopardy in terms of their income.

This is a pattern by this administration of coverup, of deceit and betrayal. This cannot happen. We cannot let this happen.

Ronald Reagan once said that there is nothing that is wrong with the United States Government that cannot be cured by one good election, and we just need, and I am not talking about Republicans or Democrats, I am saying we need to elect people with integrity, we need to elect people who are honest. We need to elect people whose main loyalty is to the people of the United States of America, whether they are Democrats or Republicans.

We may disagree about what direction, but we have been tied to some billionaires who are making money in China even though it is not in the interests of our country. We have got to change that. We have got to change that right here in Congress.

We are going to vote on that very shortly. There will be a vote sometime before the end of July. But, like anything else that we can accomplish, we cannot just do it here. We need the American people to be involved. If anybody is listening to this presentation or reading it in the CONGRESSIONAL RECORD who thinks that, well, we can just leave it up to the politicians, see how bad all the politicians are, no. If the American people do not act, our country is going to go to hell in a hand basket, and we are already halfway there. Our security, tens of millions of our citizens, hundreds of millions of our citizens now are at risk from weapons systems that came from our own technology development, that were taken from us and are now aiming in our direction.

We have got jobs that are being taken away, plants being closed here, and we are subsidizing jobs being created in communist China, so when they build these new factories over there, they are doing so with guarantees for money that is taxed from us.

We have to end this policy, that gives them a $60 billion surplus which they can use to modernize their weapons systems and terrorize their neighbors and brutalize their own people. But we need the American people to be active. The American people must express their will, and that means each and every American, veterans organizations. Anyone who is part of a veterans organization should be making sure that in this July 4th recess, when we go back, and we are leaving Friday for a full week back in our districts, every Congressman should be contacted by their veterans, by religious organizations concerned about the oppression that is going on of religious believers in China, labor unions that know this relationship, where we are building factories over there to compete with our own jobs there, that is wrong.

We have got to make sure people who believe in human rights are concerned about China's domination of Burma. We had a gentleman here talking about the drug problem before I got up. Yeah, where do those drugs come from? A lot of that heroin comes from Burma. And who controls Burma but the communist Chinese, in a bloody deal with that dictatorship called the SLORC dictatorship. They have given them the weapons they need, and they are slowly but surely turning Burma into a vassal state and taking their teakwood and opium and selling it on the world market. No one wants to talk about that. Oh, you can't prove that.

Where does it go? How does it get past, if the communist Chinese dominate that part of the world? We need people who are concerned about the people of the United States and our safety, about people in our military who are going to be facing technology, facing technology that was developed in the United States and then it might end up killing Americans.

When I was a young boy my father was a United States Marine. I lived in Japan with him, and he flew missions, they were spy missions along the coast of Japan. He told me he would fly at very low altitude taking pictures, and they would take pictures of the coastline to see if anything was going on on the communist coastline that could threaten Japan, Korea or Taiwan. There were a group of men that did this.

We lived in this little enclave of American families, and one day one of those men was shot down. That is when I was 10 years old. I still remember the tears of my young playmates and the fear in the eyes and the sorrow in the eyes of the wife of this pilot who lost his life defending his country, and I do not remember his name. I bet nobody remembers his name. But he gave his life defending this country against communist Chinese aggression.

I will tell you something else my father did. There was one of the things he did in the Marine Corps, he really did not have a major career, he was there for 23 years, but one thing he did was develop the Navy way of dropping the atomic bomb.

It was like this. It is sort of a maneuver where the plane goes down, and it can be with a fighter bomber. It lofts the bomb as the plane goes off this way. It permitted our aircraft carriers to become strategic weapons.

During that process, my dad told this idea to the commanding officer, and he was immediately given a squadron and told with all speed get this done. Develop this. It will change the formula of the Cold War and make your country safer, because we will have a better balance of these nuclear weapons.

My dad went out and he pushed these pilots in this squadron, and they knew what they were doing. They knew they were trying to protect our country, and four of them lost their lives during that time period of six months where they were pushing the envelope to try to figure out how to develop this new weapons system, this nuclear weapons system, in order to protect our country.

My mother told me of how they and my father had to go to a family, to a wife who was waiting for her husband, and her husband had died in a crash that night. It was their first wedding anniversary. She was never told why her husband died, because it was top secret that he was developing this new way of delivering this bomb.

People have died to protect this country. I do not remember the name of that woman or those four men who gave their lives or even the father of the playmates that I used to be with who died, but we owe it to them to keep our country safe and secure and not to let these secrets go to our enemies, not to let weapons that can shoot down our own pilots get into the hands of the enemy or weapons that could incinerate us. This is obscene. It is an obscene betrayal of our country. Most-favored-nation status is at the heart of it, because it tells the Chinese communists we do not care.

Well, I hope that you will visit your Congressman and you will visit anyone who will listen and make your voice heard at the 4th of July parade, saying no most-favored-nation status for communist China. Democracy for China. Then this government will listen and we can save America and save freedom and save the peace of the world.

TRIBUTE TO DONALD R. POWELL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. Napolitano) is recognized for 5 minutes.

Mrs. NAPOLITANO. Mr. Speaker, I rise today in praise of Mr. Donald R. Powell, a distinguished public servant in my 34th Congressional District in California, who is retiring as City Manager of Santa Fe Springs, California after an illustrious career spanning 33 years of service.

Don Powell's stellar performance in local government has made him a recognized leader in the field of public administration. He is the recipient of numerous awards and commendations including the prestigious Mark E. Keane Award for Managerial Excellence, which was presented to him last year by the International City/County Management Association.

Don Powell also served our nation as a Captain in the United States Air Force, during which time he received a commendation for operational improvements to the Bangkok Aerial Mail Terminal. Don is graduate of Whittier College and holds a masters degree in International Public Administration from the University of Southern California.

Don Powell's career with the City of Santa Fe Springs began in 1966 as an Administrative Intern. His outstanding service was recognized as he rose through the administrative ranks to take the helm as City Manager in which he has excelled for the past nineteen years. Don's vision, tenacity, skill and managerial excellence helped transform a small town dominated by oil fields and smoke stack industries into one of the most vibrant and prosperous contemporary business communities in Southern California. He was able to achieve this tremendous example of suburban renewal while carefully balancing fiscal responsibility with a deeply abiding respect for the rich historical and cultural heritage of the city.

I have known Don Powell for over thirteen years, since my own service as a City Councilmember and Mayor of the neighboring city of Norwalk, California which borders Santa Fe Springs to the south. I have greatly admired Don Powell's professionalism and unsurpassed level of personal commitment to the City of Santa Fe Springs, neighboring cities in Los Angeles County, the State of California and to the profession of public service.

Don Powell leaves a legacy rich in the beautification and prosperity he so skillfully guided on behalf of a grateful and well-served community. His immense contributions to the transformation and maturing of Santa Fe Springs, an All American City, has nurtured a strong sense of civic pride among its residents.

The City of Santa Fe Springs will surely miss the outstanding work of City Manager Donald R. Powell. On behalf of the many business and residential citizens, Mayor Albert L. Sharp, Mayor Pro-Tempore George S. Minnehan, Jr., Councilman Louis Gonzalez, Councilman Ronald S. Kernes, Councilwoman Betty Putnam, Councilwoman-Emeritus Betty Wilson, and the entire City staff, I extend heartfelt thanks and appreciation to Don Powell for his exemplary service, and further extend best wishes to Don and his wonderful wife Jackie Powell for every continued happiness, great health and success in the years ahead. It gives me great pleasure to pay tribute to a superb public servant and fine American citizen Don Powell on the floor of the House of Representatives in Washington. Thanks for everything Don.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WATTS of Oklahoma (at the request of Mr. ARMEY) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Mr. HILLIARD, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. MALONEY of Connecticut, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

Mrs. NAPOLITANO, for 5 minutes, today.

(The following Members (at the request of Mr. DEMINT) to revise and extend their remarks and include extraneous material:)

Mr. WAMP, for 5 minutes, today.

Mr. DEMINT, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, on June 30.

Mr. LUCAS of Oklahoma, for 5 minutes, on June 30.

Mr. FOSSELLA, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 midnight), the House adjourned until tomorrow, Wednesday, June 30, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2777. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Certain Plant Regulators; Cytokinins, Auxins, Gibberellins, Ethylene, and Pelargonic Acid; Exemptions from the Requirement of a Tolerance [OPP–300690B; FRL–6076–5] (RIN: 2070–AB78) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2778. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sethoxydim; Pesticide Tolerance [OPP–300859; FRL–6080–9] (RIN: 2070–AB78) received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2779. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Diphenylamine; Pesticide Tolerance [OPP–300773A; FRL–6077–3] (RIN: 2070–AB78) received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2780. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize the Secretary of Defense to transfer property to the local redevelopment authority (LRA) for a closed or realigned military installation, without consideration, provided the LRA's reuse plan provides for the property to be used for job creation and the LRA uses the economic benefits from the property to reinvest in the economic redevelopment of the installation and the surrounding community; to the Committee on Armed Services.

2781. A letter from the Secretary of Defense, transmitting a report on Department of Defense Aviation Accident Investigations; to the Committee on Armed Services.

2782. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to establish a nonprofit education foundation; to the Committee on Education and the Workforce.

2783. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Occupational Safety and Health Act of 1970 to enhance protections for employees reporting workplace hazards to the Occupational Safety and Health Administration; to the Committee on Education and the Workforce.

2784. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Identification of Additional Ozone Areas Attaining the 1–Hour Standard and to Which the 1–Hour Standard is No Longer Applicable [FRL–6344–4] received June 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2785. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Six California Air Pollution Control Districts [CA 009–0137a FRL–6337–8] received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2786. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Findings of Significant Contribution and Rulemaking on Section 126 Petitions for Purposes of Reducing Interstate Ozone Transport [FRL–6336–9] received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2787. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Technical Amendment to the Finding of Significant Contribution and Rulemaking for Certain States for Purposes of Reducing Regional Transport of Ozone [FRL–6338–6] (RIN: 2060–AH10) received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2788. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Guidelines Establishing Test Procedures for the Analysis of Oil and Grease and Non-polar Material Under the Clean Water Act and Resource Conservation and Recovery Act [FRL–6341–9] (RIN: 2040–AC63) received May 11, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2789. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to make amendments to the Federal Food, Drug, and Cosmetic Act authorizing the Secretary to charge fees for certain regulatory activities related to medical devices and food and color additives; to the Committee on Commerce.

2790. A letter from the Chairman, Board of Directors, African Development Foundation, transmitting a draft of proposed legislation to amend the International Security and Development Cooperation Act of 1980; to the Committee on International Relations.

2791. A letter from the Chairman, Board of Directors, African Development Foundation, transmitting a draft of proposed legislation to authorize appropriations for the African Development Foundation; to the Committee on International Relations.

2792. A letter from the Secretary of Transportation, transmitting the semiannual report of the Inspector General for the period ending March 30, 1999, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2793. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to eliminate two inequities under current provisions of the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS); to the Committee on Government Reform.

2794. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend the Federal Employees Health Benefits (FEHB) law to enable the Federal Government to enroll an employee and his or her family in the FEHB Program when a State court orders the employee to provide health insurance coverage for a child of the employee but the employee fails to provide the coverage; to the Committee on Government Reform.

2795. A letter from the Director, Office of Government Relations, Smithsonian Institution, transmitting a copy of the ''Annual Proceedings of the One-Hundred Seventh Continental Congress'' of the National Society of the Daughters of the American Revolution, pursuant to 36 U.S.C. 18b; to the Committee on the Judiciary.

2796. A letter from the Director, Federal Emergency Management Agency, transmitting a draft of proposed legislation to establish a working capital fund for the Federal Emergency Management Agency; to the Committee on Transportation and Infrastructure.

2797. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to exempt disaster employees from filing Virgin Island income tax forms; to the Committee on Ways and Means.

2798. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to improve the asset forfeiture program; jointly to the Committees on the Judiciary, Ways and Means, Commerce, Resources, Agriculture, and Banking and Financial Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. House Joint Resolution 34. Resolution congratulating and commending the Veterans of Foreign Wars (Rept. 106–205). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALENT: Committee on Small Business. H.R. 1568. A bill to provide technical, financial, and procurement assistance to veteran owned small businesses, and for other purposes; with an amendment (Rept. 106–206 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 562. A bill to approve and ratify certain transfers of land and natural resources by or on behalf of the Delaware Nation of Indians, and for other purposes; with an amendment (Rept. 106–207). Referred to the Committee of the Whole House on the State of the Union.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 230. Resolution providing for consideration of the bill (H.R. 66) to preserve the cultural resources of the Route 66 corridor and to authorize the Secretary of the Interior to provide assistance (Rept. 106–208). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 231. Resolution providing for consideration of the bill (H.R. 592) to redesignate Great Kills Park in the Gateway National Recreation Area as ''World War II Veterans Park at Great Kills'' (Rept. 106–209). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 232. Resolution providing for consideration of the bill (H.R. 791) to amend the National Trails System Act to designate the route of the War of 1812 British invasion of Maryland and Washington, District of Columbia, and the route of the American defense, for study for potential addition to the national trails system (Rept. 106–210). Referred to the House Calendar.

Mrs. MYRICK: Committee on Rules. House Resolution 233. Resolution providing for consideration of the bill (H.R. 1218) to amend title 18, United States Code, to prohibit taking Minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions (Rept. 106–211). Ordered to be printed.

Mr. HYDE: Committee of Conference. Conference report on H.R. 775. A bill to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal

with the transition from the year 1999 to the year 2000, and for other purposes (Rept. 106–212). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X, the Committee on Veterans Affairs discharged. H.R. 1568 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1568. Referral to the Committee on Veterans' Affairs extended for a period ending not later than June 29, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of New Jersey (for himself, Mr. LANTOS, Mr. GILMAN, and Ms. MCKINNEY):

H.R. 2367. A bill to reauthorize a comprehensive program of support for victims of torture; to the Committee on International Relations, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 2368. A bill to assist in the resettlement and relocation of the people of Bikini Atoll by amending the terms of the trust fund established during the United States administration of the Trust Territory of the Pacific Islands; to the Committee on Resources.

By Mr. NETHERCUTT (for himself and Mr. LAFALCE):

H.R. 2369. A bill to amend title XVIII of the Social Security Act to provide for Medicare coverage of certain biologicals used in treating lower extremity ulcers in patients with diabetes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DOGGETT (for himself, Mr. SANDERS, Mr. FROST, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. MINK of Hawaii, Ms. RIVERS, Ms. SLAUGHTER, Ms. HOOLEY of Oregon, Ms. MCCARTHY of Missouri, Ms. VELAZQUEZ, Mrs. THURMAN, Mr. BONIOR, Mrs. MEEK of Florida, Ms. CARSON, and Mrs. MCCARTHY of New York):

H.R. 2370. A bill to amend the Internal Revenue Code of 1986 to provide that no individual shall be denied unemployment compensation solely on the basis of leaving employment due to a reasonable fear of domestic violence; to the Committee on Ways and Means.

By Mr. BONIOR (for himself, Mr. FROST, Mr. STUPAK, Mr. FRANK of Massachusetts, Mr. MALONEY of Connecticut, Mr. CROWLEY, Mr. BARCIA, Mr. CUMMINGS, and Ms. JACKSON-LEE of Texas):

H.R. 2371. A bill to make schools safer by waiving the local matching requirement under the Community Policing program for the placement of law enforcement officers in local schools; to the Committee on the Judiciary.

By Mr. CANADY of Florida (for himself, Mr. FROST, Mr. DOOLEY of California, Mr. GOODE, Mr. BISHOP, Mr. DIAZ-BALART, Mr. WALSH, Mr. BARCIA, and Mr. BURTON of Indiana):

H.R. 2372. A bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution; to the Committee on the Judiciary.

By Mr. DEMINT (for himself and Mr. BAIRD):

H.R. 2373. A bill to amend the Internal Revenue Code of 1986 to provide for Start-up Success Accounts; to the Committee on Ways and Means.

By Mr. FOSSELLA:

H.R. 2374. A bill to amend title 36, United States Code, to grant a Federal charter to the National Lighthouse Center and Museum; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 2375. A bill to authorize a demonstration project to expand eligibility under existing State prescription drug assistance programs for low-income seniors; to the Committee on Commerce.

By Mr. GREEN of Wisconsin (for himself, Mr. SIMPSON, Mr. FLETCHER, Mr. DEMINT, Mr. HAYES, Mr. OSE, Mr. KUYKENDALL, Mr. RYAN of Wisconsin, Mr. SWEENEY, and Mrs. BIGGERT):

H.R. 2376. A bill to require executive agencies to establish expedited review procedures for granting a waiver to a State under a grant program administered by the agency if another State has already been granted a similar waiver by the agency under such program; to the Committee on Government Reform.

By Mr. HOEFFEL:

H.R. 2377. A bill to provide for a study and report to the Congress on the use of antique firearms in crime; to the Committee on the Judiciary.

By Mr. HOUGHTON (for himself, Mr. SAM JOHNSON of Texas, Mr. SAM JOHNSON of Texas, Mr. LEVIN, Mr. LEVIN, Ms. DUNN, and Ms. DUNN):

H.R. 2378. A bill to amend the Internal Revenue Code of 1986 to clarify that advance pricing agreements between taxpayers and the Internal Revenue Service are confidential return information; to the Committee on Ways and Means.

By Mr. INSLEE (for himself, Mr. MCDERMOTT, and Mr. SMITH of Washington):

H.R. 2379. A bill to ensure that adequate frequencies of the electromagnetic spectrum are available for biomedical telemetry; to the Committee on Commerce.

By Mr. MATSUI (for himself, Mr. NEAL of Massachusetts, Mr. LEWIS of Georgia, Mr. BECERRA, Mrs. THURMAN, Mr. WAXMAN, Ms. DELAURO, Mr. PALLONE, Mr. BROWN of Ohio, Mr. MINGE, Mr. FROST, Mr. FILNER, Ms. LOFGREN, Mrs. LOWEY, Ms. LEE, Mr. HINCHEY, Mr. KUCINICH, Mr. VENTO, Mr. LAFALCE, and Mr. BERMAN):

H.R. 2380. A bill to amend the Internal Revenue Code of 1986 to provide incentives to reduce energy consumption; to the Committee on Ways and Means.

By Mr. NEY:

H.R. 2381. A bill to prohibit United States economic assistance for countries that ratify the treaty known as the Rome Statute of the International Criminal Court, a treaty that provides for the establishment of an International Criminal Court, an illegal and illegitimate institution that violates the principles of self-government and popular sovereignty, as well as accepted norms of international law, and for other purposes; to the Committee on International Relations.

By Mr. NEY (for himself and Mr. OXLEY):

H.R. 2382. A bill to promote the improvement of information on, and protections against, child sexual abuse; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STUMP (for himself and Mr. GIBBONS):

H.R. 2383. A bill to authorize the Secretary of the Interior to produce and sell products and to sell publications relating to the Hoover Dam, and to deposit revenues generated from the sales into the Colorado River Dam fund; to the Committee on Resources.

By Mr. TAUZIN (for himself, Mr. MARKEY, and Mr. DINGELL):

H.R. 2384. A bill to amend the Communications Act of 1934 to authorize appropriations for the Corporation for Public Broadcasting; to the Committee on Commerce.

By Mr. TRAFICANT:

H.R. 2385. A bill to require that the General Accounting Office study and report on possible connections between the recurring incidence of violence by postal employees and workplace-related frustrations experienced by postal workers generally; to the Committee on Government Reform.

By Mr. WEINER:

H.R. 2386. A bill to amend the Expedited Funds Availability Act to prohibit the imposition of fees for any check returned due to insufficient funds for payment, other than a fee imposed on the maker of the check, and for other purposes; to the Committee on Banking and Financial Services.

By Ms. WOOLSEY:

H.R. 2387. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies to encourage girls to pursue studies and careers in science, mathematics, and technology; to the Committee on Education and the Workforce.

By Mr. GILMAN (for himself, Mr. CALLAHAN, Mr. GEJDENSON, Ms. PELOSI, Ms. SLAUGHTER, and Mrs. CAPPS):

H. Con. Res. 144. Concurrent resolution urging the United States Government and the United Nations to undertake urgent and strenuous efforts to secure the release of Branko Jelen, Steve Pratt, and Peter Wallace, 3 humanitarian workers employed in the Federal Republic of Yugoslavia by CARE International, who are being unjustly held as prisoners by the Government of the Federal Republic of Yugoslavia; to the Committee on International Relations.

By Mr. HASTINGS of Florida (for himself, Mr. LATOURETTE, Mr. TURNER, Mr. SPRATT, Ms. CARSON, Mr. GUTIERREZ, Ms. DEGETTE, Mr. ROMERO-BARCELO, Ms. BROWN of Florida, Mr. WYNN, Mr. WEXLER, Ms. KILPATRICK, Mr. STUPAK, Mr. EVANS, Mr. PAYNE, Mr. DAVIS of Florida, Mr. FROST, Mr. MALONEY of Connecticut, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. MEEK of Florida, Mr. MARTINEZ, Mr. THOMPSON of Mississippi, Mr. TOWNS, Mr. BOYD, Mr. BISHOP, Mr.

MCDERMOTT, Mr. LANTOS, Mr. FALEOMAVAEGA, Mr. MEEHAN, Mr. CLYBURN, Mr. SKELTON, Mr. MCINTYRE, Mr. RODRIGUEZ, Ms. JACKSON-LEE of Texas, Mr. DINGELL, Mr. MURTHA, Mr. DEUTSCH, Ms. ESHOO, and Mr. SISISKY):

H. Con. Res. 145. Concurrent resolution expressing congratulations and thanks to United States and NATO troops for successfully bringing peace to Kosovo and halting the brutal ethnic cleansing of Kosovar Albanians; to the Committee on International Relations.

By Mr. PALLONE:

H. Con. Res. 146. Concurrent resolution expressing the sense of the Congress that the imposition of sanctions on persons under the Nuclear Proliferation Prevention Act of 1994 regarding exports to India or Pakistan should be imposed only for direct and material contributions to nuclear weapons and the missiles for delivering them; to the Committee on International Relations.

By Ms. SCHAKOWSKY (for herself, Mr. GILMAN, Mr. GEJDENSON, Mrs. KELLY, and Mrs. MALONEY of New York):

H. Con. Res. 147. Concurrent resolution commending the decision to grant women in Kuwait the right to vote and run for elected office; to the Committee on International Relations.

By Mr. OSE (for himself, Mr. MATSUI, Mr. LANTOS, Mr. POMBO, Mr. DOOLITTLE, Mr. HERGER, Mr. LEWIS of California, Ms. PELOSI, Mr. CALVERT, Mr. THOMAS, Mr. HORN, Mrs. BONO, Mr. BILBRAY, Mr. KUYKENDALL, Mr. BAIRD, Mr. MEEKS of New York, Mr. CONDIT, Mr. COX, Mr. DREIER, Mr. GILMAN, Mr. HOLT, Mr. KUCINICH, Mr. WAXMAN, Mr. STARK, Mr. HOUGHTON, Mr. CAMPBELL, Mr. GOODE, Mr. CROWLEY, Mrs. JONES of Ohio, Mr. CUNNINGHAM, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. BERKLEY, Mr. ABERCROMBIE, Mr. HUTCHINSON, Mr. BRADY of Texas, Ms. SANCHEZ, Mr. NETHERCUTT, Mr. BLUMENAUER, Mr. WALDEN of Oregon, Mr. WATKINS, Mr. POMEROY, Mr. RADANOVICH, Mr. MCKEON, Mr. ROGAN, Mr. THOMPSON of California, Mr. WEINER, Mr. DEUTSCH, Mr. DIXON, Mr. SHERMAN, Mr. ROTHman, Mr. NADLER, Mrs. CAPPS, Mr. FARR of California, Mr. DOOLEY of California, Mr. LEWIS of Georgia, Mr. BERMAN, Mr. BECERRA, Mr. MARTINEZ, Ms. BALDWIN, Ms. WOOLSEY, Mr. TIERNEY, Mrs. MALONEY of New York, Mr. FROST, Mr. MCNULTY, Mr. GEORGE MILLER of California, Mr. HOBSON, Mr. PALLONE, Mr. CAPUANO, Mr. GARY MILLER of California, Mr. FORBES, Ms. SCHAKOWSKY, Mr. ROYCE, Mr. PACKARD, Mr. HASTINGS of Florida, Mr. HALL of Texas, Mrs. MEEK of Florida, and Mr. ACKERMAN):

H. Res. 226. A resolution expressing the sense of the House of Representatives condemning the acts of arson at three Sacramento, California, area synagogues on June 18, 1999, and affirming its opposition to such crimes; to the Committee on the Judiciary.

By Mr. GILMAN (for himself, Mr. GEJDENSON, Mr. BROWN of Ohio, Mr. GREENWOOD, Mr. ACKERMAN, Mr. MCCOLLUM, Mr. BLAGOJEVICH, Mr. PALLONE, Mr. STEARNS, Mr. FRANKS of New Jersey, Mr. RUSH, Mr. MEEKS of New York, Mr. WEXLER, Mr. MENENDEZ, and Ms. EDDIE BERNICE JOHNSON of Texas):

H. Res. 227. A resolution expressing the sense of the Congress in opposition to the Government of Pakistan's support for armed incursion into Jammu and Kashmir, India; to the Committee on International Relations.

By Mr. GALLEGLY (for himself, Mr. ACKERMAN, Mr. BALLENGER, Mr. GEJDENSON, Mr. DELAHUNT, Mr. FARR of California, and Mr. DAVIS of Florida):

H. Res. 228. A resolution expressing the sense of the House of Representatives regarding the peace process in Colombia and calling on the government and all other parties to the current conflict in Colombia to take steps to advance the peace process so as to end the ongoing violence which continues to pose a serious threat to democracy, human rights, and economic and social stability in that nation; to the Committee on International Relations.

By Mr. NADLER (for himself, Mr. GILMAN, Mr. WEINER, and Mrs. LOWEY):

H. Res. 229. A resolution expressing the sense of the House of Representatives that Rabbi Morris Sherer should be recognized for his leadership role in the growth and development of the Orthodox Jewish community in the United States and for fostering religious liberty and understanding around the world; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

124. The SPEAKER presented a memorial of the House of Representatives of the State of New Hampshire, relative to House Resolution No. 9 memorializing the federal government to make full funding of the Land and Resource Management Plan its highest priority regarding its ownership and management of the White Mountain National Forest; to the Committee on Agriculture.

125. Also, a memorial of the General Assembly of the State of Nevada, relative to Assembly Joint Resolution No. 15 memorializing Congress to rectify inequities that occur between federal and state regulatory agencies regarding the Employee Retirement Income Security Act of 1974 as it relates to appeals processes; to the Committee on Education and the Workforce.

126. Also, a memorial of the House of Representatives of the State of Hawaii, relative to House Concurrent Resolution No. 219 memorializing the United States Congress, the President of the United States, and the Secretary of Health and Human Services to support the Hawaii Congressional delegation to amend the Social Security Act to increase Hawaii's Federal Medical Assistance Percentage; to the Committee on Commerce.

127. Also, a memorial of the Legislature of the State of Nebraska, relative to Legislative Resolution No. 43 memorializing Congress to direct the federal Environmental Protection Agency to curtail implementation of new restrictions from its Reregistration Eligibility Decision (RED) on phosphide gas that would require a 500-foot buffer zone and other restrictions that effectively preclude the use of aluminum or magnesium phosphide in most of Nebraska's grain storage facilities and grain transportation; to the Committee on Commerce.

128. Also, a memorial of the House of Representatives of the State of Missouri, relative to House Concurrent Resolutions Nos. 24 and 15 memorializing support of state retention of all state tobacco settlement funds; to the Committee on Commerce.

129. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint Memorial No. 2 memorializing the Congress of the United States to pass legislation reallocating funding to the states from the Federal Land and Water Conservation Fund; to the Committee on Resources.

130. Also, a memorial of the House of Representatives of the Commonwealth of The Mariana Islands, relative to House Resolution No. 11–140 memorializing the United States House of Representatives to oppose the passage of U.S. Congress H.R. 325, which would make federal wage provisions applicable to the Commonwealth of the Northern Mariana Islands; to the Committee on Resources.

131. Also, a memorial of the Senate of the State of Hawaii, relative to Senate Concurrent Resolution No. 45 urging the United States government to restore redress funds to compensate individuals of Japanese Ancestry who were unjustly interned during World War II; to the Committee on the Judiciary.

132. Also, a memorial of the Legislature of the State of Arizona, relative to House Concurrent Memorial No. 2006 memorializing the President of the United States and the Federal Bureau of Prisons to transfer Peter MacDonald to a state prison facility; to the Committee on the Judiciary.

133. Also, a memorial of the Legislature of the State of Hawaii, relative to Senate Resolution No. 25 memorializing the United States government to restore redress funds to pay all outstanding Japanese American and Japanese Latin American redress claims and to fulfill the educational mandate of the Act; to the Committee on the Judiciary.

134. Also, a memorial of the House of Representatives of the State of Hawaii, relative to House Joint Resolution No. 7 H.D. 1 memorializing the United States Congress to expand and make the visa waiver program permanent; and to add Taiwan, South Korea, and China to the visa waiver program; to the Committee on the Judiciary.

135. Also, a memorial of the Senate of the State of Nevada, relative to Senate Joint Resolution No. 21 memorializing concern regarding proposals redefining the space in which an aircraft may be flown over the Grand Canyon; to the Committee on Transportation and Infrastructure.

136. Also, a memorial of the Legislature of the State of Colorado, relative to Senate Joint Resolution 99–023 memorializing the President of the United States and Congress to ensure that no further funding of the United States Army Corps of Engineers should be provided for the Cherry Creek Basin Study until the United States Army Corps of Engineers completes an independent peer review of the National Weather Service data in order to determine the appropriate design flood for the Cherry Creek Basin; to the Committee on Transportation and Infrastructure.

137. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint Memorial No. 01 memorializing Idaho's congressional delegation to support funding for a national veterans cemetery in Idaho to serve veterans in the northwestern states; to the Committee on Veterans' Affairs.

138. Also, a memorial of the Legislature of the State of Idaho, relative to House Joint Memorial No. 3 memorializing the Congress to look at repealing the estate and gift tax or to increase the exemption substantially; to the Committee on Ways and Means.

139. Also, a memorial of the General Assembly of the State of Nevada, relative to Assembly Joint Resolution No. 12 memorializing the Federal Government to invest all surplus money in the Federal Insurance Contributions Act for the benefit of the Social Security system; to the Committee on Ways and Means.

140. Also, a memorial of the House of Representatives of the State of Vermont, relative to House Joint Resolution No. 113 memorializing the Congress not to enact laws that might diminish or undermine a unified

and stable Social Security system; to the Committee on Ways and Means.

141. Also, a memorial of the Senate of the State of Hawaii, relative to Senate Concurrent Resolution No. 132 S.D. 1 memorializing the United States Environmental Protection Agency to implement the 1996 Food Quality Protection Act using sound science and real-world data from the data call-in process for realistic risk assessments; jointly to the Committees on Agriculture and Commerce.

142. Also, a memorial of the Senate of the State of Colorado, relative to Senate Joint Resolution No. 99–29 memorializing the President, the Congress, and the government of the United States to take all actions necessary to provide for the common defense and protect on an equal basis all people, resources, and states of the United States from the threat of missile attack, regardless of the physical location of each state of the union; jointly to the Committees on Armed Services and International Relations.

143. Also, a memorial of the Senate of the State of Hawaii, relative to House Resolution No. 56 H.D. 1 memorializing the United States Environmental Protection Agency to implement the 1996 Food Quality Protection Act using sound science and real-world data from the data call-in process for realistic risk assessments; jointly to the Committees on Commerce and Agriculture.

144. Also, a memorial of the Senate of the State of Colorado, relative to Senate Joint Resolution No. 99–12 memorializing the United States Bureau of the Census to conduct the 2000 decennial census consistent with the U.S. Supreme Court ruling in the Department of Commerce and Glavin cases, which requires a traditional headcount of the population and bars the use of statistical sampling to create or adjust the count; jointly to the Committees on Government Reform and the Judiciary.

145. Also, a memorial of the Senate of the State of Colorado, relative to Senate Joint Memorial No. 99–5 memorializing Congress to refrain from enacting any pay increase for members of Congress without an affirmative vote or that takes effect before the following Congress has been elected and fully sworn into office; jointly to the Committees on Government Reform and House Administration.

146. Also, a memorial of the Legislature of the State of Arizona, relative to Senate Concurrent Memorial 1001 memorializing the Congress of the United States to take steps to address the problems of the Medicare reimbursement rates differential between urban and rural areas and attempt to establish a reimbursement system that will result in more equitable health care coverage for seniors in rural areas of the country; jointly to the Committees on Ways and Means and Commerce.

147. Also, a memorial of the Legislature of the State of Idaho, relative to House Concurrent Resolution No. 28 memorializing support for the efforts of the U.S. Department of Justice to accomplish the much needed program coordination through the creation of the National Domestic Preparedness Office; jointly to the Committees on the Judiciary, Armed Services, Transportation and Infrastructure, Commerce, and Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. MOORE introduced A bill (H.R. 2388) for the relief of Lieutenant Colonel (retired) Robert L. Stockwell, United States Army; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. TOWNS, Mr. COMBEST, Mr. GEKAS, Mr. BARTON of Texas, Mr. COOKSEY, Mr. GREENWOOD.

H.R. 44: Mr. BARCIA, Mr. LUCAS of Oklahoma, Mr. INSLEE.

H.R. 65: Mr. BARCIA and Mr. INSLEE.

H.R. 72: Mr. PACKARD.

H.R. 110: Mr. SCOTT, Mr. ABERCROMBIE, and Mr. GILCHREST.

H.R. 119: Mr. PICKERING, Mr. HERGER, and Mr. CAPUANO.

H.R. 202: Mr. CALVERT.

H.R. 218: Mr. SMITH of New Jersey.

H.R. 274: Mr. SANDERS, Mr. UPTON, Mr. DOOLEY of California, Mr. WISE, Mr. SISISKY, Mr. KLINK, and Mr. DAVIS of Illinois.

H.R. 303: Mr. BARCIA, Mr. JEFFERSON, Mr. LUCAS of Oklahoma, Mr. MORAN of Kansas, Mr. ENGLISH, and Mr. HOYER.

H.R. 306: Mr. DINGELL.

H.R. 325: Mr. MURTHA, Mr. PRICE of North Carolina, and Mr. SERRANO.

H.R. 358: Mr. SANDERS.

H.R. 383: Mr. WALSH and Ms. MCKINNEY.

H.R. 405: Mr. RADANOVICH.

H.R. 425: Mr. LANTOS, Mr. COYNE, Mrs. MORELLA, and Mrs. MALONEY of New York.

H.R. 464: Mr. HOBSON, Mr. DEMINT, Mr. DAVIS of Illinois, Mrs. WILSON, and Mr. LEWIS of California.

H.R. 488: Mr. THOMPSON of Mississippi, Ms. SCHAKOWSKY, and Mr. FRANK of Massachusetts.

H.R. 531: Mr. COSTELLO.

H.R. 534: Mr. FORBES and Mr. WAMP.

H.R. 557: Mr. PICKETT, Mr. HOSTETTLER, and Mr. PITTS.

H.R. 566: Mr. WATT of North Carolina.

H.R. 595: Mr. SABO.

H.R. 628: Mr. SENSENBRENNER.

H.R. 642: Mr. HERGER, Mr. DOOLITTLE, and Mr. KUYKENDALL.

H.R. 643: Mr. HERGER, Mr. DOOLITTLE, and Mr. KUYKENDALL.

H.R. 653: Mr. ARMEY.

H.R. 690: Mr. CUNNINGHAM.

H.R. 701: Mrs. MYRICK, Mr. JENKINS, Mr. ETHERIDGE, Mr. LUCAS of Oklahoma, Mr. LATOURETTE, Mr. FOLEY, Mr. KIND, and Mr. VITTER.

H.R. 710: Mr. SNYDER, Mr. STRICKLAND, Mr. MCINNIS, and Mr. REYES.

H.R. 716: Mr. WYNN and Mr. CARDIN.

H.R. 721: Mr. PETERSON of Minnesota, Mrs. EMERSON, and Mr. COX.

H.R. 728: Mr. ISAKSON and Mr. BOSWELL.

H.R. 760: Mr. CAPUANO.

H.R. 777: Mr. ORTIZ.

H.R. 783: Mr. FROST, Mr. RAHALL, Mr. SANDLIN, and Mr. BARCIA.

H.R. 784: Mr. BARCIA.

H.R. 804: Mr. BISHOP.

H.R. 817: Mr. FLETCHER.

H.R. 827: Ms. LEE, Mr. PASTOR, Mr. DIXON, Mr. BLUMENAUER, and Mr. CUMMINGS.

H.R. 840: Mr. DAVIS of Illinois.

H.R. 852: Mr. CRANE, Ms. DANNER, Mr. INSLEE, Mr. GILMAN, Mr. SAXTON, and Mr. THOMPSON of Mississippi.

H.R. 859: Mr. HAYWORTH.

H.R. 884: Mr. DAVIS of Illinois.

H.R. 922: Mr. ADERHOLT.

H.R. 924: Mr. HOSTETTLER.

H.R. 933: Mr. BLAGOJEVICH, Mr. FRANK of Massachusetts, Mr. MURTHA, and Ms. STABENOW.

H.R. 977: Ms. LEE and Mr. SMITH of New Jersey.

H.R. 979: Mr. DAVIS of Illinois, Mr. ROTHMAN, Mr. INSLEE, Mr. MEEHAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DELAHUNT, Mr. NADLER, Mr. THOMPSON of Mississippi, and Mr. MURTHA.

H.R. 984: Mr. RADANOVICH.

H.R. 987: Mr. STEARNS, Mr. MCCOLLUM, Mr. HUNTER, and Mr. CAMPBELL.

H.R. 1041: Mr. METCALF.

H.R. 1063: Mr. PETERSON of Minnesota and Mr. LEWIS of Georgia.

H.R. 1070: Mr. PETRI, Mr. GANSKE, Mr. BACHUS, Mr. HASTINGS of Florida, and Mr. FRANKS of New Jersey.

H.R. 1071: Mr. HOLDEN.

H.R. 1083: Mr. SCARBOROUGH.

H.R. 1095: Ms. SCHAKOWSKY, Mr. PAYNE, Mr. SABO, Mr. LIPINSKI, Mr. SMITH of Washington, and Mr. PETERSON of Minnesota.

H.R. 1102: Mrs. BONO, Mr. GARY MILLER of California, Ms. HOOLEY of Oregon, Mr. BLUMENAUER, Mr. PETRI, Mr. KENNEDY of Rhode Island, Ms. PELOSI, Mr. COSTELLO, Mr. MINGE, Mr. DIAZ-BALART, Mrs. ROUKEMA, and Mr. BALLENGER.

H.R. 1111: Mr. CARDIN and Mr. DOYLE.

H.R. 1180: Mr. SERRANO, Mr. OBEY, Mr. COOK, Mr. HASTINGS of Florida, Mr. ABERCROMBIE, Mr. SNYDER, Mr. BOSWELL, Mr. GRAHAM, Mr. SMITH of Michigan, Mr. UDALL of Colorado, Mr. ROMERO-BARCELO, Mr. WU, Mr. ENGEL, Mr. HOUGHTON, and Mr. HOLDEN.

H.R. 1190: Mr. OBEY and Mr. BAIRD.

H.R. 1193: Mr. GORDON and Mr. RANGEL.

H.R. 1202: Mr. FALEOMAVAEGA and Mr. GUTIERREZ.

H.R. 1217: Mr. PETERSON of Minnesota, Mr. LAMPSON, Mr. MCNULTY, Mr. TIERNEY, Ms. VELAZQUEZ, Mr. HOEFFEL, Mr. DAVIS of Illinois, and Mr. CONYERS.

H.R. 1221: Mr. SABO, Mrs. FOWLER, Mr. STEARNS, Mr. ANDREWS.

H.R. 1238: Mrs. THURMAN and Ms. MCKINNEY.

H.R. 1239: Mr. WU, Mr. ROEMER, Mr. OWENS and Mr. SNYDER.

H.R. 1243: Mr. FALEOMAVAEGA, Mr. PALLONE, Mrs. NAPOLITANO, Mr. ORTIZ, and Mr. VENTO.

H.R. 1256: Mr. GONZALEZ, Mr. WATTS of Oklahoma, and Mr. TAUZIN.

H.R. 1260: Mrs. MEEK of Florida and Mr. PAUL

H.R. 1272: Mr. HUTCHINSON.

H.R. 1283: Mr. GALLEGLY and Mr. GOODLING.

H.R. 1300: Mr. FROST, Mr. FRANKS OF New Jersey, Mr. FRANK of Massachusetts, and Mr. BALDACCI.

H.R. 1305: Mr. PAYNE.

H.R. 1313: Mr. HINCHEY, Mr. JEFFERSON, Mr. ACKERMAN, Mr. PRICE of North Carolina, and Mr. HOEFFEL.

H.R. 1315: Mr. MARTINEZ.

H.R. 1326: Mr. PASTOR, Mr. HYDE, and Mr. SNYDER.

H.R. 1329: Mr. SAXTON.

H.R. 1361: Ms. MILLENDER-MCDONALD and Mr. WYNN.

H.R. 1381: Mr. MILLER of Florida.

H.R. 1441: Mr. HALL of Texas and Mr. NEY.

H.R. 1482: Mr. BERMAN.

H.R. 1484: Mr. BILBRAY.

H.R. 1515: Mr. ENGLISH, Mr. MINGE, Mr. LANTOS, Mrs. CLAYTON, Mr. BERMAN, Ms. SCHAKOWSKY, Mr. MALONEY of Connecticut, Mr. PASCRELL, Mr. BORSKI, Mr. RAMSTAD, Mr. BISHOP, Mr. BONIOR, Mr. HOLDEN, Mr. LAFALCE, and Ms. MILLENDER-MCDONALD.

H.R. 1531: Mr. GREEN of Texas.

H.R. 1540: Mr. ARMEY.

H.R. 1568: Mr. SANDLIN, Mr. LEWIS of California, Mr. LAZIO, Mr. LAMPSON, Mrs. MORELLA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HULSHOF, Ms. KAPTUR, Mr. HAYWORTH, Ms. LEE, Mr. HUNTER, and Mr. UNDERWOOD.

H.R. 1592: Mr. TANCREDO, Mr. EDWARDS, Mr. HOUGHTON, and Mr. HOBSON.

H.R. 1594: Mr. GEORGE MILLER of California, Mr. LEWIS of Georgia, Mr. KENNEDY of Rhode Island, Ms. DELAURO, Mr. MENENDEZ, Mr. HOYER, Mrs. TAUSCHER, Ms. SCHAKOWSKY, Mr. PASTOR, and Mr. ABERCROMBIE.

H.R. 1628: Mr. MCCOLLUM, Ms. ROS-LEHTINEN, and Mr. DIAZ-BALART.

H.R. 1661: Ms. DEGETTE.

H.R. 1686: Mr. GEKAS, Mr. SMITH of Texas, Mr. MEEHAN, Mr. EWING, Mr. SKEEN, Mrs. JONES of Ohio, Mr. NEAL of Massachusetts, Mr. CAPUANO, Mr. MCGOVERN, Mr. OLVER, Mr. BARTLETT of Maryland, Mr. BAKER, Mr. SESSIONS, and Mr. BRADY of Texas.

H.R. 1770: Mr. HOYER.

H.R. 1776: Mr. ISAKSON, Mr. STENHOLM, Mr. LOBIONDO, Mr. HOYER, Mr. MALONEY of Connecticut, Mr. RILEY, Mr. SWEENEY, Mr. GREENWOOD, Mrs. MEEK of Florida, Mr. BARCIA, Mr. LUCAS of Kentucky, Mr. LAMPSON, Mr. MASCARA, Mr. BARR of Georgia, Mr. PICKETT, Mr. LATOURETTE, Mr. PITTS, Mr. SIMPSON, and Mr. DEFAZIO.

H.R. 1777: Mr. LOBIONDO and Mr. SANDLIN.

H.R. 1778: Mr. HALL of Texas.

H.R. 1784: Mr. ROYCE and Mr. JEFFERSON.

H.R. 1794: Mr. HASTINGS of Florida, Mr. CAMPBELL, Mr. STARK, Mr. BILBRAY and Mr. STRICKLAND.

H.R. 1795: Mrs. JOHNSON of Connecticut and Mr. HORN.

H.R. 1796: Mrs. MORELLA.

H.R. 1824: Mr. COMBEST, Mr. LEWIS of Kentucky, and Mr. BARCIA.

H.R. 1840: Mr. WYNN and Mrs. BONO.

H.R. 1850: Mr. CAPUANO.

H.R. 1863: Mr. SMITH of Washington.

H.R. 1868: Mr. HINCHEY, Mr. GREEN of Texas, Mr. CHAMBLISS, and Mr. STENHOLM.

H.R. 1871: Mr. MEEHAN and Mr. WAXMAN.

H.R. 1883: Ms. DUNN, Mr. FARR of California Mrs. THURMAN, Mr. ENGEL, Mr. MCINTYRE, Ms. GRANGER, Mr. WELLER, Mr. SMITH of Washington, Mr. MALONEY of Connecticut, Mr. WU, Mr. HORN, Mr. VISCLOSKY, Ms. ESHOO, Mr. ETHERIDGE, Mr. LUCAS of Oklahoma, Mr. ROTHMAN, Mr. CAMP, Mr. GREEN of Wisconsin, Mr. UNDERWOOD, Ms. ROS-LEHTINEN, Mr. STEARNS, Mr. SABO, Mr. PORTER, Mr. MCDERMOTT, Mr. LUCAS of Kentucky, Mr. THOMPSON of California, Mr. NETHERCUTT, Mr. KLINK, Mr. BLILEY, Mr. GOODLING, Mr. BAIRD, Mr. DEAL of Georgia, Mr. TURNER, Mr. WEYGAND, Mr. NADLER, Mr. SIMPSON, Mr. HOLDEN, Mr. HOEFFEL, Ms. RIVERS, Mr. BORSKI, Ms. BERKLEY, Mr. DELAY, Mr. SHIMKUS, Mr. POMBO, Mr. SESSIONS, Mr. CANNON, Mr. LEVIN, Ms. SANCHEZ, Mr. HILL of Montana, Mr. PAYNE, Mr. VENTO, Mr. PASCRELL, Mr. METCALF, Mr. HALL of Texas, Mr. CUNNINGHAM, Mr. MILLER of Florida, and Mr. TANCREDO.

H.R. 1907: Mr. SMITH of Washington, Mrs. TAUSCHER, and Ms. ESHOO.

H.R. 1910: Mr. FROST, Ms. KAPTUR, Mr. STARK, Mr. WYNN, and Mr. RAHALL.

H.R. 1917: Mr. MARTINEZ, Ms. STABENOW, Mr. CLEMENT, Mr. PHELPS, Mr. COMBEST, Mr. MALONEY of Connecticut, and Mr. WHITFIELD.

H.R. 1926: Mr. CRAMER and Mr. DEAL of Georgia.

H.R. 1993: Mr. RODRIGUEZ.

H.R. 2077: Mr. PALLONE and Mr. MALONEY of Connecticut.

H.R. 2088: Mr. SCARBOROUGH.

H.R. 2125: Mr. PASTOR and Mr. OWENS.

H.R. 2136: Mr. DUNCAN.

H.R. 2187: Mr. OXLEY, Mrs. MYRICK, Mr. STUPAK, and Mr. LATOURETTE.

H.R. 2202: Mr. STARK.

H.R. 2239: Mr. GILMAN, Mr. ISAKSON, and Mr. WYNN.

H.R. 2240: Mr. ALLEN, Mr. NADLER, Mr. COOK, Mr. COSTELLO, Mr. MCNULTY, Mr. FROST, and Mrs. CHRISTENSEN.

H.R. 2243: Mr. SOUDER.

H.R. 2260: Mr. GOODLING, Mr. WATTS of Oklahoma, Mr. THUNE, Mr. SOUDER, Mr. DEAL of Georgia, Mr. KILDEE, Mr. BRADY of Texas, and Mr. RADANOVICH.

H.R. 2282: Mr. HOSTETTLER and Mr. PITTS.

H.R. 2300: Mr. BARTON of Texas, Mr. SENSENBRENNER, Mr. KING, Mr. HAYWORTH, Mr. WOLF, Mr. COLLINS, Mr. DREIER, Mrs. FOWLER, Mr. STEARNS, Mr. NETHERCUTT, Mr. WELDON of Florida, Mr. KINGSTON, and Mr. COX.

H.R. 2306: Ms. ROYBAL-ALLARD, Mr. BECERRA, Mr. PASTOR, Mr. ROMERO-BARCELO, Mr. REYES, Mr. RODRIGUEZ, Mrs. NAPOLITANO, Mr. HINOJOSA, Ms. SANCHEZ, Mr. SERRANO, Mr. LEWIS of Georgia, Mr. TOWNS, Mr. CLAY, Mr. DIXON, Mr. WYNN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. RANGEL, Mr. WATT of North Carolina, Mr. CONYERS, Ms. JACKSON-LEE of Texas, Ms. BROWN of Florida, Ms. WATERS, Mr. CUMMINGS, Mr. CLYBURN, Mr. MEEKS of New York, Mr. HASTINGS of Florida, Ms. LEE, Mr. HILLIARD, Ms. KILPATRICK, Mr. BISHOP, Mr. LARSON, Mr. PAYNE, Mrs. CHRISTENSEN, Mr. OWENS, Mr. ORTIZ, Mr. GONZALEZ, Mr. MENENDEZ, Mr. THOMPSON of Mississippi, Mr. FORD, Mr. JEFFERSON, Ms. MCKINNEY, and Mr. RUSH.

H.R. 2308: Mr. REGULA, Mr. LOBIONDO, Mr. WOLF, Mr. GONZALEZ, Mrs. CAPPS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GUTIERREZ, Mr. FOLEY, Ms. ESHOO, Mr. RANGEL, and Ms. HOOLEY of Oregon.

H.R. 2318: Mr. MCINNIS.

H.R. 2341: Mr. PRICE of North Carolina, Mr. NORWOOD, Mr. HILLIARD, Mr. THOMPSON of Mississippi, Mr. FROST, and Mr. DAVIS of Illinois.

H.J. Res. 56: Mr. GILMAN.

H. Con. Res. 30: Mr. SAM JOHNSON of Texas.

H. Con. Res. 34: Mr. CONYERS and Mr. RAHALL.

H. Con. Res. 57: Mr. BLILEY, Mr. SHOWS, Mrs. MALONEY of New York, Mr. SHAYS, Mr. GOODLATTE, Mr. CALVERT, Mr. MALONEY of Connecticut, Mr. TRAFICANT, and Mr. Scott.

H. Con. Res. 58: Mr. HOLDEN.

H. Con. Res. 77: Mrs. KELLY.

H. Con. Res. 79: Mr. SPRATT, Mr. BORSKI, Mr. DREIER, Ms. KAPTUR, Mr. THOMPSON of Mississippi, and Mrs. WILSON.

H. Con. Res. 80: Mr. MCNULTY, Mrs. LOWEY, Mr. RADANOVICH, Mr. GUTIERREZ, Ms. KAPTUR, Mr. BONIOR, Mrs. MORELLA, and Mr. PAYNE.

H. Con. Res. 100: Ms. PELOSI, Mr. STARK, Mrs. BONO, Mr. TALENT, and Ms. ESHOO.

H. Con. Res. 101: Mr. LATOURETTE.

H. Con. Res. 113: Mrs. THURMAN.

H. Con. Res. 117: Mr. GILMAN.

H. Con. Res. 119: Mr. WYNN.

H. Con. Res. 121: Ms. KAPTUR.

H. Con. Res. 130: Ms. CARSON.

H. Con. Res. 132: Mr. ENGLISH, Ms. CARSON, Ms. BROWN of Florida, and Ms. MCKINNEY.

H. Con. Res. 133: Mr. FRANKS of New Jersey.

H. Con. Res. 134: Mr. UNDERWOOD, Mr. WYNN, Mr. FROST, and Mr. GUTIERREZ.

H. Con. Res. 139: Mr. HOEFFEL, Mrs. MINK of Hawaii, Mr. SHERWOOD, Mr. BLAGOJEVICH, and Ms. JACKSON-LEE of Texas.

H. Con. Res. 140: Mr. THOMPSON of Mississippi, Mrs. MEEK of Florida, Ms. BROWN of Florida, Mr. HILLIARD, Mr. KLECZKA, Ms. ROS-LEHTINEN, Mr. DEUTSCH, Mr. PASTOR, Mr. ACKERMAN, and Mr. DAVIS of Florida.

H. Res. 16: Mr. METCALF.

H. Res. 17: Mr. BRADY of Texas.

H. Res. 115: Mr. BARRETT of Wisconsin.

H. Res. 181: Mr. CAMPBELL.

H. Res. 208: Mr. BISHOP, Mr. SHOWS, Mr. REYES, Mr. FROST, Mr. STUPAK, and Ms. LEE.

H. Res. 214: Mr. ENGLISH.

H. Res. 219: Mr. FARR of California, Mrs. NAPOLITANO, Mr. BECERRA, Ms. WOOLSEY, Ms. WATERS, Ms. ROYBAL-ALLARD, and Mr. FROST.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

21. The SPEAKER presented a petition of Evergreen Union School District, California, relative to Resolution No. 16–98/99 petitioning the Congress to appropriate funds for IDEA to the full authorized level of funding for 40 percent of the excess costs of providing special education and related services; to the Committee on Education and the Workforce.

22. Also, a petition of Corning Union High School of Tehama County, CA, relative to Resolution No. 212 petitioning Congress to restore parity to students by appropriating funds for IDEA to the full authorized level of funding; to the Committee on Education and the Workforce.

23. Also, a petition of Richfield School District, Corning, California, relative to Resolution No. 48 petitioning the California Legislature and the Governor to continue current levels of state funding for special education and permit increased federal funding for IDEA; to the Committee on Education and the Workforce.

24. Also, a petition of Hughes-Elizabeth Lakes School District, Lake Hughes, California, relative to Resolution No. 7–98–99 petitioning Congress, the California Legislature and the Governor to restore parity between students by continuing current statutory levels of funding for special education and to permit increased federal funding of IDEA; to the Committee on Education and the Workforce.

25. Also, a petition of LaSalle County Board, LaSalle Illinois, relative to Resolution 99–227 petitioning the Senate and the House of Representatives of the United States of America in Congress to enact legislation requiring all governmental posts to fly the flag of the United States at half staff to honor all those individuals who died as the result of their service at Pearl Harbor on December 7, 1941 and urging all Americans to do likewise; to the Committee on the Judiciary.

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *106th* CONGRESS, FIRST SESSION

Vol. 145 WASHINGTON, TUESDAY, JUNE 29, 1999 *No. 94*

Senate

The Senate met at 10:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Rabbi Shimshon Sherer, Congregation Khai Zichron Mordechai, Brooklyn, NY.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Rabbi Shimshon Sherer, offered the following prayer:

Our Father in heaven: We stand before Thee in humble supplication as we yearn for divine inspiration, for guidance, and for wisdom. We turn to Thee in gratitude for this group of exceptional men and women of good faith dedicated to this great Nation and to all its people.

We bless Thee, O God, for a most precious gift that Thou bestowed upon the United States of America, upon the Jewish people, and indeed upon all of mankind, in a person, a man of history who came to be a symbol of visionary leadership and uncompromising integrity. We pay tribute to the life and legacy of the saintly revered rabbi, Rabbi Morris Sherer.

We pray to Thee, Almighty God, that his memory inspire the Members of this august body, the U.S. Senate, to find within their hearts an echo of his nobility of spirit, selfless devotion, and compassion for all in need, to demonstrate for all to see that beneath the outer veneer of our Nation's bureaucracy beats a warm heart in which the anguished cry of the depressed, the deprived, and the disadvantaged strikes a responsive chord.

Give us the understanding, O God, to grasp the true import of the sacred obligation we have, to open our hearts and hands to bring the bounties of life to every man, woman, and child in our midst.

O Father in heaven, bless this distinguished assemblage of people determined to work effectively and tirelessly for the betterment of all the people of this great Nation, that we witness in our time the fulfillment of the vision of the Psalmist, ''They that sow in tears, shall reap in joy,'' so that from all the upheavals which shatter the soul of society today shall emerge a new world of hope, tranquility, and serenity, for the glory of God and all mankind. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore. Senator SPECTER will now lead the Senate in the Pledge of Allegiance.

The Honorable ARLEN SPECTER, a Senator from the State of Pennsylvania, 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.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. ROBERTS. Mr. President, today the Senate will be in a period of morning business until 12:30 p.m. with Senator MOYNIHAN, or his designee, in control of the time between 10:30 a.m. and 11, Senator GRAMS, or his designee, in control of the time between 11 o'clock in the morning and 12 noon, and Senator SPECTER, or his designee, in control of the time between 12 noon and 12:30. Following morning business, the Senate will stand in recess until 2:15 p.m. so the weekly party conferences can meet.

When the Senate reconvenes at 2:15, there will be an additional 2 hours of morning business equally divided between the two leaders. The Senate is then expected to resume consideration of the pending and long-suffering agriculture appropriations bill. Therefore, votes are expected to occur.

I thank my colleagues for their attention.

The PRESIDENT pro tempore. The able Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I thank my distinguished colleague, Senator MOYNIHAN, for yielding 2 minutes prior to the time that his special order takes effect.

RABBI MORRIS SHERER

Mr. SPECTER. Mr. President, I have sought this recognition to compliment Rabbi Sherer, who has just delivered the Senate prayer.

We are recognizing the outstanding work of Rabbi Sherer's father, also Rabbi Sherer, who died a little more than a year ago. Present today in the Senate gallery are some 200 representatives of a national convocation to recognize the outstanding work of the departed Rabbi Sherer.

I must say that Rabbi Sherer's comments this morning about freedom of religion and the impact on everyone in America, but with special reference to Jewish Americans, is of great significance to me because both of my parents came from foreign lands to the United States and were pleased and honored to pledge their allegiance to the United States of America.

My father left a shtetl, a small community, Batchkurina, in Ukraine, to come to the United States in 1911 at the age of 18, barely a ruble in his pocket, literally walked across Europe, took steerage in the bottom of a boat to come to America to seek his fortune, as did my mother who came with her parents when she was 5 years old in 1905 from a small town on the Russian-Polish border. They settled in America. They raised their family in America. My father fought in the American Expeditionary Force to help make the

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Printed on recycled paper.

world safe for democracy and, in his allegiance to his new-found country, rose to the rank of buck private. Next to his family, the greatest honor he had was serving in the U.S. Army.

Freedom of religion is fundamental Americana, and the Rabbi's prayer today brings it home to us. And I wanted to express my own views of thanks for this country, what it has done for my parents and what it has done for my brother, two sisters and me, and my sons and our granddaughters.

I thank the Chair, I thank Senator MOYNIHAN, and yield the floor.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I believe Senator ASHCROFT would like to speak at this moment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I thank the Senator for accommodating me from the time reserved for his control.

I am glad for the opportunity to stand in the Senate today to honor Rabbi Morris Sherer, who passed away on May 17 last year. Today, I believe the very best way to pay tribute to Rabbi Sherer's memory is to celebrate his inspiring accomplishments.

When Rabbi Sherer became the executive vice president of Agudath Israel in America in 1941, the organization was but a small group with but a few members. Rabbi Sherer transformed Agudath Israel from the small organization that it was in 1941 to a respected and influential force in the culture and community we call America in both our political and religious life.

Rabbi Sherer's success came primarily from two strong leadership characteristics or character traits for which he was most respected. One was that he was not one just to talk about something. He would do something. He was an activist. Second, he knew getting something done required more than just activism or motivation or inspiration. It required persistence. He could stay with a task until there was an achievement.

One often cited example of Rabbi Sherer's activism occurred almost immediately after he became a part of the leadership of Agudath Israel. During Hitler's reign of terror, when all too many here and around the world remained silent about the unspeakable atrocities committed against the Jews in Eastern Europe, Rabbi Sherer spoke and insisted that action was necessary.

While Rabbi Sherer attempted to get others involved in his efforts, he always understood that he must take the initiative and lead, and whether others would be involved or not was not the criterion for his own involvement. He knew that real leadership required the ability and willingness to stand alone. He knew he could not simply wait for someone else to do what he believed should be done.

With his still tiny organization, he sent shipments of food to Jews suffering under the terrible injustices of Hitler's regime, and he helped many to escape to gain refuge here in the United States of America.

Not only was Rabbi Sherer a man of action, but he was a man of persistence. He followed through. When the war ended, he didn't forget about the brothers and sisters who still remained in the ruins of Europe. Under his leadership, Agudath Israel shipped food and religious articles to Jews in displaced persons camps and he helped those who wanted to emigrate.

Rabbi Sherer's story, as we all know, continues in this same line and his philosophy of activism and persistence guided Agudath Israel in America for decades. He fought on behalf of Jews endangered behind the Iron Curtain, those who were endangered in Syria, Iran, and anywhere in the world where he saw that injustice was an imposition upon the liberties of individuals and discrimination that deprived individuals of their opportunity to reach the potential that God placed within.

He brought this attitude with him as he ascended to the presidency of Agudath Israel of America in 1963 and to the chairmanship of Agudath Israel World Organization in 1980.

In all of these roles, Rabbi Sherer demonstrated the unique talent, unique character that provided him with the capacity to unite people from disparate backgrounds and interests. While this was partially a result of his contagious warm personality and charisma, there was something deeper, too. People knew him as a man of integrity. This was rare ore, precious metal to be mined out of the character of this great leader. Though they might have disagreed adamantly with his views, they had to respect the purity of his position, his sincerity and his honesty.

This loyalty and integrity often placed him at odds with or at other times in alliances with unlikely groups. This, however, was Rabbi Sherer's great charm. This is why he was so highly respected. He was loyal and passionate about ideas and truth, never letting political maneuvering get in the way of his ultimate mission.

I am pleased to be on the Senate floor to honor Rabbi Sherer's memory. He taught us that in the face of injustice we must act; in the face of failure, we must persist.

When the battle is over, he taught us there is still a war to fight: to continue to bind up those who had been injured, those who had been separated, and those who had suffered.

Finally, he taught us that there is a way to achieve success and ultimately respect. It is not by trying to appease all sides but by standing firm in one's convictions and holding fast to one's beliefs.

That is the legacy of Rabbi Moshe Sherer. That is what he passed on to Agudath Israel and to all here today who respect his wondrous accomplishment and his faith.

I am delighted and personally privileged to have the opportunity from this podium, in this body, to extend my condolences again to Rabbi Sherer's wife, children, grandchildren, and great grandchildren, and to recommend his stature, his principle, his integrity, his persistence, and his activism as models to all Americans.

I thank the Senator from New York for according me this time and this privilege.

I yield the floor.

Mr. MOYNIHAN. Mr. President, we thank the Senator from Missouri for his moving, eloquent tribute.

I yield such time as he may require to my eminent friend, the Senator from Connecticut.

Mr. LIEBERMAN. I thank my friend and colleague from New York. I thank Senator LOTT for agreeing to set aside this time this morning to honor the memory of Rabbi Moshe Sherer. I thank Senator MOYNIHAN for providing the dignity that is always his but the intimacy that reflects the relationship he had with Rabbi Moshe Sherer. I thank my friend and college classmate from Missouri who just spoke so impressively about this extraordinary man.

I am honored to have known Rabbi Moshe Sherer, a blessed memory. I met him after I became a Senator and benefited, as anyone did, from the opportunity to be in his presence, from his wisdom, insights—insights not just on matters of faith but on matters of the broader community.

This was a man of extraordinary personal dignity and discipline, of hard work and of very good humor. He was a pleasure to be with.

The life we celebrate today was a most extraordinary and consequential life, based on values that go back thousands of years, motivated by a single overriding towering motivation to honor God's name, to perform acts of Kiddish Hashem, the sanctification of God's name. That is to say, to do good works, to be true to the values that are set down in the Bible, in the Ten Commandments, in the broadly held ethical system that we call the Judeo-Christian tradition.

Rabbi Moshe Sherer did that, magnificently rising to become, as we end this century, clearly one of the great leaders of the Orthodox Jewish community in America in this century, one of the great leaders of any faith-based community in America during this century.

Those who have spoken before me have spoken of the extraordinary record of service and growth that Rabbi Sherer gave. I spoke to him several times about his involvement in 1943 when he was asked to take a position at this organization, Agudath of Israel. He spoke to friends and they told him he would be foolish to even consider it. This was an organization that had little credibility, few members. In fact, it was at a time when even within the American Jewish community there were predictions that the

Orthodox community would not go with much vibrancy into the future. Somebody actually referred to the Orthodox community generally as a ''sickly weed.'' The resilience and feistiness of this man and his commitment to the values that were the foundation of his faith propelled him in the face of those pieces of wise counsel to go forward and prove them wrong. And did he ever do that, devoting the rest of his life to this organization, particularly in the context of the end of the Second World War, and the great suffering that occurred to so many suffering Jews in Europe during the war—watching the growth of this organization as a reaction, a kind of affirmation of faith and life after the temporary victories of death and antifaith, if I can put it that way, and anti-God certainly during the Second World War.

This organization rose out of that experience, and enjoyed the extraordinary, unprecedented liberty that America provided to this community, becoming the great, strong organization it is today. It is as Rabbi Sherer passed away with thousands of members in this country and all over the world in an extraordinary array of religious, social service, and communal activities. It is a remarkable program of study.

I don't know if anyone else has spoken of what is called the ''daf yomi'' program, a page-a-day of Talmud study done under the auspices of Agudath Israel. It takes 7½ years to finish the Talmud—a compilation of Jewish literature attempting to interpret the values and the specifics of the Torah, the Bible. On the last completion of that cycle, which occurred in September of 1997, if I am correct, 70,000 people gathered, filling Madison Square Garden in New York, Chaplain Ogilvie. It reminds me in some sense of the Promise Keepers or groups of other faiths coming together to do some of the work you have done with Reverend Graham, and others—70,000 people, first filling Madison Square Garden, and then in the halls and chambers all over America and all over the world on one night to celebrate what is called the A Siyum, the completion of the 7½ year day-by-day trek through this experience, a remarkable achievement, and a commitment to live by the values that were part of that organization and that experience.

Rabbi Sherer, it has probably been said here—and I will say it briefly—not only built the inner strength of the American Orthodox Jewish community through study, through social service, through communal strength, but was a remarkable ambassador to the broader community of faith-based organizations working with people of other faiths, and then reaching out into the community, and particularly the political community during his time in recent years. He opened an office here in Washington, a kind of government relations office for the good of Israel—working again with other groups to support across religious lines commonly held principles, even when they were controversial.

On the day that Rabbi Sherer was buried and his funeral occurred, there was a remarkable outpouring in New York to pay tribute to him. More than 20,000 people stood outside the synagogue where the service was held. They lined the streets to pay final honor to Rabbi Moshe Sherer. It was heartfelt, it was emotional, and it was also an expression of gratitude to all he had meant to the organization, to them personally, to their children, to the institutions from which they had benefited, and to their sense of freedom and confidence being religious people in the America context. And now, as we are taught the way to continue to honor his memory is to live by the principles that guided his own life, we are taught that when a person dies and leaves this Earth and their soul ascends to heaven that they are in that sense unable to do more to elevate themselves, that it is up to those of us who survive them here on Earth to try to do deeds that are good in their name, if you will, to be of support and strength to them.

I think that is the work that has continued in the organization and in the lives of the individuals and all of us who were touched by Rabbi Moshe Sherer.

I join my colleagues to pay tribute to him, and to those who continue the strong and important work for the good of Israel, and to offer condolences to his wife, to his children, to his grandchildren, and to his great grandchildren.

May God come forth and give them the strength—as I know He will—to carry on the extraordinary good work that characterizes the life and times of a great Jewish American, Rabbi Moshe Sherer.

I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank the Senator from Connecticut for his beautiful words.

My dear friend and colleague, the Senator from New York, has asked to speak, and I yield him 3 minutes, if we may, of the time that is beginning to run out. Also, the distinguished majority leader has come on the floor.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SCHUMER. Mr. President, I thank my colleague, Senator MOYNIHAN.

I, too, want to join my friends, Senator MOYNIHAN, Senator LIEBERMAN, Senator LOTT, Senator ASHCROFT, and others in honoring the memory—the blessed memory—of Rabbi Moshe Sherer, who is truly one of the great heroes of the Jewish community and of all of America in the second half of the 20th century.

I am proud to have called him a friend as well as a mentor. He would guide me regularly on political and moral events. He is missed by myself, and my wife and my family, as he is by millions of others.

Rabbi Sherer did so many good things. Senator LIEBERMAN spoke about how he gave great strength to the orthodox community which had been through one of the worst periods of history ever inflicted on any people, and they came to America. What Rabbi Sherer did more than anything else was show them that they could live by Torah values, and the values of teaching, as well as by American values—in fact, that the two strengthened each other; that the values we have learned in the Torah, the Bible, and our teachings, the Talmud, which was mentioned by Senator LIEBERMAN, would make people better Americans; and the values that America allowed us to grow in, no matter who you were, or where you came from, if you worked hard, you could achieve something for you and your family, were consonant with Torah values.

What Rabbi Sherer did through the guide of Israel, aside from the way he touched all of our lives, is that he helped my State of New York and our great country grow, because today there are hundreds of thousands—maybe millions—in America who follow Rabbi Sherer and who follow what he taught. They are living the ways that have been lived by our ancestors for thousands of years—the way of Torah, the way of life. But at the same time, they are building this country by the American values consonant with Torah values of hard work and dedication. And as they build and work hard to help themselves and their families, they help America grow; they start companies; they work in other companies; they teach.

So Rabbi Sherer's loss has been a loss for us who know him and knew him and miss him. It has been a loss for the Jewish community in America—one of our greatest leaders who taught us about education and who taught us that living a life of Torah values and being proud Americans is totally consistent. So it is also a great loss for America because America has always depended on and relished in the glory of lives such as that of Rabbi Moshe Sherer.

So I join with my colleagues, my friends in the gallery, in remembering him, remembering his life and his good deeds, and knowing that, as a Jew and as a New Yorker and as an American, I am proud to stand before my colleagues and before all of our country and say words of praise in memory, in blessed memory, of Rabbi Moshe Sherer.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. MOYNIHAN. Mr. President, might I add I am proud of the warm and insightful remarks of my junior colleague. I thank him.

I see the eminent majority leader is on the floor. Through his courtesy, this

time has been made available. I wish him to take whatever time he requires.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, I extend my appreciation to the distinguished senior Senator from New York. It is always a pleasure to work with him. I thought it was appropriate we have this time this morning to pay tribute to this great man.

Mr. President. today, along with other Senators from both sides of the aisle, I note the first anniversary of the death of Rabbi Morris Sherer, the longtime president of Agudath Israel of America.

This is a sad memorial, in that the nation has lost his ethical leadership and his commitment to justice and religious liberty. But this should also be a celebratory observance, to honor the memory of a man who, while treasuring the past, always looked forward.

Rabbi Sherer was a living example of President Reagan's favorite saying: there's no limit to what you can accomplish when you don't care who gets the credit for it. But today, we rightly give him credit for a lifetime of good works on behalf of this people, his faith, and his country.

More than a half-century ago, in the worst of times for European Jewry, he put Agudath Israel in the forefront of assisting the persecuted and saving the hunted. And with the defeat of Nazism, his organization pitched in to help refugees and immigrants.

Here at home, he took a small organization that seemed to be on the sidelines of American life and transformed it into an active, weighty, influential factor in the mainstream of national affairs.

He was not reluctant to apply the value of his faith of public policy. Because religious education was at the very core of his community's life, he fought for equitable treatment of students in faith-based schools, whether Christian academies or Orthodox schools.

Because he understood that a culture without values is a culture without a future, he foutht against the moral decline that has brought so much suffering and sorrow to our country in recent decades.

His concern to preserve and strengthen the Jewish religious heritage in American did not prevent him from working with those outside his own community who shared his principles. We need to have more of that in America, not less.

In matters of public policy, it is easy to win applause, but it is even harder to win true respect.

Rabbi Sherer sidestepped the applause and earned the respect that today brings members of the Senate of the United States to pay tribute to his memory.

I know he would be especially pleased by this observance, not because we are here praising him, but because his son, Rabbi Shimshon Sherer, is serving today as our guest Chaplain.

We thank him for that, as we thank the men and women of Agudath Israel for their continuing commitment to defend their faith and advance the humane vision of Rabbi Morris Sherer.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. MOYNIHAN. Mr. President, our time has expired. Might I ask for 1 concluding minute?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the majority leader for his fine, perceptive remarks and for making this occasion possible.

It is a little over a year since the passing of Rabbi Moshe Sherer, one of American Jewry's most distinguished communal leaders. Rabbi Sherer was the president of Agudath Israel of America for over 30 years and served as a reasoned, wise voice whose counsel was widely respected in the Yeshivot of his beloved Brooklyn and the halls of government in lower Manhattan, Albany, Jerusalem, and here in Washington.

I first met Rabbi Sherer in the early days of the Kennedy administration when he came to Washington on behalf of Agudath Israel. I quickly learned to admire his sagacity and rely on his insightful counsel and abiding integrity. For over 35 years he was a treasured mentor and a trusted friend.

Rabbi Sherer's earliest work on behalf of the Jewish community was the grassroots, and largely illegal, organization and transport of food shipments to starving Jews in Nazi-occupied Eastern Europe in 1941. His efforts also produced affidavits for European Jewish refugees that helped them immigrate to the United States.

After the end of World War II, he and Agudath Israel continued to assist European Jews—survivors interned in displaced person camps—with foodstuffs and religious items, and helped facilitate the immigration and resettlement of Jewish refugees on these shores. In ensuring decades, Rabbi Sherer spearheaded Agudath Israel's efforts on behalf of endangered Jews behind the Iron Curtain and in places like Syria and Iran. In 1991, years of clandestine activity on behalf of Soviet Jews culminated in his establishment of an office in Moscow to coordinate Agudath Israel's activities in Russia. Under his leadership, Agudath Israel also played an important role in providing social welfare and educational assistance to Israel Jews, and in advocating for Israel's security needs.

Ignoring the pessimistic predictions about Orthodox Jewry made by sociologists and demographic experts in the 40s and 50s, Rabbi Sherer went on to help engineer a remarkable change in the scope, image and influence of the American Orthodox Jewish world. A staunch advocate of Jewish religious education as a early as the 1960s, he helped establish the principle in numerous federal laws—like the Elementary and Secondary Education Act of 1965—and State laws that, to the full extent constitutionally permissible, children in non-public schools were entitled to governmental benefits and services on an equitable basis with the public school counterparts. In 1972, his efforts on behalf of education led to his being named national chairman of a multi-faith coalition of leaders representing the 5 million non-public school children in the United States.

On the day of his funeral last year I took the Senate floor to declare that:

> World Jewry has lost one of its wisest statesman. America Orthodoxy has lost a primary architect of its remarkable postwar resurgence. All New Yorkers have lost a man of rare spiritual gifts and exceptional creative vision.

Rabbi Sherer passed away only hours before the President of the Senate, Vice President AL GORE, addressed Agudath Israel's 76th anniversary dinner in New York. He spoke for the Senate and for all Americans when he eulogized the Rabbi as ''a remarkable force for the understanding and respect and growth of Orthodox Jewry over the past fifty years,'' whose ''contributions to spreading religious freedom and understanding have been truly indispensable in defending and expanding those same rights for all Americans in all faiths.''

I know I speak for the entire Senate when I express my condolences to his widow Deborah, his loving children Rachel Langer and Elky Goldschmidt, who join us today in the visitor's gallery, and his son Rabbi Shimshon Sherer whose inspiring prayer opened this morning's Senate session.

''There were giants in the Earth in those days,'' the book of Genesis teaches. Rabbi Noshe Sherer was a giant in our midst, whose counsel and wisdom will be missed by all of us who were privileged to enjoy his friendship.

The PRESIDING OFFICER. Under the previous order, the time until 12 noon shall be under the control of the Senator from Minnesota, Mr. GRAMS, or his designee.

The Senator from Minnesota.

TAX RELIEF FOR AMERICAN FAMILIES

Mr. GRAMS. Mr. President, we wanted to take a little time this morning to again talk about what I consider the overtaxation of the average working family in the United States. The tax burden is getting larger and larger every day and every year. In fact, under this administration it has grown by about 50 percent in just the last 6 years. To sum up some of these things we do have a number of other speakers who will come down this morning and join us and lay out some of the facts and figures on the current tax status in the United States.

Next Sunday our Nation will celebrate the Fourth of July. Millions of Americans and their families and

friends will gather to raise the national flag, parade in their hometown, grill in their backyard, or drive to the beach for a relaxing vacation.

The Fourth of July is always a truly great American holiday.

As we observe this special occasion, I rise to remind the American people of why we celebrate the Fourth of July, Independence Day, and to call upon Congress and the President to take immediate action to provide meaningful tax relief for all overtaxed Americans.

This great Nation was born out of a tax revolt. The revolt was not because of Founding Fathers were selfish but because they did not want to be shackled under more government regulations, bureaucracy, taxing powers, and unjust legislation of their homeland.

They did not want to send their hard-earned money to the Parliament in England that furthered their own special interests in order to keep themselves in power.

This tax revolt was about freedom and liberty, about a person being able to own himself, his labor, and the fruits of his labor. This is the simple moral origin of our Nation.

Our Founding Fathers understood well that low taxes and freedom were directly related. They did their best to ensure that the American people continued to enjoy their freedom.

Unfortunately, this freedom that our Founding Fathers treasured so much and that triggered our Nation's independence has been eroded.

Today, Americans are overtaxed. The tax burden on working Americans is more crushing than ever. In 1913, less than 1 percent of all Americans paid income tax. Only 5 percent of Americans paid any income tax as late as 1939, before World War II.

Today, the Federal tax burden is at a historic high. Federal taxes consume nearly 21 percent of national income. A typical American family pays $9,450 in Federal income tax per year.

A median-income family can expect to pay nearly 40 percent of its income in Federal, State, and local taxes—more than it spends on food, clothing, and housing combined.

But our Democratic colleagues and President Clinton do not believe this rapidly growing tax burden is excessive and have preferred new spending to tax cuts.

One of the best indicators of how exhausting the tax burden has become is the annual arrival of Tax Freedom Day, the day on which Americans stop working just to pay their State, Federal, and local taxes and actually begin keeping their earnings for themselves.

This year, Americans had to wait until May 11 before they marked Tax Freedom Day. At 132 days into the year, it's the latest arrival of Tax Freedom Day ever.

As a sign of just how far and fast taxes have escalated, in 1950, Americans marked Tax Freedom Day on April 3.

Cost of Government Day, a day calculated by Americans for Tax Reform, goes further by including taxes, regulations, and total government spending. This year Cost of Government Day arrived on June 22.

The total cost of government in 1999 is estimated at $3.72 trillion, that is up from $3.56 trillion in 1998.

This is a 4.5-percent increase overall, and that is almost double the rate of inflation. The cost of Government regulation alone will cost taxpayers over $1.06 trillion in 1999. Again, our Democratic colleagues and President Clinton do not believe this rapidly growing tax burden is excessive, and they have repeatedly denied tax cuts to Americans.

Let's take a look at another indicator. Over the course of President Clinton's administration, Washington's income has grown faster than our economy and has grown twice as fast than the income of the average American. In fact, Federal taxes have grown by over 54 percent during this administration. That is nearly $4,000 per year more per person. The income tax rates also indicate Americans are overtaxed.

The average tax rate for the 437,036 individual returns filed for 1916 was 2.75 percent. Again, the average tax rate for nearly the half million Americans who filed returns in 1916 was just 2.75 percent of income. Under President Reagan, we had only two income tax rates: 15 percent and 28 percent. But today, there are now five tax rates, and Americans can be taxed as high as 40 percent in Federal taxes.

In the past few years, over 20 million American workers earning between $30,000 to $50,000 have been pushed from the 15-percent income tax bracket to the 28-percent income tax bracket due to the unfair tax systems we have. On top of that, they have to also pay a 15.3-percent payroll tax. Federal taxes alone account for the loss of 43 percent of the income for those middle-income Americans who have worked hard just to try to get ahead.

The President and the Democrats always like to tell middle-income Americans that, of course, they are only out there taxing the rich while they stick their hands deeper and deeper into the pockets of average Americans. They use class warfare as a cover to tax all Americans at a higher and higher rate.

The rapidly growing tax burdens hurt low-income and minimum wage workers as well. They may not pay income tax, but they still have to pay the payroll tax. As low-income and minimum wage workers work harder and earn more, their payroll tax increases, again taking a huge bite into hard-earned dollars that are most needed to keep those families above the poverty line. Once again, our Democratic colleagues and the President do not believe this rapidly growing tax burden is excessive and have repeatedly refused to support any tax cuts.

Let's ask the American people if they are overtaxed and want a tax refund on their overpaid taxes. Let's ask a full-time mom and former schoolteacher, Susie Dutcher, about the overall tax burden. According to her:

Taxes are far and away the biggest portion of our family budget.

Susie would love to put more dollars into their retirement account, would love to buy more books for their three children, or put more money in their college fund or spend more money for other family priorities, but she cannot because much of the fruit of their labor is again taken by the Government.

Ask John Batey of Tennessee about the death tax. John runs a 500-acre family farm that has been part of the Batey family for 192 years. John has spent all of his life on his family farm and, like most other farmers, he plans to be a good steward of the land, save and build his assets, and someday try to leave his farm to his children.

After the death of his father 5 years ago and the death of his mother last June, John began to settle his parents' estate. As he was about to take over the family farm, the IRS sent a death tax bill for a quarter of a million dollars. The land value of the farm increased significantly, but the death tax has never been indexed. John had no choice but to sell some of his assets, dip into their lifelong savings, and even borrow some money to pay Uncle Sam.

The Federal death tax was originally levied to pay for the war in 1916 to help fund the efforts of World War I, and estates under $9 million were not taxed at that time. But it later evolved into a mechanism, of course, with a redistribution of private income.

Just like the Batey family, millions of American farmers and small businessowners are faced with paying high taxes or, in fact, losing their farms and businesses to pay the death tax. Unfortunately, again, my Democratic colleagues insist that a cut in the death tax is a tax cut for the rich, and they can hardly justify a costly tax cut that benefits some of the wealthiest taxpayers.

Ask janitor Joe of Virginia about the capital gains tax. Over the last 30 years, Joe saved every penny of his income he could possibly save after paying Federal, State, and local taxes. He took the risk, and he invested his savings smartly in the market. He was excited as he watched his savings grow into $1/2 million in assets. That excitement soon turned into torment upon retirement when he began to withdraw the funds. The Government took nearly one-third of those hard-earned savings for capital gains taxes.

Or you could ask newly wedded Alicia Jones of my home State of Minnesota about the marriage penalty. Alicia and her husband graduated from college and had just begun working full time 2 years ago. In 1998, Alicia and her husband worked full time in professional careers. They had no children and were renting an apartment and trying to save to buy their first house. They had to pay at least an additional $1,400 under the marriage penalty tax in our Tax Code for simply being married.

As a result, on top of the over $10,000 they already had deducted from their

checks to pay Federal taxes, they had to take an additional $700 out of their limited savings account to pay for Federal taxes, taxes that they would not have had to pay, by the way, if they had not been married.

She wrote and said:

I'm frustrated by this. I'm frustrated for the future. How do we get ahead when each year we have to take money out of our savings to pay more and more for our taxes? I hope that you will remember my concern.

Alicia's story is not uncommon. There are 21 million American families in this same situation. If these individual stories are not convincing, let's take another look at the polls.

A recent Gallup-CNN-USA Today poll shows that over 65 percent of Americans believe taxes are too high. Half of the American population think the tax system itself is not fair. A Fox News poll indicates that 65 percent of Americans believe that no more than 20 percent of their income should go to Federal, State, and local taxes. As I said, about an average of 40 percent today is collected from Americans across the country.

An Associated Press poll also shows that the majority of Americans want to use the non-Social Security surplus that we are hearing so much about this week for tax relief, not for more pet spending programs by this administration.

The list goes on. There are a lot of people around Congress, and especially in the White House, who talk about tax relief, but I believe it is all show.

The message from the American people is loud and clear: We are overtaxed, we want meaningful tax relief, and we want and need tax reform.

I ask my fellow colleagues and the President to ponder a very fundamental question about taxation over this holiday: Should our Government tax working Americans' income when they first earn it? Should the Government be able to tax it again when they save it, tax it again when they spend it, tax it again when they invest it, and tax it yet again when they die?

They talk about redoing taxes for low income people because it takes a larger portion of disposable income. I agree, but there is no excuse to tax others even more to support larger and larger spending plans.

To my fellow Americans, I invite you to think about our country's origin over this Independence Day holiday. Take a closer look at your payroll stubs to see how much in taxes is taken from your income, or just take a few moments to examine the hidden taxes on your holiday spending. You will be shocked to find out how much tax you are actually paying.

Let me give a few examples. If you drive the family car on vacation on the holiday, remember that 45 percent of the cost of your car goes to taxes. Over half of what you pay for a gallon of gasoline ends up going for taxes. Thirty-six percent of the cost of the tires on your car goes to taxes. And if you choose to fly, 40 percent of that cost also will go to the Government.

Staying at a hotel is not cheap either, but did you know about 40 percent of your bill goes to the Government in the form of taxes?

If you decide to stay at home and have a simple barbecue to celebrate Independence Day, the Government will stay there as an uninvited guest, and 43 percent of the cost of beer and 35 percent of the cost of soda will go to taxes. The Government's slice of your pizza is about 38 percent, and taxes account for 72 percent if you want to have a drink. Even 31 percent of what you pay for a loaf of bread is taxed.

I think you get the idea of how much of the price of the average products you will buy over this holiday weekend is going to go to the Government in taxes.

So in closing, I am encouraged by President Clinton's announcement that the budget surplus will grow by an estimated $1 trillion over the next 15 years. This additional budget surplus, I believe, makes tax relief even more necessary and even more feasible.

Even President Clinton is talking about new possible tax relief for the American people this year. I welcome the opportunity to work with the President to try to provide tax relief for all Americans—not to talk about it, not to be all show, but to make sure that some tax reform is passed in tax relief.

Saving Social Security, reducing the national debt, cutting taxes are imperative for our economic security and our economic growth. Our strong economy has offered us a historic opportunity to achieve this three-pronged goal.

Republicans are committed to returning the non-Social Security surplus to overtaxed Americans who are out there working hard and generating it in the first place. We have reserved nearly $800 billion of the non-Social Security money for tax relief in our budget, and we will provide meaningful tax relief for all Americans this year.

Thank you very much, Mr. President.

I now yield the floor to my colleague from Georgia, Senator COVERDELL, for up to 10 minutes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. COVERDELL. Mr. President, first, I compliment the Senator from Minnesota for organizing and bringing this meeting together on the question of tax relief and for the powerful statement he just made in support of giving relief to American workers so they can keep more of what they earn in their checking accounts rather than sending it off to bureaucrats—locally, in the State, and federally.

In the last few days, President Clinton has joined in calling for a strong lockbox to protect Social Security. I am pleased to see this. For the last month, we have been fighting a filibuster from the other side of the aisle on this concept of setting a procedure in place that would make sure Social Security receipts have a new protection device. Hopefully, because the President has now said he supports it, the other side of the aisle will drop their filibuster and we can get on with our proposal to be more protective of Social Security receipts.

Second, the President has said he will now support tax relief. That is important. But tax relief can have a lot of definitions.

Our view of tax relief is that it should be across the board, that everybody should participate, and that the savings which families keep in their checking accounts be used for the decisions those families want to make: Do they need more health insurance? Do they need to pay school tuition? Do they have a leak in the roof? Do they need a new car?

The President's definition of tax relief is that you get it if you do something he wants, for instances if you put a solar panel on your roof or if you buy an electric car, if you can find one. That is behavioral relief. In other words, if you begin to live your life the way we in Washington think you should live it, you will get a break, but we are not going to let you decide what you ought to do.

I would suggest that the tax relief proposal, which is growing in size, ought to be looked at very seriously. I will come to that in just a minute. But let's just talk for a second or two about why tax relief is so important to American families.

First, as was said by the Senator from Minnesota, they are paying the highest taxes they have paid since World War II, which, given the extended periods of general peace, is unconscionable.

This year, American families will have a negative savings rate. That has not happened since the Depression. If you read what several pundits in the country have written, they say it is because American families are greedy. Hogwash. What it is, the Government has been taking more and more of what they earn, and the disposable income, the income they have left to use, is barely enough. In fact, in many cases it is not enough to manage their families so there is nothing left to save, and they are not saving.

That means those families cannot face off an emergency. If somebody loses a job or there is some loss of income, the rent cannot get paid. If there is an unexpected illness, an unexpected educational cost, an emergency, there are no savings in America to deal with that. So you put a whole arena of anxiety across the breadth of the land.

I am not going to overdetail this because of the time we have, but I, Senator TORRICELLI—it is bipartisan, bipartisan in the House, Republican and Democrat with leadership—Senator LOTT, Senator GRAMM of Texas, the chairman of the Banking Committee, are all coauthors of a concept that takes the first tax bracket, which is 15

percent, and increases dramatically the number of people who are in that minimum tax bracket.

So everybody would share equally. But the effect is that about 7 million people would be pushed down into that lowest tax bracket. Then the first $500 of interest that family earns from the savings account would not be taxed. That means about $100 billion over the next 10 years would be saved by those families, and 30 million of those families would have no tax on their savings accounts.

So what we have is a plan that benefits 110 million taxpayers, 30 million of which would be saving tax free, 10 million of which would no longer pay capital gains tax, and 7 million middle-income taxpayers would be returned to the lowest tax bracket.

But we do not tell them what to do with their savings; they can figure that out. It isn't designed to cause them to live in a loft or to use a solar panel or a windmill. It is designed to let them keep more of their income so they can more effectively manage their families and their lives.

Incidentally, this is the only tax plan that has been endorsed by the New York Stock Exchange. It is right on target, because pushing people into the lowest tax bracket is helping them save, and it is simplifying the Tax Code.

I hope that every succeeding year we can take another million-plus taxpayers and push them down into this 15-percent tax bracket. One day we might even get to the point that almost all Americans are there.

So this is a time for tax relief. Americans are paying the highest taxes they have paid since World War II. They have no savings, and therefore they do not run their families as effectively as they could. We all know the results of that. So this is broad public policy that needs the attention of the President and the Congress. It is the right thing to do, and this is the right time to do it.

I yield back to the floor manager.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. I thank the Senator from Georgia for his remarks this morning. Also, I thank him for all his hard work during this and previous Congresses to make sure that American families will be allowed to keep a little bit more of their hard-earned money, that less of it will come to Washington, and that they will have a little bit more control over how they spend it and what they spend it on. I appreciate it and thank him for all his efforts and work.

I also recognize this morning the Senator from Missouri, Mr. ASHCROFT, who also has been a leader in the fight against higher taxes and is working very hard for tax relief.

I yield 7 minutes to Senator ASHCROFT.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President.

I am delighted to commend the Senator from Georgia for his outstanding remarks. He is right about giving people a chance to spend their own money in the way they choose to spend it.

So much of our so-called tax relief from time to time is given in ways that try to coach people that they should have it the way we want it done. Freedom is the ability to spend one's own resources the way one particularly wants to spend them. So I am delighted with his remarks.

I rise today in support of Congress' plan to provide over $778 billion in tax cuts over the next 10 years. The President has already announced that the budget surplus will be larger than expected. This onbudget surplus is another name for a tax overpayment. Talk about a budget surplus. It means we are collecting more than we need.

Having collected more than we need from the people who worked hard, the least we could do would be to give it back to them. When you go into a business and hand a $10 bill to the clerk for a $7 item, they don't say: Well, we are going to increase your spending level. We are going to throw in four extra pairs of shoelaces and a can of polish, if you are in a shoe store. They say: No, here is your change. This is your money. You have overpaid.

That is where we are. In the days ahead, Congress will be deciding what to do. Are we going to try to find more ways to spend the money the people have earned or are we going to say our faith is in families; we are going to focus the resources of this country where we have our faith, and that is in the private sector and in families? That is what has made America great.

Or are we going to say our real faith is in bureaucracy; we are going to take more of this money and fund bureaucracy?

I think it is time for us to think about funding families, not funding bureaucracies; funding Main Street, not funding Washington, DC. When we have challenges in this country, I think all of us know they aren't going to be solved by government. As terrible as Littleton, CO, was and is, the real challenge is a cultural challenge.

We need strong families with the right values. We don't need stronger government bureaucracies. If bureaucracies could have solved the Littleton situation and many other challenges, we would have expected to have no challenges by now because we have great bureaucracies. We have more bureaucracy in America than ever before, but we have greater problems.

Instead of the high tax load that really almost forces the second parent to be in the workforce, maybe we ought to think about allowing people to keep some of the money they earn so they don't have to have both parents working and competing with the needs children have for the shaping, the nurturing, the developing, the teaching, and the parenting that is so necessary.

This year, the average American will have to work 173 days just to pay for government. This includes the burdens of Federal taxes, State taxes, and local taxes. We pay more in taxes than at any other time in history.

Some people say: Well, there was a year or two in the Second World War. I dispute that. I don't think they are counting local taxes as well. Some people say: What does the Congress have to do with local taxes? Very frankly, a good bit of the load of taxes at the State and local level is a result of Federal mandates, the Federal Government wanting to force things to be done by government and the bureaucracy, not having the courage to charge for it but just saying to the States: You must get this done.

It is sort of similar to going in to order something without paying for it. We have done that at the Federal level. It is a shame, but it has happened.

It is time for us to say that we need to allow some of the individuals who have built this great Nation to enjoy the fruits of their own labors. When we have overcollected, we have taken more than we need. We have a surplus. Let us give the folks the change back instead of trying to force them to buy more bureaucracy, which they didn't want, didn't order, and don't need. They do need the capacity in families.

According to a Congressional Research Service study, the surplus means that the average household will be paying $5,000 more in taxes over the next 10 years than the government needs. Well, let's just let the American people have some of that money back.

I want to go quickly to one of the most important things we can do to correct a serious error of our Tax Code. For a long time, Members of this body have understood that our Tax Code penalizes people for being married. The way the Tax Code is administered, there is what is called a marriage penalty for people who enter the durable, lasting relationship of marriage, which is the place where children learn and where society and the social order, our culture, renews itself—in durable, lasting, committed marriages. They get taxed more heavily, very frequently, than if they were not married. That is called the marriage penalty.

I may not be one for lots of little nuances in the Tax Code, but it is time for us to take this massive prejudice out of the Tax Code that charges people elevated rates because they are doing the thing government most needs. If government is to promote safety and the stability of the community so people can reach the potential that God has placed within them—and that is what I think government is for—the family does that more effectively and in concert with government better than anybody else. If anything, marriage ought to be the subject of a subsidy, not the pernicious recipient of a penalty that punishes people for being married.

I know KAY BAILEY HUTCHISON, the Senator from Texas, has focused for

years on this idea. I have been one who has stood up to say that we ought to focus on this idea. If we have an opportunity to let people keep some of what they earn, let us stop punishing people for the persistent, durable commitment of dedicated marriage that is fundamental to the success of this society in the next century. That would be a tremendous first step.

We all know that we are paying more in taxes than ever before. We have watched, as the tax burden has gone up, families struggle to meet their responsibilities, moms and dads trying to juggle how they can accommodate their schedules and still raise a family. Finally, the second parent goes into the workforce to make ends meet because government demands so substantially.

Let us give the American family the kind of tax relief that allows families to make America great again and to make their own decisions. It is with that in mind that I think one of the tremendous opportunities we have is the opportunity to abolish the marriage penalty in the tax law.

I urge my colleagues, as we consider our responsibilities, to relieve American marriages of this pernicious penalty which punishes people for doing that which we all need.

I thank the Senator from Minnesota and the Presiding Officer.

Mr. GRAMS. I thank the Senator from Missouri for those words and, again, thank him for all his efforts on tax relief.

I now recognize the Senator from Alabama, Mr. SESSIONS, who also wanted to talk about it, for up to 10 minutes.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I express my appreciation for the excellent remarks delivered by the Senator from Missouri. He and the Senator from Minnesota have been champions of lowering the burden of government on American people since they have been in this body. They are known for that. They have given time and effort and passion to it. I really was inspired by the remarks of the Senator from Missouri. I appreciate them very much.

We are in a time of surplus. We have time to make some decisions about what we are going to do with that surplus. The President's own Office of Management and Budget midyear review now indicates that we will have, over 10 years, a $1 trillion surplus outside of Social Security available to us.

I suggest we have to consider allowing working Americans to keep more of what they earn. That is clearly a policy that will nurture freedom. The more money we take from individuals, the more we take from families, the more we shift it to a burdensome bureaucracy in Washington, the more we diminish their freedom, their power vis-a-vis the government. The government is strengthened. The individual and family is weakened. It is just that simple. The power to tax is the power to destroy. A tax diminishes freedom. It penalizes certain behavior, and it encourages other behavior.

I think we have to be honest with ourselves. This great economy has done some wonderful things for America. We are also finding that people are moving up in the tax brackets, higher and higher tax brackets, meaning they are paying a higher percentage of their income to the government each year. And the sad fact is that the total percentage of the gross domestic product; that is, of all goods and services produced in America, is increasing. According to the Federal Government's own statistics, in 1992, when this administration took office, before the big tax increase, we were sending 17.6 percent of the gross domestic product to the Government. It will reach 20.7 this year or next year—a steady increase.

To say that tax decreases are going to destroy the Government and somehow result in a massive reduction in funds to the Government is silly. The year before last we rolled back one-third of the 1993 huge tax increase that the administration pushed for. We rolled that back and included within it a $500 per child tax credit. I know the Senator from Wyoming, the Presiding Officer, was a supporter of that, and the Senator from Minnesota, was a big supporter of that $500 per child tax credit. I made it one of my highest priorities and worked extremely hard to see that that became a reality.

They say: Well, you can't afford a tax cut. If you have a tax cut, we will increase our deficit. That has not happened. In fact, we are continuing to see surpluses accrue.

But what I want to ask the American people to do is think about this: A family with three children making $35,000 a year, or $45,000 a year, will now receive a tax credit—not a tax deduction but a $500 reduction in the amount of money they have to pay in taxes to the Government for each of those children—$1,500. They will be getting those refunds this spring. Many have already received those refunds—$1,500 for a family. That is $120 per month tax free for a family to use for things.

If there is somebody struggling today, as the Senator from Missouri noted, it is working families. It is expensive. They will have $120 a month to buy shoes with, or maybe a new set of tires for the car, or maybe money so the child can go on a school trip that they would like for them to go on but are wondering how they are going to pay for it. They will get it every month, because this Congress said, no, we are not going to keep taking this money from the families; we are going to allow you to keep it and use it as you see fit.

Who cares more about children than a mother who cares about her children? Who can best decide what they need than the family?

It is a myth that if you do not vote for more and more and bigger programs, you love your children less. That is an incorrect statement. It really offends me, because what we are doing is taking that money from families who love their children and who know their children's names. Nobody in Washington knows my children's names or the names of children in Alabama. They can't possibly utilize resources as effectively as the people who love them and who are raising them.

I really believe that was a nice step forward. But it was just one step. I am proud that we accomplished that. It took some effort. It looked as if it wasn't going to happen, until finally the American people understood what was being talked about. They realized that it was in fact possible to achieve it, and the people started speaking. The Congress—some of those who objected—got the message, and the President got the message. He signed that bill. So we are looking at a continual possibility of a surplus in the future.

I am concerned that we are showing an unhealthy increase in the amount taken by Government. I think it is time to send some of that back to our people. We can make reform of Social Security, we can secure Medicare, and I am absolutely strongly committed to the Social Security lockbox—to setting aside our Social Security surplus so we don't spend it, and making sure it is there to allow us to strengthen and improve Social Security.

That is the first step. If we spend the Social Security surplus by new and bigger programs—there is always some new program that somebody has—we are not going to have it to save Social Security.

Likewise, we have an opportunity with a non-Social Security surplus—this $1 trillion, this $1,000 billion, that will be ours in the next decade—to make a decision: Are we going to allow the Government to grow and become more and more a dominating force in our lives, or are we going to encourage families and freedom and prosperity?

Just for example, I support and am working very hard on a program I call ''The Class Act.'' Most States—42 States now—have a plan called a prepaid college tuition plan where you can buy into college tuition, invest your money into it as your children grow, so much a month, how you choose, and when your child gets to the age to go to college, it can be paid for.

We found that the Federal Government taxes all the interest that accrues on that money. The Federal Government is taxing and penalizing families who are doing the right thing by saving for their children's college education at the same time that we are providing tax breaks, interest rate breaks, and interest deferred payments to people who borrow for college. As a result, we have found that borrowing in the last decade has tripled—three times what it was in the previous decade. And savings are down.

Good government policy calls on us and demands of us that we encourage

the highest and best qualities in people. Taxing and penalizing people who save, and at the same time subsidizing people who borrow, which we need to do—people need to be helped in borrowing to go to college; we are not eliminating any of those programs—is wrongheaded. It is not encouraging our highest and best instinct as a people.

We are different from the rest of the world. This was never a government-dominated country. It has never been run by a king. It has never been run by a totalitarian Communist dictator. It is made up of millions of independent, free Americans who respect themselves and their communities and care about themselves and their communities.

We don't believe the Government ought to do everything for us. People are prepared in this country, as a part of our very character as a people, to take care of themselves whenever they can. But if the Government continues to take more of their wealth and take more of the money they earn every month, making it more and more difficult for them to meet their responsibilities, then they tend to look to Government to fund them.

That is not a good trend for us. This is basic. This represents a basic divide in this Senate and right down the hall in the Congress between people whose visions differ about the nature of our country.

I say let's celebrate our character of individualism, personal responsibility, personal integrity, good financial management, and frugality. Let's encourage savings and not tax people's money who save.

I think it is time for us as a nation to think about this. We dare not get into a big spending program. We do not dare start taxing and spending again. We have an opportunity for a historic time for America. I am proud to join with the Senator from Minnesota in promoting it.

Mr. GRAMS. Mr. President, I thank the Senator very much. I appreciate the words and all of the efforts of the Senator from Alabama. He is talking about the President announcing that a tax cut is possible. He is agreeing with us that tax cuts are important.

I think we have to be very careful because I think it would be a bad deal for the American people if we got a little bit of a tax cut but it came at the cost of huge increases in spending. We don't want that type of a tradeoff. We want to make sure that tax relief means tax relief and not just some token tax relief while we increase spending over in the other side.

I recognize for up to 5 minutes this morning the Senator from Kansas, Mr. BROWNBACK, and I also want to compliment him for all of his hard work and efforts in the area of taxes.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Thank you very much, Mr. President. I thank our distinguished colleague from Minnesota for all his work in this field.

As long as I have been in this body—I have not been in it that long; I am in my third year—I have known that Senator GRAMS has been really working on the issue of tax cuts. He has pushed forward. He has prodded people on it. He has done a beautiful job of getting us to the point of people saying let's have a tax cut, a serious tax cut, not one where we just issue a bunch of press releases and the press releases cost more than the tax cut but a real tax cut that stimulates the economy and helps people.

I am delighted the President is now apparently willing to work with the Congress in order to provide the American people with the tax cut they need and deserve. Part of the reason the President is now willing to consider a tax cut is the strength of the American economy, which is precisely one of the reasons we should consider a tax cut at this time. We are at this point of a budget surplus because of some fiscal discipline in Washington but mostly because of the strength of our economy. We need to keep that economy going and growing strong. That is the key to having budget surpluses in the future—a strong economy. We can help with tax cuts.

The bottom line, as has been mentioned before, is that growth works. When we have growth, we have more resources to pay down the debt, to do the programs needed for the American public, and now to cut taxes.

If we are going to continue to experience a growing economy, we need to take steps to enhance and sustain our current record of economic expansion in order to pave the way for the next century. We need another ''American century.'' Providing the American people with broad-based progrowth tax relief is one of the ways to help achieve it.

In America there is an emerging class of investors who are more aware of what tax policy means for individuals and for the ability of our economy to perform. This class of investors is citizens who have been able to take part in the American dream through 401(k) programs and expanded IRAs that have been offered as part of a retirement package or encouraged through our Tax Code. They are not wealthy—- not yet anyway—but they are increasingly concerned about our Tax Code and what it means to them.

We need to work with the family farmers, cab drivers, construction workers, and small businessmen to allow them to participate in this free market system and have it continue its expansion. They know the best thing Congress can do in order to spur growth is to cut taxes.

There are a variety of options for cutting America's taxes. We can use a budget surplus after accounting for Social Security. We need the Social Security surplus for Social Security, and we need to lock it down, lock it out—create a lockbox for it.

With the budget surplus over and above Social Security, we could widen the 15-percent tax bracket in order to help ''flatten'' the tax structure and provide the American people with tax relief. An expansion of the 15-percent tax bracket has another desirous effect of alleviating the impact of the marriage penalty. Currently, nearly 21 million families are forced to carry an average of $1,400 more a year in taxes simply for being married. We must bring this institutionalized discrimination against the family to an end. Now is the time to do that.

We could also take steps to encourage savings and investment by cutting the capital gains tax rate, which could stimulate the economy and give back further revenues to the Federal Government. Americans need a higher rate of national savings to continue to grow into the next century. Cutting capital gains tax rates will help. We can look at the possibility of further reductions in the death tax area. I think we need to do this, particularly for small businesses and family farmers who frequently spend a lot of time reorganizing their business, creating trusts and other corporations to get around paying death taxes that would have the impact of killing their business, or of killing their farm, and not allowing them to pass it on to the next generation. We need to do those things.

I congratulate the Senator from Minnesota for his work on this tax-cutting agenda and getting the President to agree that we can and should do a tax cut. For the President to say he isn't opposed to a tax cut is a positive step. Now it is time for the President to deal with the Congress in providing real tax relief to the American public. It stimulates the economy, it keeps us growing, and it supports the American public.

I yield the floor.

Mr. GRAMS. Mr. President, I thank the Senator from Kansas for his efforts in discussing the importance of continued work in reducing the tax burden for average Americans.

The bottom line is that we are overtaxed today. The average family today spends about 40 percent of everything they make on taxes. Compare that to 1916 when the taxes began; it was less than a 3-percent tax burden on those paying taxes at that time, which was only about 5 percent of the American people. Today over 40 percent of a family's income goes into taxes.

When we talk about tax relief, we are talking about giving back money that has been overcharged—in other words, the excess money, the surplus. We are not talking about cutting any Government spending. We are not talking about reducing even the size and scope of the Government under these plans. That we need to do. If we were going to actually cut taxes, we would be giving back the surplus and then looking for ways to reduce the amount of money the Federal Government spends.

A couple of brief facts on the tax burden and how it has grown. Under the Clinton administration, individual income tax relief for income tax receipts

has far outstripped our economic output. The tax collections have more than doubled this country's gross domestic product growth in the last 6 years. It is almost double what personal income growth has been. In other words, Washington spending is growing twice as fast as the growth in the entire economy and twice as fast as a person's personal income. I think that is what we are talking about today.

We all need to pay taxes. We need to support Government. There are many good things the Government does. We need to review the excessive spending and Washington's belief that it can do everything for everybody.

In a bipartisan effort and mood, I yield the reminder of my time to the Senator from South Carolina to sneak in some remarks this morning.

I yield the remainder of my time to the Senator.

Mr. HOLLINGS. I thank my distinguished colleague.

Mr. President, so the distinguished Senator from Pennsylvania has time for the independent counsel, I ask unanimous consent to extend his time from 12:05 to 12:35 so his half hour can be preserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Senator.

Mr. HOLLINGS. I thank both of my colleagues on the other side of the aisle.

I awoke with a shock when I saw we had $1 trillion more money to spend. I go right back to 1995, just 4 years ago, when I said I will jump off the Capitol dome if this budget is balanced by the year 2002. I said to myself, it looks as if I am going to have to jump off the dome, because they found another $1 trillion. We just have surpluses everywhere.

I felt that way until I picked up the President's document—the budget of the U.S. Government that they gave us today, hot off the press. Turn to page 42 and Members will see the actual deficit in 1998 at the end of September was $5,478.7 trillion.

The distinguished Presiding Officer, who is a certified public accountant, knows how to add and subtract. For the 5 years, on page 42, the total gross Federal debt goes to $6,298 trillion. The Federal debt by the year 2002 that I was worried about has already increased some $400 billion. By the year 2004, it has increased from the 1999 deficit $551.1 billion.

The debt is going up half a trillion, and everybody is talking surplus. That is totally dismaying to this particular Senator. It is a shabby game and a fraud that we play on the American public. The only entity to keep us honest is the free press. They join in the fraud. They had a debate some years ago, between Mr. Walter Lippmann and John Dewey. This is back before the war. Lippmann's contention was that the way to really build and strengthen a democracy is to get the best of minds in the various disciplines—whether it is in medicine or whether it is in law or whether it is in finance or whether it is foreign policy—get the best of the best minds around a table, determine the needs of the country, and give it to the Congressmen and Senators and let them enact it into law.

John Dewey countered that. He said: No, the better way is to give the American people the truth, and the American people, in a consummate way, through their Representatives in the Congress, the House and Senate, would reflect those truths, and we would have a strong democracy. That is the way since Jefferson's time, when he said:

> [. . . as between] a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

That was because he was depending, over many years—now over the 200 years we have had—on that media expounding and telling us the truth.

The truth is, there is nothing in the lockbox that everybody is talking about. We have been spending it—$857 billion that we owe Social Security this very minute. So there is nothing in the lockbox. You can see from this document, when they say, pay down the public debt, there is no such thing as paying down any kind of special debt. You either have a debt that increases or a debt that decreases and comes into balance. They play that shabby game called ''paying down.'' The President even said, as quoted in the New York Times this morning, that he was going to tear up the credit card.

What they do is transfer the debt from the general indebtedness of Government, namely for defense and spending and everything else, foreign policy and otherwise, and transfer it over to Social Security, over to the military retirees, civilian retirement, over to Medicare, because there is a surplus. So they transfer that debt into these trust funds and say that is paying down the debt. It is like having a Visa and a MasterCard and you pay off your Visa card with the MasterCard. You are still the Government. If you are still the individual, you have your individual debt; if you are still the Government, you have the Government debt.

One more word and I will yield with gratitude to my distinguished friend from Pennsylvania. Just turn to page 43, the next page. You can see the 15-year; they have the debt held by the Government, accounts held at the end of the period, which has to be added up with the debt held by the public at the end of the period, and you will see the debt goes up to $7.587 trillion. The debt goes up almost $2 trillion over that 15 years.

Fortuitously, back 4 years ago I was saying that when President Reagan came to town we had an annual budget deficit from year to year and President Reagan said: I am going to balance it the first year. Then he said: Whoops, this is worse than I ever thought; I'll do it in 3 years. Then, with Gramm–Rudman-Hollings, we did it in 5 years. I said, before long we are going up to 10 or 15 years. And sure enough, this morning they have gone up with all kinds of estimates of revenues.

Really, the way to play, if you want to play this game, is let's have a 25-year budget. We will have enough money for everything. Send the money to the U.N., double the amounts to the United Nations, double the tax cut. Let's double all these things, give it all to investment accounts, health care, whatever you want. Let's have a 25-year budget and really go to spending up here.

It is a wonderful charade. It is a lord-awful fraud. It is only up to the media to cut out this nonsense about surplus when we are spending, this year, $100 billion more than we are taking in. It shows from the President's own figures we will continue to spend more than we take in, increasing the debt, which brings us to the $350 to $365 billion interest costs on the national debt. Before long, I am going to put in a tax allocated to really getting rid of that debt, whereby we will give a $3.5-trillion tax cut, namely, get rid of that interest cost over the 10-year period. That is the kind of tax cut the Senator from South Carolina would like.

I thank my distinguished colleague from Pennsylvania.

The PRESIDING OFFICER. Under the previous order and agreement, the time until the recess shall be under the control of the Senator from Pennsylvania.

The Senator from Pennsylvania.

INDEPENDENT COUNSEL REFORM ACT OF 1999

Mr. SPECTER. Mr. President, I seek recognition today to join my colleagues Senators LEVIN, LIEBERMAN, and COLLINS in introducing the Independent Counsel Reform Act of 1999. Our bill would accomplish two important goals. First, it would reauthorize the institution of the independent counsel for another 5 years. Second, our bill would make significant changes to the existing independent counsel statute to correct a number of problems which have become clear to all of us during the course of the past few years.

Tomorrow, the independent counsel statute will sunset. The law is dying because there appears to be a consensus that it created more problems than it solved. Many of us have forgotten the very serious problems and conflicts that led us to pass the statute in the first place. Any problems with the law can be fixed, and our bill addresses the issues that have caused the most serious complaints. But it would be a serious error to eliminate the institution of the independent counsel.

Many years have passed since President Nixon's infamous Saturday Night Massacre. Yet it is important that we remember this episode because it is such a powerful reminder of why we

passed the independent counsel statute and why the statute is still needed today.

Before there was an independent counsel, the Attorney General appointed special prosecutors under his control to conduct investigations of Presidents and other high ranking officials. After the Watergate break-in, Attorney General Elliot Richardson appointed Archibald Cox to serve as the Watergate Special Prosecutor. When President Nixon decided that Cox's investigation was getting too close to the truth, he sought to have Cox fired. The President was legally entitled to fire Cox, of course, since Cox was a Justice Department employee like any other. When Attorney General Elliot Richardson refused to fire Cox, Richardson was fired. When Deputy Attorney General William Ruckelshaus refused to fire Cox, Ruckelshaus was also fired. Finally, Solicitor General Robert Bork agreed to fire Cox.

After Archibald Cox was fired, the White House announced that the office of the Watergate special prosecutor was to be closed and the President's chief of staff sent the FBI to surround Cox's offices and seize the records he had compiled. Henry Ruth, an old friend of mine who was working at the time as Archibald Cox's top deputy, described the following scene in his testimony before the Governmental Affairs Committee on March 3 of this year:

> In anticipation of adverse action, we had secured copies of key documents in secret locations around Washington, D.C. and even removed some key items from the office that Saturday night hidden in underwear and other unlikely locations. We did not know whether the military would raid our homes looking for documents. Unanimously, the staff of the Watergate prosecutor's office just refused to leave or to change anything we were doing unless someone physically removed us. And if an unprecedented 450,000 telegrams of spontaneous protest had not descended upon Washington, D.C. in the few days after that Saturday night, no one really knows if President Nixon would have succeeded in aborting the investigation. In other words, we do not feel that the Department of Justice was an adequate instrument for investigating the President and other high officials of government.

Eventually, as a result of these telegrams and enormous public pressure, Leon Jaworski was appointed as a special prosecutor and the Watergate investigation was continued. But this positive outcome was far from guaranteed. As Mr. Ruth reminded the committee, ''it is impossible to describe how thin a thread existed at that time, and for three weeks, for the continuation of what was going on.''

It was this dark episode, perhaps more than any other, which convinced the nation that the individual investigating the President must be truly independent of the President. This is a lesson we should have to learn only once. While recent independent counsels have made some mistakes, none of these mistakes are on the scale of a Saturday Night Massacre. With this history as our guide, let us move to fix the statute, not eliminate it.

Senators LEVIN, LIEBERMAN, COLLINS and I have all attended 5 very comprehensive hearings before the Senate Governmental Affairs Committee from February to April of this year. During these hearings, we heard from former independent counsels, former targets of independent counsels, judges on the special division of the court which appoints independent counsels, Independent Counsel Kenneth Starr and Attorney General Reno. The four of us have also met repeatedly to discuss what is wrong with the current law and how to fix it. The bill we introduce today incorporates many of the suggestions made during these hearings and corrects provisions in the bill which lead to the most serious complaints.

First of all, we all agreed that too many independent counsels have been appointed for matters which simply do not warrant this high level of review. For example, I believe that Attorney General Reno made a mistake when she asked for appointment of an independent counsel to investigate Secretary of Labor Alexis Herman. In Secretary Herman's case, there was really insufficient corroboration to justify the allegations made against her. To address this issue, we have raised the evidentiary standard which must be met before the Attorney General is required to appoint an independent counsel. The statute currently requires that an independent counsel be appointed when there are ''reasonable grounds to believe that further investigation is warranted.'' Our bill provides that an independent counsel must be appointed only when there are ''substantial grounds to believe that further investigation is warranted.'' This change will give an Attorney General the discretion to decide that evidence she receives is not sufficiently strong to justify an independent counsel investigation.

As a further step to control the number of independent counsel investigations, our legislation limits the number of ''covered persons'' under the statute to the President, Vice President, members of the President's Cabinet, and the President's chief of staff. Accordingly, it would no longer be possible to appoint an independent counsel to investigate lower officials and staff whom an Attorney General could properly investigate on his or her own.

The four of us also agreed that it is a mistake to give an independent counsel jurisdiction over more than one investigation. For instance, Kenneth Starr started as the independent counsel for Whitewater. Attorney General Reno later expanded his jurisdiction to cover Travelgate, Filegate, the death of Vince Foster, and, or course, Monica Lewinsky. Unfortunately, the Attorney General's repeated expansion of Mr. Starr's jurisdiction created the mistaken impression that Mr. Starr was on a personal crusade against President Clinton, opening new lines of inquiry when prior ones failed to bear fruit. After Attorney General Reno expanded Mr. Starr's jurisdiction to include Monica Lewinsky, I publicly commented that this was a mistake, not because Kenneth Starr was not competent to handle the investigation, but because I was afraid that the public would see this as yet further proof that Starr was on a vendetta. I'm afraid this is exactly what came to pass.

Our bill would eliminate this problem by deleting the provision which allows the Attorney General to expand the jurisdiction of an independent counsel beyond his or her original mandate. Our bill further provides that the independent counsel can investigate only topics in his original jurisdiction or those ''directly related'' thereto.

The four of us also agreed that some independent counsel investigations drag on too long. Lawrence Walsh's Iran/Contra investigation lasted 6 years. Kenneth Starr's investigation of President Clinton has been going on for almost 5 years. Investigations of this length are really an anomaly in our criminal justice system. Federal grand juries are empaneled for a period of 18 months. As district attorney of Philadelphia, I had a series of grand juries on complex topics such as municipal corruption, police corruption and drugs all of which lasted 18 months. If you can't find certain facts in 18 months, I think the odds are pretty good that you will never find them.

Our bill sets a 2-year time limit for independent counsel investigations. Since there are some who would try to take advantage of this time limit and ''run out the clock'' on an investigation, our bill also empowers the special division of the court to extend this original 2-year period for as long as necessary to make up for dilatory tactics. Our bill also provides that the special division can extend the original time period for good cause. Finally, the bill requires the Federal courts to conduct an expedited review of all matters relating to an investigation and a prosecution by an independent counsel.

Another complaint about the Starr investigation was that his report to Congress was a partisan document making an argument for impeachment rather than providing an impartial recitation of evidence. While I believe that Mr. Starr was merely doing his job when he submitted this report, I do agree that requiring such a report inserts an independent counsel into a process—impeachment—which should be left entirely to Congress. Accordingly, our bill deletes the requirement that the independent counsel submit a report to Congress of any substantial and credible information that may constitute grounds for an impeachment.

While Kenneth Starr was blamed for many things that were not his fault, I do believe he made a mistake when he decided to continue his private law practice while he was serving as an independent counsel. The job of being an independent counsel is a privilege and an enormous responsibility—it deserves someone's full time attention.

Accordingly, our bill requires that an independent counsel serve on a full-time basis for the duration of his or her investigation.

It appears that a majority of our colleagues believe that it is better to let independent counsel statute die and return to the old days when special prosecutors appointed and controlled by the Attorney General will investigate the President and his Cabinet. I am confident, however, that after the dust settles and tempers abate, our colleagues will realize that the independent counsel statute provides a better way to handle investigations of the President and his cabinet than any of the alternatives.

We must all remember that the independent counsel statute was passed to address a serious problem inherent in our system of government—the potential for abuse and conflicts of interest when the Attorney General investigates the President and other high-level executive branch officials. After all, it is the President who appoints the Attorney General and is the Attorney General's boss. Often the Attorney General and the President are close friends. Accordingly, there is an inherent conflict of interest in having the Attorney General control an investigation of the President or the President's closest associates. Even if an Attorney General were capable of conducting an impartial investigation, the appearance of a conflict of interest is serious enough to discredit the Attorney General's findings, especially a finding of innocence.

The independent counsel statute is the only way to address this inherent conflict of interest. As memories of the Saturday Night Massacre have been supplanted by memories of Kenneth Starr, the pendulum of public opinion has swung too far against the statute. I am confident that as soon as the Attorney General begins to investigate his or her colleagues in the White House, the pendulum will swing back in the opposite direction. When this occurs, I believe that our colleagues will see that our approach is the best approach—to fix the problems in the statute, not abandon it.

To reiterate, the existing independent counsel statute is set to expire by sunset provisions tomorrow, June 30. There have been a series of five extensive hearings held in the Governmental Affairs Committee chaired by our distinguished colleague, Senator THOMPSON. During the course of those hearings, attended by all four of the cosponsors of this legislation, we have heard extensive testimony. The four of us have met on a number of occasions to craft the legislation which we are introducing today.

Our fundamental conclusion is that the Attorney General, acting through the Department of Justice, has an irreconcilable conflict of interest when it comes to investigating top officials of the administration. This is a judgment which we come to from our various points of view. My own perspective is molded significantly by my experience as district attorney of Philadelphia, knowing in detail the work of a prosecuting attorney, and the backdrop of the independent counsel statute was the ''Saturday Night Massacre,'' where President Nixon was under investigation and fired two Attorneys General until he found one who would fire the special prosecutor, Archibald Cox.

What is not recollected, but was testified to at our hearings by Henry Ruth, later the special prosecutor succeeding Leon Jaworski, was that at a critical moment, when President Nixon decided to eliminate the special prosecutor, the President's Chief of Staff sent the FBI to surround the office of the special prosecutor and to seize the special prosecutor's papers. As Henry Ruth outlined it, those in the office took key documents hidden under their clothing, not knowing what would happen next. It was only the public outrage, and some 450,000 telegrams which descended on Washington, which led President Nixon to change his position.

But the importance of independence in the prosecutor's office cannot be overly emphasized. We have seen experiences with independent counsels, two to be specific, that by Judge Walsh, former Judge Walsh, who investigated President Reagan's administration in Iran-contra, and Judge Starr, former Judge Starr, who investigated President Clinton, where those two investigations have drawn the wrath on both sides of the political aisle. There does appear to be a consensus at the moment that there ought not be a renewal of the independent counsel statute. I personally believe, and Senators LIEBERMAN, LEVIN, and COLLINS concur, that this is a fundamental mistake. So we have worked from the mistakes of the past to craft a reform bill, and we have targeted the errors.

Sooner or later a crisis will arise in Washington. It happens all the time. The crisis will be about the need to investigate the President or the Vice President or some ranking official.

The question will present itself about the inherent conflict of interest of the Attorney General, and this statute will be available to deal with the problem.

We have dealt with the mistakes of Walsh-Starr investigations by limiting the subjects. Only the President, Vice President, Attorney General, and Cabinet members will be subject to investigation. There will not be an expansion of jurisdiction unless directly related to the central charge, which would eliminate the Monica Lewinsky investigation.

The independent counsel would have to be full time. I know from my days as district attorney it was impossible to do the job full time, but that ought to be a minimal requirement. We have imposed a time limit of some 2 years to be extended for cause, or to be extended automatically for delaying tactics, or by priority given by appellate courts on any legal issues raised. The independent counsel would have to submit an annual budget.

My colleagues are on the floor awaiting recognition. I inquire of the Chair how much of the 30 minutes has elapsed.

The PRESIDING OFFICER. Five minutes 40 seconds.

Mr. SPECTER. We reserve the remainder of the time, and in accordance with our procedure of alternating between the parties, Senator LEVIN has been on the floor but has found it necessary to absent himself for a moment. I yield to Senator LIEBERMAN.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair and thank my friend and colleague from Pennsylvania.

Mr. President, I am very pleased to be joining today with my friends and colleagues, Senators SPECTER, LEVIN, and COLLINS, in introducing the Independent Counsel Reform Act of 1999. With this bill, we hope to convince our colleagues, disillusioned perhaps by the conduct of particular investigations, that the Independent Counsel statute serves an essential purpose, and has served us well over the past twenty years. We want to convince our colleagues that our legislation will preserve the essential ideals that motivated the enactment of this statute in the years after Watergate, that no person is above the law, and that our highest government officials must be subject to our laws in the same way as any other person. If they are guilty, they must be held accountable. If they are not, they must be cleared. The American people are more likely to trust the findings of an Independent Counsel's investigation and conclusions. Officials who are wrongly accused will receive vindication that is far more credible to the public than when it comes from the Department of Justice. As a result, the public's confidence in its government is enhanced by the Independent Counsel statute.

We have drafted new provisions that will curb the excesses we have seen in a few recent investigations. These changes are substantial. The Committee on Governmental Affairs held five hearings on the Independent Counsel statute. We heard from numerous witnesses who had served as Independent Counsel, and as Attorney General, from former prosecutors and from defense attorneys. Many witnesses supported the statute, even defense attorneys who had represented targets in Independent Counsel investigations. Both witnesses who opposed the statute outright, and those who advocated keeping it in some form, suggested a number of improvements to the statute. We carefully considered those recommendations before we sat down to draft a bill that retains the essential features of the old law while reducing its scope, limiting the powers of the Independent Counsel, and bringing greater transparency into the process.

As a result of our bill, there will be far fewer Independent Counsel appointed, they will be appointed only to investigate the highest government officials, and their actions will be constrained by the same sorts of guidelines and practical restraints that govern regular federal prosecutors.

For example, officials covered by the statute will be limited to the President, the Vice President, the President's Chief of Staff, and Cabinet members. This is a major reduction in the number of officials currently covered by the Independent Counsel statute. We can trust the Department of Justice to investigate the mid-level officials listed in previous versions of the statute. If any other investigation raises a conflict of interest, the Attorney General retains the authority to appoint her own Special Counsel. The purpose of our bill is to reserve the extraordinary mechanism of a court-appointed Independent Counsel for those rare cases involving allegations against our highest Executive Branch officials.

In another change that will reduce the number of Independent Counsel appointed, the threshold for seeking the appointment of an Independent Counsel will be raised, so that a greater amount of evidence to back up the allegation will be required. The Attorney General will also be entitled for the first time to issue subpoenas for evidence and convene grand juries during the preliminary investigation, and would be given more time to conduct the preliminary investigation. This change responds to concerns that, in the past, the Attorney General's hands have been tied during the preliminary investigation stage. With our bill, the Department of Justice will be able to conduct a more substantial preliminary investigation.

Each Independent Counsel will have to devote his full time to the position for the duration of his tenure. This will prevent the appearance of conflicts that may arise when an Independent Counsel continues with his private legal practice, and it will expedite investigations as well. The Independent Counsel will also be expected to conform his conduct to the written guidelines and established policies of the Department of Justice. The prior version of that requirement contained a broad loophole, which has been eliminated.

There have been many complaints about runaway prosecutors, who continue their investigations longer than is necessary or appropriate. Our bill will impose a time limit of two years on investigations by Independent Counsel. The Special Division of the Court of Appeals will be able to grant extensions of time, however, for good cause and to compensate for dilatory tactics by opposing counsel. Imposing a flexible time limit allows Independent Counsel the time they genuinely need to complete their investigations, and deters adverse counsel from using the time limit strategically to escape justice. But the time limit will also encourage future Independent Counsel to bring their investigations to an expeditious conclusion, and not chase down every imaginable lead.

Our bill makes another important change that will prevent expansion of investigations into unrelated areas. Until now the statute has allowed the Attorney General to request an expansion of an Independent Counsel's prosecutorial jurisdiction into unrelated areas. This happened several times with Judge Starr's investigation, and I believe those expansions contributed to a perception that the prosecutor was pursuing the man and not the crime. An Independent Counsel must not exist to pursue every possible lead against his target until he finds some taint of criminality. His function, our bill makes clear, is to investigate that subject matter given him in his original grant of prosecutorial jurisdiction.

We also considered how we might impose greater budgetary restraints on Independent Counsel. Some have spoken of the need for a strict budget cap, but this idea strikes me as impractical, if not unworkable. It's just impossible to know in advance what crimes a prosecutor will uncover, how far his investigation will have to go to get to the truth, how expensive a trial and any appeals will be. Instead, we are bringing greater budgetary transparency to the process by directing Independent Counsel to produce an estimated budget for each year, and by allowing the General Accounting Office to comment on that budget. At the moment not enough is known about how Independent Counsel spend their money, and this greater transparency will provide more incentive for Counsel to budget responsibly.

A final change that we all readily agreed to was to eliminate entirely the requirement that an Independent Counsel refer evidence of impeachable offenses to the House of Representatives. The impeachment power is one of Congress's essential Constitutional functions, and no part of that role should be delegated by statute to a prosecutor.

This bill should be thought of as a work in progress. We hope to gather input from other Members and from outside experts, and to have committee hearings, and we intend to be flexible about incorporating suggestions. Some of the provisions contained in the bill may raise constitutional concerns, which need to be fully explored. For example, giving the Special Division of the Court of Appeals new authority to decide whether an Independent Counsel has violated Department of Justice guidelines may violate the doctrine of Separation of Powers. Other provisions expanding the Court's role may also have to be reformulated. I hope that all interested parties will be able to work together on amendments as harmoniously as the four of us did in drafting the original legislation.

The occasion of our introducing this legislation is tomorrow's expiration of the current Independent Counsel statute. Many have dismissed any efforts to revive the Independent Counsel as wrong and futile. No doubt it will be an uphill struggle, and I do not expect peoples' minds to be changed overnight. But I do believe that over time several factors will work to change peoples' minds.

First, I feel confident that we can convince our colleagues that this legislation is a better product than previous versions of the statute, and addresses the specific concerns raised by the law's opponents. Those who have predicted the death of the Independent Counsel statute had not seen our legislation. I will work tirelessly, with the bill's other co-sponsors, to convince our colleagues to give this issue a fresh look.

Secondly, several controversial Independent Counsel investigations have clearly soured some people on the law. This is understandable, but it is regrettable, as I do not believe these investigations revealed any flaws in the Independent Counsel statute that cannot be fixed. The passions raised by Judge Starr's investigation of the President, in particular, must be allowed to subside, just as it took some time for the passions inspired by the Iran-Contra investigation to subside before the Independent Counsel statute could be re-authorized in 1994.

Finally, as these passions subside I believe Members of Congress will gradually be reminded that the Independent Counsel statute embodies certain principles fundamental to our democracy. The alternative to an Independent Counsel statute is a system in which the Attorney General must decide how to handle substantive allegations against colleagues in the Cabinet, or against the President. Often the President and the Attorney General are long-time friends and political allies. The Attorney General will not be trusted by some to ensure that an unbiased investigation will be conducted. In other cases, many will question the thoroughness of an investigation directed from inside the Department. In a time of great public cynicism about government, the Independent Counsel statute guarantees that even the President and his highest officials will have to answer for their criminal malfeasance. In that sense, this statute upholds the rule of law and will help stem the rising tide of cynicism and distrust toward our government. The American people support the Independent Counsel statute because it embodies the bedrock American principle that no person is above the law.

Mr. President, I am very pleased to be joining today Senator SPECTER, Senator LEVIN and Senator COLLINS in introducing the Independent Counsel Reform Act of 1999. It has been a great pleasure working with these three colleagues across party lines in what were, first, long hearings in the Governmental Affairs Committee on which we all serve, and then some very good

collegial discussions about how to preserve the principles involved in the Independent Counsel Act while responding to what we have learned, particularly in its recent existence and implementation. We have achieved a good balance.

The point to stress—and my friend and colleague from Pennsylvania has just done it—is this is all about the rule of law which is at the heart of what the American experience is about, that no one is above the law. There is no monarchy, there is no autocracy. Everyone is supposed to be governed by the same law.

The question is, When the highest officials of our Government, the most powerful people in this land are suspected of criminal wrongdoing, is it appropriate to have those suspicions investigated by the people who are suspected themselves or by those whom they have appointed? Does that guarantee a thorough and independent investigation, and does it guarantee or at least encourage the kinds of broad-based public acceptance of the credibility of that investigation that is critical to the trust and respect that we hope the American people will have for their Government?

The four of us have answered that what is required is a counsel who is not just special, as others would provide, including the current Attorney General, but one that is genuinely independent, not appointed by the Attorney General, and not able to be fired, dismissed by the Attorney General.

My research has indicated that from the last century right through the Nixon administration, from President Ulysses Grant to President Richard Nixon, there were actually six special counsel appointed to investigate possible criminal behavior by high officials of the Government, and three of those were dismissed by the administration they served, presumably because they began to act in a way that unsettled that administration.

That is the principle of the rule of law, trust in Government, which we tried to embody in this proposal with the changes that Senator SPECTER has mentioned. We have added a presumption of a limited term, a higher threshold for the appointment of an independent counsel, a smaller number of people to be subject to this statute—the President, Vice President, Attorney General, Members of the Cabinet and the Chief of Staff.

The prevailing consensus in this body and the other body is that we should not renew this statute and it will, of course, expire tomorrow. Many have dismissed the efforts we are making now as either wrong or futile. No doubt it will be an uphill struggle, but I am convinced it is the right struggle, and we can convince our colleagues of the justness of our cause.

I will say something else, Mr. President. There will be an independent counsel statute in the future. We are either going to adopt it at a time when we are not in crisis, when somebody high up in our Government is suspected of criminal wrongdoing—and that is our hope, that we do not adopt it in the spirit of crisis, or we will adopt it at that time when someone is suspected of criminal wrongdoing and Members of this body and the other body will demand there not be a special counsel appointed by the Attorney General but an independent counsel.

I plead with my colleagues, as the law is allowed to expire tomorrow and as, hopefully, we have a cooling off period, to take a look at our proposal, to try to separate ourselves from the controversies surrounding Judge Starr's time as independent counsel and that of other recent independent counsel, and focus on the principle of the rule of law, that nobody is above the law in America, and to come to agree with us that the best way to preserve those principles is by readopting an Independent Counsel Act, one that is substantially reformed.

I thank my colleagues, and I yield the floor.

Mr. SPECTER. Mr. President, I inquire how much time has elapsed.

The PRESIDING OFFICER. Eleven and a half minutes has elapsed. Under the previous order, the Senator has control of all time until 12:35 p.m.

Mr. SPECTER. I thank the Chair. I yield to the distinguished Senator from Michigan, Mr. LEVIN.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank my good friend from Pennsylvania, and I commend him and Senators COLLINS and LIEBERMAN for their effort in putting together a bill which we believe represents lessons learned but also represents the feeling that we need to have an independent counsel law, that sooner or later it will again appear that this country needs a way in which to independently investigate allegations of serious wrongdoing against high-level officials.

The independent counsel law expires tomorrow. It was enacted in 1978 to establish a nonpartisan process for investigating allegations of criminal conduct by top executive branch officials. The key purpose of the law is to retain public confidence in criminal investigations when the Government investigates its highest officials. The goal is to treat top Federal officials no better and equally important, no worse than a private citizen, and at the end of the investigation, when the judgment is rendered, be it a statement of guilt or innocence, to have the public accept that judgment as a fair and impartial one.

Over the years, there have been many successful investigations by independent counsels, most of which resulted in no indictments or prosecutions but resolved outstanding allegations without partisanship or favor. There have been 20 independent counsel investigations in 20 years. Ten of those were closed without indictment; one was closed because of the death of the covered person. Excluding the top five most expensive investigations, the average cost of an independent counsel investigation was under $1 million. And for all but a handful of the cases investigated by independent counsel, the results of the investigations have had the public's confidence.

While some say the lesson of Watergate was that the previous system worked, I would refer our colleagues to the testimony of Henry Ruth, who was in charge of the Watergate special prosecution force during the Saturday Night Massacre. Referring to the possibility that the coverup by President Nixon could succeed, Mr. Ruth said, ''It is impossible to describe how thin a thread existed at that time.''

But the independent counsel law, while working most of the time, has also been abused by a few overzealous prosecutors. These prosecutors have made it apparent that before we reauthorize an independent counsel law, it would need to be dramatically revised to prevent a recurrence of the abuses that we have seen. The bill we are introducing today represents the lessons learned, while saving the essential elements of the independent counsel law to preserve public confidence in the prosecution of our top Government officials.

Our bill would, among other things, change the law in the following ways.

First, it would preclude an independent counsel from broadening an investigation to matters not within the original grant of jurisdiction.

Second, it would enforce the requirement that independent counsel follow the established policies of the Department of Justice by giving affected persons the opportunity to challenge questionable independent counsel actions not in line with those policies.

Third, it would eliminate the requirement for an independent counsel to submit an impeachment report to the House of Representatives.

Fourth, it would prohibit persons with an apparent or real conflict of interest from serving as independent counsel.

And, fifth, it would establish a presumptive 2-year term for an independent counsel's investigation.

Those are just five of the many major changes that would be made in the independent counsel law.

A handful of independent counsels have exceeded the intent of the independent counsel law and have taken the law to places that U.S. Attorneys would not go when investigating private citizens.

Independent Counsel Donald Smaltz took 4 years and spent $20 million investigating allegations of graft in the Agriculture Department. Yet his 2-month trial of former Secretary Mike Espy ended in an acquittal on all 30 counts of corruption. Shortly thereafter, the Supreme Court threw out Smaltz' conviction of Sun-Diamond Growers of California, concluding that

Smaltz and a Federal district court had stretched the law to punish behavior that is not a crime.

The independent counsel for Samuel Pierce, Secretary of Housing and Urban Development under President Reagan, was in existence for almost 10 years, and that included almost 4 years after the independent counsel publicly announced he had closed the case with respect to Mr. Pierce.

Whitewater independent counsel Kenneth Starr has singlehandedly done more to undermine public confidence in the independent counsel law than anybody else. Well over half the American people think that Kenneth Starr is partisan and do not trust him to be fair. The editorials expressing concern about Mr. Starr's investigation and judgment are voluminous.

Mr. President, I ask unanimous consent that six of those editorials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Hill, July 8, 1998]

WHITHER KENNETH STARR?

Whitewater Independent Counselor Kenneth Starr continues to disappoint his friends and delight his enemies in his long-running investigation of President Clinton.

In a week in which Linda Tripp twice testified before one of the three grand juries Starr convened during his four-year, $40 million investigation, he was slapped down by a federal judge who ruled that he exceeded his authority in prosecuting former Associate Attorney General Webster Hubbell.

In a stinging 35-page opinion, U.S. District Judge James Robertson threw out the tax evasion indictment of Hubbell, his wife, his accountant and his tax lawyer, declaring that Starr had gone on ''the quintessential fishing expedition'' in subpoenaing some 13,000 pages of records from Hubbell after granting him immunity and then using them to build his case against Hubbell.

Starr's behavior toward Hubbell and the late Vince Foster was clearly indefensible. He showed a flagrant disregard for the Constitution by trying to create an exception from the lawyer-client privilege in the Foster case, but he went even further by ignoring Hubbell's constitutional right against self-incrimination when he improperly used information he got from Hubbell under a grant of immunity.

The ruling was the latest in a series of legal and public relations setbacks for Starr. Even as he defended himself against charges by media watchdog Steven Brill that he improperly leaked information about the Monica Lewinsky investigation to reporters, Starr was rebuffed by the U.S. Supreme Court, which rejected his claim that Vincent Foster's right to the lawyer-client privilege ended with his death.

Starr also was put on the defensive by news reports that Tripp asked Lewinsky leading questions about her relationship with President Clinton as she was secretly tape recording the former White House intern. Tripp denied the reports in her grand jury testimony, according to her lawyer.

But Starr seems undeterred by his latest problems. He immediately announced he will appeal the Hubbell decision, even though it is almost certain to further delay the conclusion of his investigation, even as some Republicans hoped he would deliver an interim report to Congress before they hit the campaign trail this fall. Starr's spokesman said Sunday he won't submit an interim report, but will take as long as he needs to determine if there is ''substantial and credible information'' that crimes have been committed.

Meanwhile, Starr's investigation continues to expand—he now employs approximately 60 people, including 28 attorneys, not counting FBI agents working for him, and recently added 7,400 square feet of office space and opened a new office in Alexandria, Va.

Starr's ultra-marathon probe still has a long way to go,be he should keep in mind the original intent of the independent counsel law, which was to assure a fair and impartial investigation of high government officials. His recent actions indicate that he's forgotten, or lost sight of, the fundamental fact that our criminal justice systems works well only when it ears the respect and confidence of the American people.

[From the New York Times, Feb. 25, 1998]

KEN STARR'S MISJUDGMENTS

It has long been apparent that Ken Starr has a tin ear for political appearances and public relations, but his decision to subpoena a White House aide, Sidney Blumenthal, undermines important legal and constitutional principles. On the tactical level, this move by the Independent Counsel is bone stupid. As a matter of principle, it is an attack on press freedom and the unrestricted flow of information that is unwarranted by the facts and beyond his mandate as a prosecutor.

This latest blunder fits a pattern of chronic clumsiness and periodic insensitivity to Mr. Starr's public responsibilities. His attempt to slough off his public duty and flee to Pepperdine University was dismaying. His political ties and refusal to give up private legal clients led us, in times past, to call for his removal. In four years he has failed to develop sensitivity to his obligations as custodian of an inquiry of national import. Apparently his staff contains no one who can talk him out of bad ideas.

This time he has failed in his obligation to the law itself. The effort to collect the name of every journalist who talked with a White House communications specialist amounts to a perverse use of the prosecutorial mandate to learn what the Nixon White House attempted to determine through wire-taps. Like any newspaper, we have an obvious selfish interest in the confidentiality of the reporting process. But you do not have to be a journalist to see that Mr. Starr has committed an ignorant assault on one of the most distinctive and essential elements of American democracy.

Mr. Starr created this mess by following a bad example. Two weeks ago the White House started its own demagogic search for leaks in an effort to divert attention from the question whether President Clinton and his associates had committed perjury or subborned others to commit it. Mr. Starr may also be miffed by reports that the White House has turned its trademark tool of personal attack on his prosecutorial staff. But he does not need to follow that pernicious example. He is armed with something more honorable and powerful in the mandate of the Attorney General and the majesty of the law.

But civic health demands that Mr. Starr get on with the investigation he is authorized to conduct and bring it to a speedy conclusion. The public interest does not lie in Mr. Blumenthal's phone records. It lies in getting, as promptly as possible, the testimony of Monica Lewinsky, Vernon Jordan, Bruce Lindsey, Mr. Clinton and others whose testimony bears directly on the issue of false swearing.

In a tightly reasoned article in the National Journal, Stuart Taylor Jr. defended Mr. Starr's investigative procedures, including calling Ms. Lewinsky's mother before the grand jury, but called for him to resign in favor of someone with less political baggage. We are not at that point, because of the amount of time that would be lost. If at all possible, the nation needs to have this business driven to a conclusion without the delay that a switch in leadership would entail. Every time Mr. Starr goes off on one of these tangents or misreads the law he fritters away support from those who believe in the importance of this inquiry but bridle at his loco-weed judgments.

[From the Wall Street Journal, June 25, 1998]

A PROSECUTOR WITHOUT PUBLIC TRUST

(By Albert R. Hunt)

When Independent Counsel Kenneth Starr continued to represent tobacco companies and spoke to the law school run by televangelist Pat Robertson—two of President Clinton's arch enemies—his supporters insisted he wasn't a partisan. He just lacked political judgment.

When he announced he was going to leave early and accept a deanship at Pepperdine University, partially funded by right-wing Clinton-hater Richard Mellon Scaife, the Starr chorus claimed he wasn't insensitive. He lacked political judgment.

Or when he acknowledged in a lengthy, on-the-record interview with publisher Steven Brill that his office, in essence, had leaked to the press during the Clinton investigation, again Mr. Starr's supporters insisted he wasn't part of the right-wing conspiracy. Again, he just lacked political judgment.

Let's accept the word of Mr. Starr's legal, political and journalistic allies. He's not a right-wing partisan out to destroy the president. He is an inexperienced prosecutor who lacks political judgment. This is the man deciding whether to bring a controversial case in a political setting against the President of the United States.

No matter how this sordid episode unfolds in the ensuring months. Mr. Starr already has failed miserably in the central role of a special prosecutor; to engender public confidence that he is fair, impartial and independent.

This week's Wall Street Journal/NBC News poll shows that Americans think that he is none of the above. People are sick of his investigation, don't believe that what he is investigating is serious enough to even consider impeachment and hold Mr. Starr, far more than the president, responsible for the four year, $40 million inquiry.

Most devastating for Mr. Starr is that nearly three-quarters of the respondents have little confidence that the report the independent counsel is expected to send to Congress will be fair and impartial; even a majority of Republicans feel that way.

Mr. Starr still holds some prosecutorial cards. Say he makes a few headline indictments and assume his report to Congress seems compelling. If this is so persuasive it turns around one-third of the doubters—an ambitious achievement—the country would still be split, making it difficult to consider impeachment.

''In every instance in which the public is asked to select between Bill Clinton and Kenneth Starr, the public consistently lines up on the president's side,'' note Peter Hart and Robert Teeter, who conducted the survey.

This is not a new problem for the independent counsel. But just as he's rounding into what may be the final turn, his public credibility is lower than ever. This reflects, a few detached prosecutors suggest, his inexperience as a prosecutor, a second rate staff

and an obsession to topple the president which causes him to overreach.

Mr. Starr's supporters—many of whom are obsessively hostile to the president—say a prosecutor can't be driven by polls. A decision on whether to subpoena or indict someone should be made on the legal merits and not on whether it will curry favor with the public.

But if any prosecutor lacks public support, that fatally undermines his or her task; in a democracy if people don't believe justice is being served, the system, by definition, isn't working.

In fact, prosecutors who go after crooked politicians, mobsters or businessmen tend to be very popular with the public. From Thomas Dewey to Rudy Guiliani, such prosecutions have been promising stepping stones to higher office. Occasionally a prosecutor over-reaches and stumbles; New Orleans District Attorney Jim Garrison in the Kennedy assassination and more recently Los Angeles DA Ira Reiner after a flawed prosecution of alleged child abuse. Such blunders are rare.

The Starr camp replies that independent counsels have never been so criticized by opponents and potential targets. That will come as news to Iran-Contra Independent Counsel Lawrence Walsh.

In 1992, Senate GOP Leader Bob Dole repeatedly charged that Mr. Walsh was ''completely out of control,'' Earlier, Rep. Henry Hyde complained the Walsh investigation was of ''essentially minor violations.'' Terry Eastland, a former top Justice Department official under Ronald Reagan, charged that the Walsh inquiry had been a ''waste of money,'' having spent more than $18.5 million of taxpayer funds. President Bush complained it ''has been investigated over and over again. . . . It's been going on for years.''

The notion that Mr. Starr has been a naive, defenseless target was undercut by Mr. Brill's controversial article last week, in which the independent counsel acknowledged that his deputy, Jackie Bennett, spends more than a little time with the press. That's not a surprise. One can disagree with some of Mr. Brill's sweeping conclusions about the independent counsel and the press and still have contempt for Mr. Starr's pious hypocrisy for pretending earlier that he was above the dirty business of leaking.

Ironically, what infuriates many conservatives is that Mr. Clinton is getting away without paying any price. That's simply not the case. Based on polls, and especially on anecdotal evidence from outside the Beltway, many—probably most—Americans think the president had a sexual relationship with Monica Lewinsky and lied about it.

They don't want him tarred and feathered or thrown out of office for these indiscretions—a typical response is that most people lie about sex—but it's affected their view of him. His high job approval ratings reflect the terrific economy. Bill Clinton today is a much discredited president with virtually no moral authority. The latest example is the tobacco bill, where he was simply unable to rally public and congressional support.

A few weeks ago a delightful retired couple in Carmel Valley, Calif., Earl and Miriam Selby, talked about how for the first time in 30 years of marriage they were arguing about politics. Earl Selby, a former newspaperman and magazine writer, who proudly notes he cast his first vote for FDR's third term in 1940, is ''outraged at how Clinton has lowered respect for the presidency.'' Miriam, a former magazine writer, is equally ''outraged at Starr's tactics and prosecutorial abuse.''

There is no need for an argument, Selbys. You both are right.

[From the New York Times, June 22, 1998]

POLITICS BY OTHER MEANS

(By Anthony Lewis)

Kenneth Starr likes to say that he is going ''by the book'' in his investigation of President Clinton and Monica Lewinsky. The relevant book is the Justice Department's Rules of Conduct, published in the Code of Federal Regulations.

Rule 77.5 says that a Government lawyer ''may not communicate'' with a party ''who the attorney for the government knows is represented by an attorney concerning the subject matter of the representation without the consent of the lawyer representing such a party.''

On Jan. 16 Mr. Starr's office arranged to have Linda Tripp meet Monica Lewinsky at the Ritz-Carlton Hotel in Pentagon City. Suddenly Mr. Starr's agents descended on Ms. Lewinsky. They questioned her for many hours.

Ms. Lewinsky was represented by Francis D. Carter, who was negotiating for her with Paula Jones' lawyers. Mr. Starr did not ask Mr. Carter's consent to speak with his client, or even inform him.

Violation of that rule was not a light matter. The Independent Counsel Act requires such a counsel to follow Justice Department regulations unless that would undermine the purpose of the act—which respecting the right to a lawyer plainly would not—and makes failure to obey the rules ''good cause'' for the Attorney General to remove the counsel.

Mr. Starr has also violated, wholesale, the rules against prosecutors talking to the press about pending investigations. If anyone doubted that, it has now been made unanswerably clear by Steven Brill's meticulous marshaling of the evidence in the first issue of Brill's Content.

In his angry reply to the article, Mr. Starr never denied saying to Mr. Brill: ''I have talked with reporters on background on some occasions, but Jackie [Bennett Jr., his deputy] has been the primary person involved in that. He has spent much of his time talking to individual reporters.''

Mr. Brill said that the Starr and Bennett talks with the press violated Rule 6e of the Federal Rules of Criminal Procedure, which forbid disclosure of grand-jury information. Mr. Starr argued in reply that Rule 6e did not apply because he and his staff disclosed not grand-jury testimony but information obtained elsewhere and comments on it.

Whatever the merits of the legal argument about Rule 6e, didn't the Starr leaks violate ethical rules and Justice Department regulations? When Mr. Brill asked that question, Mr. Starr replied that they would be violations except when he was ''countering misinformation'' about his office. ''We have a duty to promote confidence in the work of this office.''

What a breathtaking assertion. It means that whenever anyone disagrees with him, Mr. Starr has a right to break the rules and become an unnamed source for some journalist ready to convey his version of the story. In politics, that is called spinning.

Mr. Starr's assertion that his leaks are only to counter misinformation was also false. On the day the Lewinsky story broke, Jan. 21, Mr. Starr told Mr. Brill, Jackie Bennett spent ''much of the day briefing the press.'' That was before there was any ''misinformation'' to answer.

Mr. Starr's veracity is in question on another matter. The Brill article says Michael Isikoff of Newsweek told Mr. Brill that Jackie Bennett asked him to hold up writing about Monica Lewinsky in January because ''they were going to try to get Lewinsky to wire herself and get [Vernon] Jordan and maybe even the President on tape obstructing justice.''

Mr. Starr said his office had ''never asked Ms. Lewinsky to agree to wire herself for a conversion with Mr. Jordan or the President.'' But it was not only Mr. Isikoff who said that happened. Ms. Lewinsky's lawyers said in February, in Time magazine, that the prosecutors ''wanted her wired . . . to record telephone calls with the President of the U.S., Vernon Jordan and others''—and made her consent a condition of being given immunity from prosecution.

We all know that prosecutors leak. But Kenneth Starr has been so sanctimonious, so insistent that he never leaks.

Far from going ''by the book,'' he has in many ways abused his extraordinary power. Most Americans perceive that. Others are so critical of President Clinton that they overlook Mr. Starr's abuses. They need reminding that however tempting the target of a prosecutor, the end does not justify abusive means.

[From the Los Angeles Times, Feb. 26, 1998]

STARR STEPS OUT OF BOUNDS

Special counsel Kenneth W. Starr plans today to bring a White House advisor and his records before a grand jury to try to find out what he said to reporters about the Monica Lewinsky affair. The basis for this extraordinary assault on privacy is Starr's suspicion that Clinton administration aides have been spreading ''misinformation'' about personnel in the special counsel's office. As Starr sees it, that could represent an effort to ''intimidate prosecutors and investigators, impede the work of the grand jury, or otherwise obstruct justice.'' All of these are federal crimes.

The subpoena that Starr has issued for White House aide Sidney Blumenthal and his records appears to be allowable under the special counsel's broad powers. At the same time Starr is clearly treading on highly problematical ground with his suggestion that any White House campaign to try to discredit him or his investigators may represent an illegal effort to influence or interfere with the work of prosecutors or grand jurors.

Starr has spent a lot of time in Washington, enough to grasp the difference between engaging in hardball politics and committing a felony. And he has been a lawyer long enough to understand that constitutionally protected comment about the special counsel's office does not constitute a conspiratorial attempt to subvert justice.

The truth is that in the Lewinsky investigation both the independent counsel and the White House have been playing the game of media manipulation to the hilt, using leaks, planted stories, spin control and anything else—some of it pretty nasty stuff indeed—to try to shape public opinion.

What set Starr off were stories about judicial criticism or penalties levied against two of his prosecutors because of their professional conduct years ago. What the two did is a matter of public record. But Starr says many other allegations about personnel involved in his investigation are deliberate falsehoods, and so he has dubiously raised the felonious specter of attempted intimidation.

But intimidation can cut two ways. Surely hauling a White House political adviser and his log of press contacts before a grand jury can be seen as a sly attempt to keep Clinton loyalists from talking with the media, denying the public information it has a right to hear and evaluate for itself. That is not within Starr's mandate.

The special counsel was not hired to act as a censor. His investigation has often been accused of ranging wide afield. This time it has stumbled right off the map.

[From the Detroit Free Press, Feb. 26, 1998]

STARR'S WAR

Whatever else Kenneth Starr may accomplish, he's becoming the best brief for the abolition of the special prosecutor's office that anybody could ever imagine. He is exercising power without wisdom, power without restraint. His latest wave of subpoenas is an attempt to use the grand jury process to punish his critics, an outrageous misuse of prosecutorial gunpowder.

What does Mr. Starr's current onslaught have to do with Whitewater? What does it have to do even with Monica Lewinsky? Mr. Starr is angry that someone at the White House has dredged up old newspaper stories that suggest he's got a couple of pit bulls on his staff, one of whom was once cited for overzealousness in a previous job as a prosecutor. So faxing old New York Daily News stories around, apparently, has just become a federal crime

Mr. Starr is out to bring down the president, and he seems not to care if he brings down the integrity of the justice system with him. The president's defenders, meanwhile, are whipping up the press to investigate the investigators, blasting Mr. Starr for leaks from his own staff and in general tipping over garbage cans in the hope that the clangor will distract attention from the potential obstruction of justice charge that hangs over the president.

This is unseemly behavior by both sides, but the root of it is the unchecked power given to Mr. Starr, Virtually no one has the ability to jerk his leash; the attorney general can remove him only for flagrant violation of the law. He's the only person or institution in the U.S. government that operates without checks and balances.

Come 1999, when the statute is up for renewal, Republicans who are hugely enjoying the spectacle of a Democratic president at bay ought to recall how they felt about Lawrence Walsh, and how they'll feel when some future prosecutor recklessly targets another GOP occupant of the White House.

For now, for a moment, assume the worst is true about Bill Clinton (although Mr. Starr has spend nearly 31/2 years and $26 million and come up dry)—sexual indiscretion, something funny about a failed land deal in Arkansas. Then ask who's doing the worse damage to fairness, justice, the conduct of government and the democratic process—the president or his pursuer? We rest our case.

Mr. LEVIN. A few of the headlines read: ''A Prosecutor Without Public Trust,'' ''Ken Starr's Misjudgments,'' and ''Starr Steps Out of Bounds.'' Robert Morgenthau, in fact, the District Attorney for Manhattan, and one of the most respected prosecutors in the country, is quoted as saying that Mr. Starr violated ''every rule in the book.''

Some argue that the statute should be scrapped. I cannot agree, provided that we can prevent the abuses we have experienced in the past. We need a mechanism to address credible allegations of serious criminal wrongdoing by top executive branch officials. We have made improvements in the statute each of the three times it has been reauthorized over the past 20 years. We have required independent counsel to comply with established Justice Department policies and procedures; we have added standards of conduct for independent counsel; and we have added a whole new host of cost controls, including requiring new independent counsel to comply with the expenditure policies of the Justice Department with respect to salary levels, use of Government office space and travel.

But we obviously have failed to foreclose opportunities for major excesses and clear abuses by independent counsel. Unless we can amend the law sufficiently to stop the excesses and abuses in the future—and I think we can do that—then the law should lapse. We need a law but only if the law ensures that individuals who conduct these investigations are highly qualified, nonpartisan attorneys with good judgment and common sense who are bound in by appropriate limits.

The list of lessons learned over the last few years is long. We have tried to incorporate them into the bill we are introducing today.

The first issues concern the appointment of the independent counsel. There was a high degree of dissatisfaction and concern with the choice of Kenneth Starr as independent counsel in the Whitewater matter. The investigation was already well underway with Special Counsel Bob Fiske who had been appointed by Attorney General Reno. Mr. Fiske was a well-respected, veteran prosecutor who had also been a lifelong Republican. To remove any doubt about whether he could be appointed under the reauthorized independent counsel law as well, Congress had specifically authorized the special division of the court to reappoint him. But the three judge special division took it upon itself to terminate Mr. Fiske and replace him with Mr. Starr. Many of us challenged the court's decision at the time, arguing that Mr. Starr was a highly partisan person who could not bring the necessary appearance of independence to the job. At the time of his appointment he was linked to the Paula Jones case, having argued publicly against the President's position on immunity from civil suit. It turns out he had also conferred numerous times with attorneys for Paula Jones. He had served as the Finance Co-Chairman of the Congressional campaign of a Republican in Alexandria, Virginia. At the time of Mr. Starr's appointment I wrote to the Special Division and urged them to reconsider their decision. ''The issue with respect to Mr. Starr,'' I said, ''. . . is that he lacks the necessary appearance of independence essential for public confidence in the process.'' Our concerns have proven to be true over time, to the point that Mr. Starr is perceived by the public as a partisan prosecutor.

Our bill would make some very important changes in the current process in this regard. First, the special division of three judges who make independent counsel appointments under current law are appointed by the Chief Justice of the Supreme Court, and the court picks an independent counsel from a list of candidates developed by the special division from various recommendations over time. Our bill would require that the judges who serve on the special division court be picked by lottery from a pool of all of the federal appellate court judges. The Special Division would then be required to develop a list of qualified candidates to serve as independent counsels from a list of five candidates from each federal circuit selected by the chief judge of each circuit. Our bill would explicitly prohibit an independent counsel candidate from having an actual or apparent conflict of interest, and it would encourage the appointment of an individual with prosecutorial experience.

Mr. Starr was not a prosecutor. In making a number of critically important judgment calls, Mr. Starr demonstrated a lack of understanding of the discipline a prosecutor needs in order to exercise the tremendous discretion and power of the office with fairness and justice. The bill would seek to remedy this by requiring the individual appointed as independent counsel to have prosecutorial experience ''to the extent practicable.''

Many people expressed concern over the large and lucrative private practice Mr. Starr continued to have as independent counsel. We will never know if the investigation into the President could have been concluded much more expeditiously had Mr. Starr set aside his private practice from the inception of his appointment, but it's a reasonable possibility at least that it could have been. Independent counsel appointments are supposed to receive the highest priority and the public benefits from a timely resolution of the allegations. Our bill would require an independent counsel to devote full time to the investigation to bring it to a prompt conclusion, because we think doing so has important benefits to the public interest.

Another area has to do with the scope of jurisdiction. This has been an area of great concern to some of us. That relates particularly to Mr. Starr's investigation, because he was originally appointed to investigate the Madison Guarantee Savings and Loan matter as it possibly related to President Clinton. But he ended up prosecuting a multitude of other matters. At one point his office even interviewed Arkansas State troopers about President Clinton's relationship with a number of different women when he was Governor. Moreover, Mr. Starr had his jurisdiction expanded to include Travelgate, Filegate, and the Monica Lewinsky matter. With each expansion, he looked more and more like a prosecutor pursuing a person instead of a prosecutor pursuing a crime.

In the end he became Javert to President Clinton's Jean Valjean. Our bill limits the scope of the original grant of jurisdiction to only those matters that are ''directly'' related to an independent counsel's original jurisdiction, and eliminates the provision allowing an expansion of jurisdiction. Such matters would be investigated by the Department of Justice or, if appropriate,

a new independent counsel could be appointed. Only in this way can we prevent an independent counsel from becoming a permanent prosecutor of the President or any other covered official.

Experience has also taught us that some of these independent counsel investigations develop huge staffs over time—far beyond those that would be available in an ordinary investigation. At one point, it was alleged that the Starr investigation was one of the top three investigations in terms of numbers of FBI agents in the country—ranking right up there with the Unibomber and the World Trade Center bombing. Our bill would limit the number of detailees from the FBI and the Department of Justice to a number reasonably related to the number of staff the Justice Department or FBI normally assigns to a similar case.

One of my greatest concerns in the past five years has been the failure of Mr. Starr to comply with both the spirit and, I believe, the letter of the law with respect to the requirement that an independent counsel follow established Department of Justice policies. I have made several floor statements identifying the particular instances in which I believe Mr. Starr has exceeded Justice Department policies, so I will not elaborate here. The current law requires an independent counsel to follow established Justice Department policies except to the extent to do so would undermine the purposes of the independent counsel law. That exception, which was intended to be a very narrow exception, has been used by Mr. Starr to justify a laundry list of questionable actions. The bill we are introducing today would eliminate that exception and provide that the only policy an independent counsel would be allowed to ignore would be that part of a policy or guideline that requires approval by a top Justice Department official. The bill provides that even in that situation, the independent counsel should consult with a top Justice Department official; he or she just isn't required to get that official's approval.

The bill also creates a remedy for the situation where a target or witness in an independent counsel investigation believes the independent counsel is not complying with established Justice Department procedures. Currently, Justice Department policies are not enforceable in court, and several individuals who attempted to enforce compliance by Mr. Starr were turned away by the court. This bill would give such an individual an explicit right to first obtain an opinion by the Attorney General as to whether an independent counsel was complying with a specific Department of Justice policy, and if the Attorney General determines that the independent counsel is not, the bill allows the person to seek enforcement from the special court.

Mr. Starr took the unusual step in his investigation to hire an outside ethics attorney. The bill requires an independent counsel to use as his or her ethics adviser the person already housed in the Department of Justice who is familiar with the ethical rules and regulations of a Justice Department Attorney—the designated agency ethics official or DAEO. This will help to keep the office of the independent counsel in tune with the ethical requirements of other investigative offices, giving greater assurance that Justice Department policies with respect to ethics issues will be followed.

Great concern has developed over the cost of these independent counsel investigations. Mr. Smaltz spent some $20 million to have a 30 count indictment rejected by a jury. Mr. Starr is likely to be the most expensive independent counsel ever—topping $50 million when all is said and done. These figures are shocking. The bill would address this problem by requiring an independent counsel to establish a budget with consultation of the Attorney General and the General Accounting Office to review the budget and submit a written analysis to Congress. We have tried with every reauthorization of this statute to obtain cost controls over the operations of the independent counsels. We've made some progress, but obviously more needs to be done. The bill also sets a two year presumptive limit on the work of an independent counsel and requires the independent counsel to affirmatively seek an extension for one year from the special court. By requiring an independent counsel to establish a budget and presumptively limiting the term of an independent counsel to two years, I believe we will impose a useful and meaningful cost control on these offices.

A final concern that many of us have had with the independent counsel law is the provision regarding the referral of information to the House of Representatives regarding possible impeachable offenses. Mr. Starr's report to the House was not only shockingly and unnecessarily graphic, it was a brief for impeachment, far beyond the role envisioned by the independent counsel law. Mr. Starr's report also violated the fairness expected by the American people by presenting information on possible impeachable offenses in a biased and prejudicial manner. Under the Constitution, the House has sole responsibility to decide whether or not the President should be impeached. The independent counsel did not have a statutory responsibility to argue for impeachment. His responsibility was to forward ''information'' to the Congress that ''may constitute grounds for an impeachment.'' Our bill would eliminate the provision with respect to impeachment, removing any obligation on the part of an independent counsel to take any initiative in this which is reserved exclusively to the House of Representatives by the Constitution.

Finally, it is clear, obviously, that the independent counsel law is going to expire tomorrow. We are going to have the cooling off period that former Senator Howard Baker prescribed during our Governmental Affairs Committee hearings. I hope that after a reasonable cooling off period we will turn our attention to reestablishing a reasonable and fair procedure for the investigation of criminal allegations of our top officials and that the legislation we consider at that time contain the necessary protections against abuses of power. The bill we are introducing today is our best effort at drafting such legislation.

I yield the floor.

Mr. SPECTER. How much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 7 minutes 48 seconds.

Mr. SPECTER. That is about a quarter of the time.

I yield to my distinguish colleague from Maine, Senator COLLINS.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I am pleased to be a coauthor of the Independent Counsel Reform Act of 1999. At the outset, let me express my deep appreciation to Senators SPECTER, LIEBERMAN, and LEVIN for the bipartisan spirit in which they approached the task of drafting this important legislation. Legislation of this complexity, which must balance innumerable competing but important interests, is never easy to achieve. This is particularly true when the legislation—as is the case in this bill—touches on political nerves that are still raw and fresh.

We have worked very hard to achieve legislation that I believe truly serves the public interest while correcting the significant flaws in the current law.

Supporting the reauthorization of the Independent Counsel Act is not likely to win this bipartisan group much applause from the Clinton administration or congressional partisans on either side of the aisle. Many of our colleagues say let it die. However, I caution my colleagues against short memories. We should not forget what prompted passage of this legislation more than two decades ago and its reauthorization three times since then.

The Congress that passed the independent counsel law after Watergate wanted to assure the public that there were institutional guarantees that would never again allow the political leadership of the Justice Department to obstruct a criminal investigation of the President and the highest Government officials in the land. Their concern was not abstract or based on conjecture. The Justice Department, indeed, the Attorney General himself was implicated in the coverup of criminal acts by the incumbent administration.

Do we think it couldn't happen again? Clearly, unfortunately, it could.

The fact is, there will always be cases in which the Attorney General has an

actual or an apparent conflict of interest. The Attorney General simply cannot credibly conduct an extensive investigation and make prosecutorial decisions involving his or her boss, the President, the Vice President, or colleagues in the Cabinet. We must have an institutional mechanism that assures the public that allegations of serious criminal conduct by high level officials will be thoroughly investigated and, if necessary, prosecuted.

Only by resorting to a prosecutor beyond the actual and perceived control of the administration can the public be assured that impartial justice extends to the most influential and powerful leaders of our land. Moreover, the independent counsel law fosters public confidence in the decision not to prosecute high level Government officials. A Government official who has been investigated but cleared by an independent counsel can justifiably and with credibility reclaim his or her public reputation. Political opponents cannot reasonably claim that the official escapes scrutiny and punishment by pulling political strings at the Justice Department.

We should keep in mind that the majority of the independent counsel over the past two decades have conducted prompt and cost-effective investigations that resulted in decisions not to prosecute or indict the official accused of the criminal wrongdoing. Can there be any doubt that the political credibility of these decisions was enhanced significantly because the prosecutor had no political or financial connections to the target or other members of the administration? If we return these important decisions to the Justice Department, I fear we will encourage public skepticism of decisions not to prosecute. There will always be a cloud of suspicion tainting the decision.

The need for the independent counsel mechanism is as evident today as it was back in 1978, when the law was first enacted. We have learned much from our experience with the law. It is flawed. It needs significant reform. That is just what the legislation we are introducing today would do.

Though I strongly believe we should reauthorize the Independent Counsel Act, I am mindful of its many shortcomings. I participated in an excellent series of hearings chaired by my colleague from Tennessee, Senator THOMPSON, and virtually every witness agreed that the law must be changed.

The legislation we are introducing today takes significant steps to rein in the length and the cost of independent counsel investigations. It limits all independent counsel investigations to a maximum of 2 years and only allows the investigation to proceed for additional 1-year periods upon a special showing to the court. It requires independent counsel to serve full time and to submit annual budgets to the General Accounting Office.

We substantially limit the number of covered officials under the act, limiting coverage to only the President, the Vice President, the Cabinet, and the President's chief of staff. By limiting the coverage of the law, we have reserved the extraordinary remedy of an independent counsel for those high-level officials who will always, by virtue of their position, pose a conflict of interest to the Justice Department.

We make many other changes. We heighten the threshold for the appointment of an independent counsel, and we make clear that an independent counsel must follow the prosecutorial guidelines of the Department of Justice.

We also abolish the requirement for independent counsel to report impeachable conduct to the House of Representatives. We have come up with a bill that would preserve this important mechanism while correcting the serious flaws in the current act.

Let me conclude by again recognizing the efforts of my distinguished colleagues and applaud them for their leadership on this important issue. My hope is that the rest of our colleagues will take advantage of this opportunity to remedy the weaknesses in the independent counsel law before the next unfortunate and inevitable crisis occurs and the public is left doubting whether it can have confidence that the laws of this country will be enforced impartially, without regard to rank or privilege.

I thank the Chair.

Mr. SPECTER. Mr. President, how much time remains?

The PRESIDING OFFICER. Fifteen seconds.

Mr. SPECTER. I thank my distinguished colleagues, Senator COLLINS, Senator LEVIN, and Senator LIEBERMAN, for their fine presentations.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the independent counsel statute, a section-by-section summary of the Independent Counsel Reform Act of 1999, and the text of the bill.

There being no objection, the referenced materials were ordered to be printed in the RECORD, as follows:

S. 1297

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 ''Independent Counsel Reform Act of 1999''.

SEC. 2. INDEPENDENT COUNSEL STATUTE.

Chapter 40 of title 28, United States Code, is amended to read as follows:

''CHAPTER 40—INDEPENDENT COUNSEL

''Sec.
''591. Applicability of provisions of this chapter.
''592. Preliminary investigation and application for appointment of an independent counsel.
''593. Duties of the division of the court.
''594. Authority and duties of an independent counsel.
''595. Congressional oversight.
''596. Removal of an independent counsel; termination of office.
''597. Relationship with Department of Justice.
''598. Severability.
''599. Termination of effect of chapter.

''§ 591. Applicability of provisions of this chapter

''(a) PRELIMINARY INVESTIGATION WITH RESPECT TO CERTAIN COVERED PERSONS.—The Attorney General shall conduct a preliminary investigation in accordance with section 592 whenever the Attorney General receives information sufficient to constitute grounds to investigate whether any person described in subsection (b) may have violated any Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction.

''(b) PERSONS TO WHOM SUBSECTION (a) APPLIES.—The persons referred to in subsection (a) are—

''(1) the President and Vice President;

''(2) any individual serving in a position listed in section 5312 of title 5; and

''(3) the Chief of Staff to the President.

''(c) EXAMINATION OF INFORMATION TO DETERMINE NEED FOR PRELIMINARY INVESTIGATION.—

''(1) FACTORS TO BE CONSIDERED.—In determining under subsection (a) or section 592(c)(2) whether grounds to investigate exist, the Attorney General shall consider only—

''(A) the specificity of the information received; and

''(B) the credibility of the source of the information.

''(2) TIME PERIOD FOR MAKING DETERMINATION.—The Attorney General shall determine whether grounds to investigate exist not later than 30 days after the information is first received. If within that 30-day period the Attorney General determines that the information is not specific or is not from a credible source, then the Attorney General shall close the matter. If within that 30-day period the Attorney General determines that the information is specific and from a credible source, the Attorney General shall, upon making that determination, commence a preliminary investigation with respect to that information. If the Attorney General is unable to determine, within that 30-day period, whether the information is specific and from a credible source, the Attorney General shall, at the end of that 30-day period, commence a preliminary investigation with respect to that information.

''(d) RECUSAL OF ATTORNEY GENERAL.—

''(1) WHEN RECUSAL IS REQUIRED.—

''(A) INVOLVING THE ATTORNEY GENERAL.—If information received under this chapter involves the Attorney General, the next most senior official in the Department of Justice who is not also recused shall perform the duties assigned under this chapter to the Attorney General.

''(B) PERSONAL OR FINANCIAL RELATIONSHIP.—If information received under this chapter involves a person with whom the Attorney General has a personal or financial relationship, the Attorney General shall recuse himself or herself by designating the next most senior official in the Department of Justice who is not also recused to perform the duties assigned under this chapter to the Attorney General.

''(2) REQUIREMENTS FOR RECUSAL DETERMINATION.—Before personally making any other determination under this chapter with respect to information received under this chapter, the Attorney General shall determine under paragraph (1)(B) whether recusal is necessary. The Attorney General shall set forth this determination in writing, identify the facts considered by the Attorney General, and set forth the reasons for the recusal. The Attorney General shall file this

determination with any notification or application submitted to the division of the court under this chapter with respect to that information.

"§ 592. Preliminary investigation and application for appointment of an independent counsel

''(a) CONDUCT OF PRELIMINARY INVESTIGATION.—

''(1) IN GENERAL.—A preliminary investigation conducted under this chapter shall be of those matters as the Attorney General considers appropriate in order to make a determination, under subsection (b) or (c), with respect to each potential violation, or allegation of a violation, of criminal law. The Attorney General shall make that determination not later than 120 days after the preliminary investigation is commenced, except that, in the case of a preliminary investigation commenced after a congressional request under subsection (g), the Attorney General shall make that determination not later than 120 days after the request is received. The Attorney General shall promptly notify the division of the court specified in section 593(a) of the commencement of that preliminary investigation and the date of commencement.

''(2) LIMITED AUTHORITY OF ATTORNEY GENERAL.—

''(A) IN GENERAL.—In conducting preliminary investigations under this chapter, the Attorney General shall have no authority to plea bargain or grant immunity. The Attorney General shall have the authority to convene grand juries and issue subpoenas.

''(B) NOT TO BE BASED OF DETERMINATIONS.—The Attorney General shall not base a determination under this chapter—

''(i) that information with respect to a violation of criminal law by a person is not specific and from a credible source upon a determination that that person lacked the state of mind required for the violation of criminal law; or

''(ii) that there are no substantial grounds to believe that further investigation is warranted, upon a determination that that person lacked the state of mind required for the criminal violation involved, unless there is a preponderance of the evidence that the person lacked that state of mind.

''(3) EXTENSION OF TIME FOR PRELIMINARY INVESTIGATION.—The Attorney General may apply to the division of the court for a single extension, for a period of not more than 90 days, of the 120-day period referred to in paragraph (1). The division of the court may, upon a showing of good cause, grant that extension.

''(b) DETERMINATION THAT FURTHER INVESTIGATION NOT WARRANTED.—

''(1) NOTIFICATION OF DIVISION OF THE COURT.—If the Attorney General, upon completion of a preliminary investigation under this chapter, determines that there are no substantial grounds to believe that further investigation is warranted, the Attorney General shall promptly so notify the division of the court, and the division of the court shall have no power to appoint an independent counsel with respect to the matters involved.

''(2) FORM OF NOTIFICATION.—Notification under paragraph (1) shall contain a summary of the information received and a summary of the results of the preliminary investigation.

''(c) DETERMINATION THAT FURTHER INVESTIGATION IS WARRANTED.—

''(1) APPLICATION FOR APPOINTMENT OF INDEPENDENT COUNSEL.—The Attorney General shall apply to the division of the court for the appointment of an independent counsel if—

''(A) the Attorney General, upon completion of a preliminary investigation under this chapter, determines that there are substantial grounds to believe that further investigation is warranted; or

''(B) the 120-day period referred to in subsection (a)(1), and any extension granted under subsection (a)(3), have elapsed and the Attorney General has not filed a notification with the division of the court under subsection (b)(1).

In determining under this chapter whether there are substantial grounds to believe that further investigation is warranted, the Attorney General shall comply with the written or other established policies of the Department of Justice with respect to the conduct of criminal investigations.

''(2) RECEIPT OF ADDITIONAL INFORMATION.—If, after submitting a notification under subsection (b)(1), the Attorney General receives additional information sufficient to constitute grounds to investigate the matters to which that notification related, the Attorney General shall—

''(A) conduct such additional preliminary investigation as the Attorney General considers appropriate for a period of not more than 120 days after the date on which that additional information is received; and

''(B) otherwise comply with the provisions of this section with respect to that additional preliminary investigation to the same extent as any other preliminary investigation under this section.

''(d) CONTENTS OF APPLICATION.—Any application for the appointment of an independent counsel under this chapter shall contain sufficient information to assist the division of the court in selecting an independent counsel and in defining that independent counsel's prosecutorial jurisdiction so that the independent counsel has adequate authority to fully investigate and prosecute the subject matter and all matters directly related to that subject matter.

''(e) DISCLOSURE OF INFORMATION.—Except as otherwise provided in this chapter or as is deemed necessary for law enforcement purposes, no officer or employee of the Department of Justice or an office of independent counsel may, without leave of the division of the court, disclose to any individual outside the Department of Justice or that office any notification, application, or any other document, materials, or memorandum supplied to the division of the court under this chapter. Nothing in this chapter shall be construed as authorizing the withholding of information from the Congress.

''(f) LIMITATION ON JUDICIAL REVIEW.—The Attorney General's determination under this chapter to apply to the division of the court for the appointment of an independent counsel shall not be reviewable in any court.

''(g) CONGRESSIONAL REQUEST.—

''(1) BY JUDICIARY COMMITTEE OR MEMBERS THEREOF.—The Committee on the Judiciary of either House of the Congress, or a majority of majority party members or a majority of all nonmajority party members of either such committee, may request in writing that the Attorney General apply for the appointment of an independent counsel.

''(2) REPORT BY ATTORNEY GENERAL PURSUANT TO REQUEST.—Not later than 30 days after the receipt of a request under paragraph (1), the Attorney General shall submit, to the committee making the request, or to the committee on which the persons making the request serve, a report on whether the Attorney General has begun or will begin a preliminary investigation under this chapter of the matters with respect to which the request is made, in accordance with section 591(a). The report shall set forth the reasons for the Attorney General's decision regarding the preliminary investigation as it relates to each of the matters with respect to which the congressional request is made. If there is such a preliminary investigation, the report shall include the date on which the preliminary investigation began or will begin.

''(3) SUBMISSION OF INFORMATION IN RESPONSE TO CONGRESSIONAL REQUEST.—At the same time as any notification, application, or any other document, material, or memorandum is supplied to the division of the court pursuant to this section with respect to a preliminary investigation of any matter with respect to which a request is made under paragraph (1), that notification, application, or other document, material, or memorandum shall be supplied to the committee making the request, or to the committee on which the persons making the request serve. If no application for the appointment of an independent counsel is made to the division of the court under this section pursuant to such a preliminary investigation, the Attorney General shall submit a report to that committee stating the reasons why the application was not made, addressing each matter with respect to which the congressional request was made.

''(4) DISCLOSURE OF INFORMATION.—Any report, notification, application, or other document, material, or memorandum supplied to a committee under this subsection shall not be revealed to any third party, except that the committee may, either on its own initiative or upon the request of the Attorney General, make public such portion or portions of that report, notification, application, document, material, or memorandum as will not in the committee's judgment prejudice the rights of any individual.

"§ 593. Duties of the division of the court

''(a) REFERENCE TO DIVISION OF THE COURT.—The division of the court to which this chapter refers is the division established under section 49 of this title.

''(b) APPOINTMENT AND JURISDICTION OF INDEPENDENT COUNSEL.—

''(1) AUTHORITY.—Upon receipt of an application under section 592(c), the division of the court shall appoint an appropriate independent counsel and define the independent counsel's prosecutorial jurisdiction. The appointment shall be made from a list of candidates comprised of 5 individuals recommended by the chief judge of each Federal circuit and forwarded by January 15 of each year to the division of the court.

''(2) QUALIFICATIONS OF INDEPENDENT COUNSEL.—The division of the court shall appoint as independent counsel an individual who—

''(A) has appropriate experience, including, to the extent practicable, prosecutorial experience and who has no actual or apparent personal, financial, or political conflict of interest;

''(B) will conduct the investigation on a full-time basis and in a prompt, responsible, and cost-effective manner; and

''(C) does not hold any office of profit or trust under the United States.

''(3) SCOPE OF PROSECUTORIAL JURISDICTION.—

''(A) IN GENERAL.—In defining the independent counsel's prosecutorial jurisdiction under this chapter, the division of the court shall assure that the independent counsel has adequate authority to fully investigate and prosecute—

''(i) the subject matter with respect to which the Attorney General has requested the appointment of the independent counsel; and

''(ii) all matters that are directly related to the independent counsel's prosecutorial jurisdiction and the proper investigation and prosecution of the subject matter of such jurisdiction.

''(B) DIRECTLY RELATED.—In this paragraph, the term 'directly related matters' includes Federal crimes, other than those classified as Class B or C misdemeanors or infractions, that impede the investigation and prosecution, such as perjury, obstruction of justice, destruction of evidence, and intimidation of witnesses.

''(4) DISCLOSURE OF IDENTITY AND PROSECUTORIAL JURISDICTION.—An independent counsel's identity and prosecutorial jurisdiction may not be made public except upon the request of the Attorney General or upon a determination of the division of the court that disclosure of the identity and prosecutorial jurisdiction of that independent counsel would be in the best interests of justice. In any event, the identity and prosecutorial jurisdiction of the independent counsel shall be made public when any indictment is returned, or any criminal information is filed, pursuant to the independent counsel's investigation.

''(c) RETURN FOR FURTHER EXPLANATION.—Upon receipt of a notification under section 592 from the Attorney General that there are no substantial grounds to believe that further investigation is warranted with respect to information received under this chapter, the division of the court shall have no authority to overrule this determination but may return the matter to the Attorney General for further explanation of the reasons for that determination.

''(d) VACANCIES.—If a vacancy in office arises by reason of the resignation, death, or removal of an independent counsel, the division of the court shall appoint an independent counsel to complete the work of the independent counsel whose resignation, death, or removal caused the vacancy, except that in the case of a vacancy arising by reason of the removal of an independent counsel, the division of the court may appoint an acting independent counsel to serve until any judicial review of the removal is completed.

''(e) ATTORNEYS' FEES.—

''(1) AWARD OF FEES.—Upon the request of an individual who is the subject of an investigation conducted by an independent counsel pursuant to this chapter, the division of the court may, if no indictment is brought against that individual pursuant to the investigation, award reimbursement for those reasonable attorneys' fees incurred by the individual during the investigation which would not have been incurred but for the requirements of this chapter. The division of the court shall notify the independent counsel who conducted the investigation and the Attorney General of any request for attorneys' fees under this subsection.

''(2) EVALUATION OF FEES.—The division of the court shall direct the independent counsel and the Attorney General to file a written evaluation of any request for attorneys' fees under this subsection, addressing—

''(A) the sufficiency of the documentation;

''(B) the need or justification for the underlying item;

''(C) whether the underlying item would have been incurred but for the requirements of this chapter; and

''(D) the reasonableness of the amount of money requested.

''(f) DISCLOSURE OF INFORMATION.—The division of the court may, subject to section 594(h)(2), allow the disclosure of any notification, application, or any other document, material, or memorandum supplied to the division of the court under this chapter.

''(g) AMICUS CURIAE BRIEFS.—When presented with significant legal issues, the division of the court may disclose sufficient information about the issues to permit the filing of timely amicus curiae briefs.

''§ 594. Authority and duties of an independent counsel

''(a) AUTHORITIES.—Notwithstanding any other provision of law, an independent counsel appointed under this chapter shall have, with respect to all matters in that independent counsel's prosecutorial jurisdiction established under this chapter, full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice, the Attorney General, and any other officer or employee of the Department of Justice, except that the Attorney General shall exercise direction or control as to those matters that specifically require the Attorney General's personal action under section 2516 of title 18. Such investigative and prosecutorial functions and powers shall include—

''(1) conducting proceedings before grand juries and other investigations;

''(2) participating in court proceedings and engaging in any litigation, including civil and criminal matters, that the independent counsel considers necessary;

''(3) appealing any decision of a court in any case or proceeding in which the independent counsel participates in an official capacity;

''(4) reviewing all documentary evidence available from any source;

''(5) determining whether to contest the assertion of any testimonial privilege;

''(6) receiving appropriate national security clearances and, if necessary, contesting in court (including, where appropriate, participating in in camera proceedings) any claim of privilege or attempt to withhold evidence on grounds of national security;

''(7) making applications to any Federal court for a grant of immunity to any witness, consistent with applicable statutory requirements, or for warrants, subpoenas, or other court orders, and, for purposes of sections 6003, 6004, and 6005 of title 18, exercising the authority vested in a United States attorney or the Attorney General;

''(8) inspecting, obtaining, or using the original or a copy of any tax return, in accordance with the applicable statutes and regulations, and, for purposes of section 6103 of the Internal Revenue Code of 1986 and the regulations issued thereunder, exercising the powers vested in a United States attorney or the Attorney General;

''(9) initiating and conducting prosecutions in any court of competent jurisdiction, framing and signing indictments, filing informations, and handling all aspects of any case, in the name of the United States; and

''(10) consulting with the United States attorney for the district in which any violation of law with respect to which the independent counsel is appointed was alleged to have occurred.

''(b) COMPENSATION.—

''(1) IN GENERAL.—An independent counsel appointed under this chapter shall receive compensation at the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5.

''(2) TRAVEL EXPENSES.—Except as provided in paragraph (3), an independent counsel and persons appointed under subsection (c) shall be entitled to the payment of travel expenses as provided by subchapter I of chapter 57 of title 5, United States Code, including travel, per diem, and subsistence expenses in accordance with section 5703 of title 5.

''(3) TRAVEL TO PRIMARY OFFICE.—

''(A) IN GENERAL.—After 1 year of service under this chapter, an independent counsel and persons appointed under subsection (c) shall not be entitled to the payment of travel, per diem, or subsistence expenses under subchapter I of chapter 57 of title 5, United States Code, for the purpose of commuting to or from the city in which the primary office of the independent counsel or person is located. The 1-year period may be extended for successive 6-month periods if the independent counsel and the division of the court certify that the payment is in the public interest to carry out the purposes of this chapter.

''(B) RELEVANT FACTORS.—In making any certification under this paragraph with respect to travel and subsistence expenses of an independent counsel or person appointed under subsection (c), that employee shall consider, among other relevant factors—

''(i) the cost to the Government of reimbursing those travel and subsistence expenses;

''(ii) the period of time for which the independent counsel anticipates that the activities of the independent counsel or person, as the case may be, will continue;

''(iii) the personal and financial burdens on the independent counsel or person, as the case may be, of relocating so that the travel and subsistence expenses would not be incurred; and

''(iv) the burdens associated with appointing a new independent counsel, or appointing another person under subsection (c), to replace the individual involved who is unable or unwilling to so relocate.

''(c) ADDITIONAL PERSONNEL.—For the purposes of carrying out the duties of an office of independent counsel, an independent counsel may appoint, fix the compensation, and assign the duties of such employees as such independent counsel considers necessary (including investigators, attorneys, and part-time consultants). The positions of all such employees are exempted from the competitive service. Such employees shall be compensated at levels not to exceed those payable for comparable positions in the Office of United States Attorney for the District of Columbia under sections 548 and 550, but in no event shall any such employee be compensated at a rate greater than the rate of basic pay payable for level ES–4 of the Senior Executive Service Schedule under section 5382 of title 5, as adjusted for the District of Columbia under section 5304 of that title regardless of the locality in which an employee is employed.

''(d) ASSISTANCE OF DEPARTMENT OF JUSTICE.—

''(1) IN CARRYING OUT FUNCTIONS.—An independent counsel may request assistance from the Department of Justice in carrying out the functions of the independent counsel, and the Department of Justice shall provide that assistance, which may include access to any records, files, or other materials relevant to matters within that independent counsel's prosecutorial jurisdiction, and the use of the resources and personnel necessary to perform that independent counsel's duties. At the request of an independent counsel, prosecutors, administrative personnel, and other employees of the Department of Justice may be detailed to the staff of the independent counsel to the extent the number of staff so detailed is reasonably related to the number of staff ordinarily assigned by the Department to conduct an investigation of similar size and complexity.

''(2) PAYMENT OF AND REPORTS ON EXPENDITURES OF INDEPENDENT COUNSEL.—The Department of Justice shall pay all costs relating to the establishment and operation of any office of independent counsel. The Attorney General shall submit to the Congress, not later than 30 days after the end of each fiscal year, a report on amounts paid during that fiscal year for expenses of investigations and prosecutions by independent counsel. Each such report shall include a statement of all payments made for activities of independent counsel but may not reveal the

identity or prosecutorial jurisdiction of any independent counsel which has not been disclosed under section 593(b)(4).

''(e) REFERRAL OF DIRECTLY RELATED MATTERS TO AN INDEPENDENT COUNSEL.—An independent counsel may ask the Attorney General or the division of the court to refer to the independent counsel only such matters that are directly related to the independent counsel's prosecutorial jurisdiction, and the Attorney General or the division of the court, as the case may be, may refer such matters. If the Attorney General refers a matter to an independent counsel on the Attorney General's own initiative, the independent counsel may accept that referral only if the matter directly relates to the independent counsel's prosecutorial jurisdiction. If the Attorney General refers any matter to the independent counsel pursuant to the independent counsel's request, or if the independent counsel accepts a referral made by the Attorney General on the Attorney General's own initiative, the independent counsel shall so notify the division of the court.

''(f) COMPLIANCE WITH POLICIES OF THE DEPARTMENT OF JUSTICE.—

''(1) IN GENERAL.—An independent counsel shall comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal laws except when that policy requires the specific approval of the Attorney General or another Department of Justice official. If a policy requires the approval of the Attorney General or other Department of Justice official, an independent counsel is encouraged to consult with the Attorney General or other official. To identify and understand these policies and policies under subsection (l)(1)(B), the independent counsel shall consult with the Department of Justice.

''(2) NATIONAL SECURITY.—An independent counsel shall comply with guidelines and procedures used by the Department in the handling and use of classified material.

''(3) RELIEF FROM A VIOLATION OF POLICIES.—

''(A) IN GENERAL.—A person who is a target, witness, or defendant in, or otherwise directly affected by, an investigation by an independent counsel and who has reason to believe that the independent counsel is violating a written policy of the Department of Justice material to the independent counsel's investigation, may ask the Attorney General to determine whether the independent counsel has violated that policy. The Attorney General shall respond in writing within 30 days.

''(B) RELIEF.—If the Attorney General determines that the independent counsel has violated a written policy of the Department of Justice material to the investigation by the independent counsel pursuant to subparagraph (A), the Attorney General may ask the division of the court to order the independent counsel to comply with that policy, and the division of the court may order appropriate relief.

''(g) DISMISSAL OF MATTERS.—The independent counsel shall have full authority to dismiss matters within the independent counsel's prosecutorial jurisdiction without conducting an investigation or at any subsequent time before prosecution, if to do so would be consistent with the written or other established policies of the Department of Justice with respect to the enforcement of criminal laws.

''(h) REPORTS BY INDEPENDENT COUNSEL.—

''(1) REQUIRED REPORTS.—An independent counsel shall—

''(A) file with the division of the court, with respect to the 6-month period beginning on the date of his or her appointment, and with respect to each 6-month period thereafter until the office of that independent counsel terminates, a report which identifies and explains major expenses, and summarizes all other expenses, incurred by that office during the 6-month period with respect to which the report is filed, and estimates future expenses of that office; and

''(B) before the termination of the independent counsel's office under section 596(b), file a final report with the division of the court, setting forth only the following:

''(i) the jurisdiction of the independent counsel's investigation;

''(ii) a list of indictments brought by the independent counsel and the disposition of each indictment, including any verdicts, pleas, convictions, pardons, and sentences; and

''(iii) a summary of the expenses of the independent counsel's office.

''(2) DISCLOSURE OF INFORMATION IN REPORTS.—The division of the court may release to the Congress, the public, or any appropriate person, those portions of a report made under this subsection as the division of the court considers appropriate. The division of the court shall make those orders as are appropriate to protect the rights of any individual named in that report and to prevent undue interference with any pending prosecution. The division of the court may make any portion of a final report filed under paragraph (1)(B) available to any individual named in that report for the purposes of receiving within a time limit set by the division of the court any comments or factual information that the individual may submit. Such comments and factual information, in whole or in part, may, in the discretion of the division of the court, be included as an appendix to the final report.

''(3) PUBLICATION OF REPORTS.—At the request of an independent counsel, the Public Printer shall cause to be printed any report previously released to the public under paragraph (2). The independent counsel shall certify the number of copies necessary for the public, and the Public Printer shall place the cost of the required number to the debit of the independent counsel. Additional copies shall be made available to the public through the depository library program and Superintendent of Documents sales program pursuant to sections 1702 and 1903 of title 44.

''(i) INDEPENDENCE FROM DEPARTMENT OF JUSTICE.—Each independent counsel appointed under this chapter, and the persons appointed by that independent counsel under subsection (c), are employees of the Department of Justice for purposes of sections 202 through 209 of title 18.

''(j) STANDARDS OF CONDUCT APPLICABLE TO INDEPENDENT COUNSEL, PERSONS SERVING IN THE OFFICE OF AN INDEPENDENT COUNSEL, AND THEIR LAW FIRMS.—

''(1) RESTRICTIONS ON EMPLOYMENT WHILE INDEPENDENT COUNSEL AND APPOINTEES ARE SERVING.—

''(A) INDEPENDENT COUNSEL.—During the period in which an independent counsel is serving under this chapter—

''(i) that independent counsel shall have no other paid employment; and

''(ii) any person associated with a firm with which that independent counsel is associated may not represent in any matter any person involved in any investigation or prosecution under this chapter.

''(B) OTHER PERSONS.—During the period in which any person appointed by an independent counsel under subsection (c) is serving in the office of independent counsel, that person may not represent in any matter any person involved in any investigation or prosecution under this chapter.

''(2) POST EMPLOYMENT RESTRICTIONS ON INDEPENDENT COUNSEL AND APPOINTEES.—Each independent counsel and each person appointed by that independent counsel under subsection (c) may not—

''(A) for 3 years following the termination of the service under this chapter of that independent counsel or appointed person, as the case may be, represent any person in any matter if that individual was the subject of an investigation or prosecution under this chapter that was conducted by that independent counsel; or

''(B) for 1 year following the termination of the service under this chapter of that independent counsel or appointed person, as the case may be, represent any person in any matter involving any investigation or prosecution under this chapter.

''(3) ONE-YEAR BAN ON REPRESENTATION BY MEMBERS OF FIRMS OF INDEPENDENT COUNSEL.—Any person who is associated with a firm with which an independent counsel is associated or becomes associated after termination of the service of that independent counsel under this chapter may not, for 1 year following that termination, represent any person in any matter involving any investigation or prosecution under this chapter.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) the term 'firm' means a law firm whether organized as a partnership or corporation; and

''(B) a person is 'associated' with a firm if that person is an officer, director, partner, or other member or employee of that firm.

''(5) ENFORCEMENT.—The Attorney General and the Director of the Office of Government Ethics have authority to enforce compliance with this subsection. The designated agency ethics official for the Department of Justice shall be the ethics adviser for the independent counsel and employees of the independent counsel.

''(k) CUSTODY OF RECORDS OF AN INDEPENDENT COUNSEL.—

''(1) TRANSFER OF RECORDS.—Upon termination of the office of an independent counsel, that independent counsel shall transfer to the Archivist of the United States all records which have been created or received by that office. Before this transfer, the independent counsel shall clearly identify which of these records are subject to rule 6(e) of the Federal Rules of Criminal Procedure as grand jury materials and which of these records have been classified as national security information. Any records which were compiled by an independent counsel and, upon termination of the independent counsel's office, were stored with the division of the court or elsewhere before the enactment of the Independent Counsel Reauthorization Act of 1987, shall also be transferred to the Archivist of the United States by the division of the court or the person in possession of those records.

''(2) MAINTENANCE, USE, AND DISPOSAL OF RECORDS.—Records transferred to the Archivist under this chapter shall be maintained, used, and disposed of in accordance with chapters 21, 29, and 33 of title 44.

''(3) ACCESS TO RECORDS.—

''(A) IN GENERAL.—Subject to paragraph (4), access to the records transferred to the Archivist under this chapter shall be governed by section 552 of title 5.

''(B) ACCESS BY DEPARTMENT OF JUSTICE.—The Archivist shall, upon written application by the Attorney General, disclose any such records to the Department of Justice for purposes of an ongoing law enforcement investigation or court proceeding, except that, in the case of grand jury materials, those records shall be so disclosed only by order of the court of jurisdiction under rule 6(e) of the Federal Rules of Criminal Procedure.

''(C) EXCEPTION.—Notwithstanding any restriction on access imposed by law, the Archivist and persons employed by the National Archives and Records Administration who are engaged in the performance of normal archival work shall be permitted access to the records transferred to the Archivist under this chapter.

''(4) RECORDS PROVIDED BY CONGRESS.—Records of an investigation conducted by a committee of the House of Representatives or the Senate which are provided to an independent counsel to assist in an investigation or prosecution conducted by that independent counsel—

''(A) shall be maintained as a separate body of records within the records of the independent counsel; and

''(B) shall, after the records have been transferred to the Archivist under this chapter, be made available, except as provided in paragraph (3) (B) and (C), in accordance with the rules governing release of the records of the House of Congress that provided the records to the independent counsel.

Subparagraph (B) shall not apply to those records which have been surrendered pursuant to grand jury or court proceedings.

''(l) COST AND ADMINISTRATIVE SUPPORT.—

''(1) COST CONTROLS.—

''(A) IN GENERAL.—An independent counsel shall—

''(i) conduct all activities with due regard for expense;

''(ii) authorize only reasonable and lawful expenditures; and

''(iii) promptly, upon taking office, assign to a specific employee the duty of certifying that expenditures of the independent counsel are reasonable and made in accordance with law.

''(B) LIABILITY FOR INVALID CERTIFICATION.—An employee making a certification under subparagraph (A)(iii) shall be liable for an invalid certification to the same extent as a certifying official certifying a voucher is liable under section 3528 of title 31.

''(C) DEPARTMENT OF JUSTICE POLICIES.—An independent counsel shall comply with the established policies of the Department of Justice respecting expenditures of funds.

''(2) BUDGET.—The independent counsel, after consulting with the Attorney General, shall, within 90 days of appointment, submit a budget for the first year of the investigation and, on the anniversary of the appointment, for each year thereafter to the Attorney General and the General Accounting Office. The General Accounting Office shall review the budget and submit a written appraisal of the budget to the independent counsel and the Committees on Governmental Affairs and Appropriations of the Senate and the Committees on the Judiciary and Appropriations of the House of Representatives.

''(3) ADMINISTRATIVE SUPPORT.—The Director of the Administrative Office of the United States Courts shall provide administrative support and guidance to each independent counsel. No officer or employee of the Administrative Office of the United States Courts shall disclose information related to an independent counsel's expenditures, personnel, or administrative acts or arrangements without the authorization of the independent counsel.

''(4) OFFICE SPACE.—The Administrator of General Services, in consultation with the Director of the Administrative Office of the United States Courts, shall promptly provide appropriate office space for each independent counsel. The office space shall be within a Federal building unless the Administrator of General Services determines that other arrangements would cost less. Until the office space is provided, the Administrative Office of the United States Courts shall provide newly appointed independent counsels immediately upon appointment with appropriate, temporary office space, equipment, and supplies.

''(m) EXPEDITED JUDICIAL CONSIDERATION AND REVIEW.—It shall be the duty of the courts of the United States to advance on the docket and to expedite to the greatest extent possible the disposition of matters relating to an investigation and prosecution by an independent counsel under this chapter consistent with the purposes of this chapter.

''§ 595. Congressional oversight

''(a) OVERSIGHT OF CONDUCT OF INDEPENDENT COUNSEL.—

''(1) CONGRESSIONAL OVERSIGHT.—The appropriate committees of the Congress shall have oversight jurisdiction with respect to the official conduct of any independent counsel appointed under this chapter, and the independent counsel shall have the duty to cooperate with the exercise of that oversight jurisdiction.

''(2) REPORTS TO CONGRESS.—An independent counsel appointed under this chapter shall submit to the Congress annually a report on the activities of the independent counsel, including a description of the progress of any investigation or prosecution conducted by the independent counsel. The report may omit any matter that in the judgment of the independent counsel should be kept confidential, but shall provide information adequate to justify the expenditures that the office of the independent counsel has made.

''(b) OVERSIGHT OF CONDUCT OF ATTORNEY GENERAL.—Within 15 days after receiving an inquiry about a particular case under this chapter, which is a matter of public knowledge, from a committee of the Congress with jurisdiction over this chapter, the Attorney General shall provide the following information to that committee with respect to the case:

''(1) When the information about the case was received.

''(2) Whether a preliminary investigation is being conducted, and if so, the date it began.

''(3) Whether an application for the appointment of an independent counsel or a notification that further investigation is not warranted has been filed with the division of the court, and if so, the date of that filing.

''§ 596. Removal of an independent counsel; termination of office

''(a) REMOVAL; REPORT ON REMOVAL.—

''(1) GROUNDS FOR REMOVAL.—

''(A) IN GENERAL.—An independent counsel appointed under this chapter may be removed from office, other than by impeachment and conviction, only by the personal action of the Attorney General and only for good cause, physical or mental disability (if not prohibited by law protecting persons from discrimination on the basis of such a disability), or any other condition that impairs the performance of that independent counsel's duties.

''(B) GOOD CAUSE.—In this paragraph, the term 'good cause' includes—

''(i) a knowing and material failure to comply with written Department of Justice policies relevant to the conduct of a criminal investigation; and

''(ii) an actual personal, financial, or political conflict of interest.

''(2) REPORT TO DIVISION OF THE COURT AND CONGRESS.—If an independent counsel is removed from office, the Attorney General shall promptly submit to the division of the court and the Committees on the Judiciary of the Senate and the House of Representatives a report specifying the facts found and the ultimate grounds for the removal. The committees shall make available to the public that report, except that each committee may, if necessary to protect the rights of any individual named in the report or to prevent undue interference with any pending prosecution, postpone or refrain from publishing any or all of the report. The division of the court may release any or all of the report in accordance with section 594(h)(2).

''(3) JUDICIAL REVIEW OF REMOVAL.—An independent counsel removed from office may obtain judicial review of the removal in a civil action commenced in the United States District Court for the District of Columbia. A member of the division of the court may not hear or determine any such civil action or any appeal of a decision in any such civil action. The independent counsel may be reinstated or granted other appropriate relief by order of the court.

''(b) TERMINATION OF OFFICE.—

''(1) TERMINATION BY ACTION OF INDEPENDENT COUNSEL.—An office of independent counsel shall terminate when—

''(A) the independent counsel notifies the Attorney General that the investigation of all matters within the prosecutorial jurisdiction of the independent counsel or accepted by the independent counsel under section 594(e), and any resulting prosecutions, have been completed or so substantially completed that it would be appropriate for the Department of Justice to complete those investigations and prosecutions; and

''(B) the independent counsel files a final report in compliance with section 594(h)(1)(B).

''(2) TERMINATION BY DIVISION OF THE COURT.—The division of the court, either on its own motion or upon the request of the Attorney General, may terminate an office of independent counsel at any time, on the ground that the investigation of all matters within the prosecutorial jurisdiction of the independent counsel or accepted by the independent counsel under section 594(e), and any resulting prosecutions, have been completed or so substantially completed that it would be appropriate for the Department of Justice to complete those investigations and prosecutions. At the time of that termination, the independent counsel shall file the final report required by section 594(h)(1)(B). If the Attorney General has not made a request under this paragraph, the division of the court shall determine on its own motion whether termination is appropriate under this paragraph no later than 2 years after the appointment of an independent counsel.

''(3) TERMINATION AFTER 2 YEARS.—

''(A) GENERAL RULE.—Except as provided in subparagraph (B), the term of an independent counsel shall terminate at the expiration of 2 years after the date of appointment of the independent counsel and any matters under investigation by the independent counsel shall be transferred to the Attorney General.

''(B) EXCEPTIONS.—

''(i) GOOD CAUSE.—An independent counsel may petition the division of the court to extend the investigation of the independent counsel for up to 1 year for good cause. The division of the court shall determine whether the grant of such an extension is warranted and determine the length of each extension.

''(ii) DILATORY TACTICS.—If the investigation of an independent counsel was delayed by dilatory tactics by persons that could provide evidence that would significantly assist the investigation, an independent counsel may petition the division of the court to extend the investigation of the independent counsel for an additional period of time equal to the amount of time lost by the dilatory tactics. If the division of the court finds that dilatory tactics did delay the investigation, the division of the court shall extend the investigation for a period equal to the delay.

''(c) AUDITS.—

''(1) IN GENERAL.—On or before June 30 of each year, an independent counsel shall prepare a statement of expenditures for the 6 months that ended on the immediately preceding March 31. On or before December 31 of each year, an independent counsel shall prepare a statement of expenditures for the fiscal year that ended on the immediately preceding September 30. An independent counsel whose office is terminated prior to the end of the fiscal year shall prepare a statement of expenditures on or before the date that is 90 days after the date on which the office is terminated.

''(2) COMPTROLLER GENERAL REVIEW.—The Comptroller General shall—

''(A) conduct a financial review of a mid-year statement and a financial audit of a year-end statement and statement on termination; and

''(B) report the results to the Committee on the Judiciary, Committee on Governmental Affairs, and Committee on Appropriations of the Senate and the Committee on the Judiciary, Committee on Government Reform, and Committee on Appropriations of the House of Representatives not later than 90 days following the submission of each statement.

''§ 597. Relationship with Department of Justice

''(a) SUSPENSION OF OTHER INVESTIGATIONS AND PROCEEDINGS.—Whenever a matter is in the prosecutorial jurisdiction of an independent counsel or has been accepted by an independent counsel under section 594(e), the Department of Justice, the Attorney General, and all other officers and employees of the Department of Justice shall suspend all investigations and proceedings regarding that matter, except to the extent required by section 594(d)(1), and except insofar as the independent counsel agrees in writing that the investigation or proceedings may be continued by the Department of Justice.

''(b) PRESENTATION AS AMICUS CURIAE PERMITTED.—Nothing in this chapter shall prevent the Attorney General or the Solicitor General from making a presentation as amicus curiae to any court as to issues of law raised by any case or proceeding in which an independent counsel participates in an official capacity or any appeal of such a case or proceeding.

''§ 598. Severability

''If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of this chapter and the application of that provision to other persons not similarly situated or to other circumstances shall not be affected by that invalidation.

''§ 599. Termination of effect of chapter

''This chapter shall cease to be effective 5 years after the date of enactment of the Independent Counsel Reform Act of 1999, except that this chapter shall continue in effect with respect to then pending matters before an independent counsel that in the judgment of that counsel require the continuation until that independent counsel determines those matters have been completed.''.

SEC. 3. ASSIGNMENT OF JUDGES TO DIVISION TO APPOINT INDEPENDENT COUNSELS.

Section 49 of title 28, United States Code, is amended to reads as follows:

''§ 49. Assignment of judges to division to appoint independent counsels

''(a) IN GENERAL.—Beginning with the 3-year period commencing on the date of the enactment of the Independent Counsel Reform Act of 1999, 3 judges shall be assigned for each successive 3-year period to a division of the United States Court of Appeals for the District of Columbia to be the division of the court for the purpose of appointing independent counsels. The Clerk of the United States Court of Appeals for the District of Columbia Circuit shall serve as the clerk of the division of the court and shall provide such services as are needed by the division of the court.

''(b) OTHER JUDICIAL ASSIGNMENTS.—Except as provided in subsection (e), assignment to the division of the court shall not be a bar to other judicial assignments during the term of the division of the court.

''(c) DESIGNATION AND ASSIGNMENT.—The Chief Justice of the United States shall designate and assign by a lottery of all circuit court judges, 3 circuit court judges 1 of whom shall be a judge of the United States Court of Appeals for the District of Columbia, to the division of the court. Not more than 1 judge may be named to the division of the court from a particular court.

''(d) VACANCY.—Any vacancy in the division of the court shall be filled only for the remainder of the 3-year period in which that vacancy occurs and in the same manner as initial assignments to the division of the court were made.

''(e) RECUSAL.—Except as otherwise provided in chapter 40 of this title, no member of the division of the court who participated in a function conferred on the division of the court under chapter 40 of this title involving an independent counsel shall be eligible to participate in any judicial proceeding concerning a matter that—

''(1) involves that independent counsel while the independent counsel is serving in that office; or

''(2) involves the exercise of the independent counsel's official duties, regardless of whether the independent counsel is still serving in that office.''.

SUMMARY OF INDEPENDENT COUNSEL STATUTE

1. Limits applicability of the statute to the President, Vice President, members of the Cabinet, and the President's Chief of Staff.

2. Eliminates the provision which allowed the AG to begin a preliminary investigation and appoint an IC with regard to any individual when she believed that investigating this person may result in a personal, financial or political conflict of interest.

3. Eliminates the provision which allowed the AG to begin a preliminary investigation and appoint an IC to investigate a Member of Congress.

4. Grants the AG the power to convene a grand jury and issue subpoenas during the preliminary investigation.

5. Increases the length of the preliminary investigation from 90 to 120 days and increases the length of the extension from 60 to 90 days (to allow more time given the AG's new powers and the higher standard for appointing an IC).

6. Lowers the standard for not appointing an IC due to the suspect's lack of mens rea from ''clear and convincing evidence'' that he/she lacked the requisite state of mind to a ''preponderance of evidence'' that he/she lacked the requisite state of mind.

7. Changes the standard necessary for appointing an IC from ''reasonable grounds to believe that further investigation is warranted'' to ''substantial grounds to believe that further investigation is warranted.''

8. Requires that the IC be selected from a list of candidates comprised of 5 individuals recommended by the chief judge of each Federal circuit.

9. Provides that an IC shall have ''appropriate experience including, to the extent practicable, prosecutorial experience.''

10. Provides that an IC shall have ''no actual or apparent personal, financial or political conflict of interest.''

11. Requires that the IC conduct the investigation on a full-time basis.

12. Eliminates the provision which allows the AG to expand the jurisdiction of an independent counsel beyond his/her original mandate (such as the additions of Filegate, Travelgate, etc. to Starr's original Whitewater mandate).

13. Provides that the IC can investigate only topics in his original jurisdiction or those ''directly related'' thereto.

14. Provides that DOJ employees can be detailed to the IC in a number which is ''reasonably related to the number of staff ordinarily assigned by the Department to conduct an investigation of similar size and complexity.''

15. Eliminates the provision which provided that the IC need not comply with written or established DOJ policies ''to the extent doing so would be inconsistent with the purposes'' of the statute.

16. Provides a mechanism for aggrieved parties to appeal directly to the AG when they believe that the IC has failed to observe written DOJ policies or guidelines. If the AG determined that the IC has in fact violated the guidelines in a manner that has caused a cognizable harm to the complaining party, the AG may file a motion with the Division of the Court seeking appropriate injunctive or declaratory relief.

17. Limits the IC's final report to one which sets forth only a list of indictments brought by the IC, the outcomes of each indictment, and a summary of expenses.

18. Provides that the IC shall submit an annual budget to the AG and the GAO. The GAO shall review the budget and submit a written appraisal of the budget to the IC and the House and Senate Governmental Affairs Committee and Appropriations Committee.

19. Provides for expedited review of all matters relating to an investigation and a prosecution by an IC.

20. Deletes the requirement of a report to Congress of any substantial and credible information that may constitute grounds for an impeachment.

21. Defines the ''good cause'' for which an AG can remove an IC as a physical or mental disability, a knowing, willful and material failure to comply with relevant, written Department of Justice guidelines, and a personal, financial or political conflict of interest.

22. Provides a 2 year time limit for IC investigation. Empowers the Special Division of the Court to extend this period for additional one year periods for good cause, and to extend this period to make up for dilatory tactics.

23. Provides that the judges of the Special Division of the Court shall be chosen through a lottery of circuit judges (instead of the current system where the Chief Justice chooses them). Extends period of service on the Special Division from 2 to 3 years.

INDEPENDENT COUNSEL REFORM ACT OF 1999—SECTION-BY-SECTION SUMMARY

Sec. 1: Short Title: ''Independent Counsel Reform Act of 1999''.

Sec. 2: Independent Counsel Statute

United States Code Chapter 40, title 28 is replaced by this Act.

§ 591. Applicability of provisions of this chapter

The Attorney General shall conduct a preliminary investigation whenever there is specific and credible evidence that a covered person may have violated Federal criminal law. Covered persons include the President, the Vice President, the President's cabinet, and the Chief of Staff.

The Attorney General shall determine the need for a preliminary investigation based

only on the specificity of the information and the credibility of the source. The Attorney General shall determine whether grounds to investigate exist within 30 days of receiving the information.

Before making any other determinations, the Attorney General shall determine if recusal is necessary and submit this determination in writing to the special court.

§ 592. Preliminary investigation and application for appointment of an independent counsel

The Attorney General shall make a determination regarding the appointment of an independent counsel within 120 days after the preliminary investigation is commenced. The special court shall be notified of the commencement of that preliminary investigation.

During the preliminary investigation, the Attorney General shall have no authority to plea bargain or grant immunity, but will possess the authority to convene grand juries and issue subpoenas.

The Attorney General shall not base a determination to decline the appointment of an independent counsel upon the state of mind of the target unless there is a preponderance of evidence that the target lacked the requisite criminal intent.

At the expiration of the 120 day period, the Attorney General may apply to the special court for a single extension of not more than 90 days.

If the Attorney General determines that there are no substantial grounds to believe that further investigation is warranted, the Attorney General shall notify the special court. Notification shall consist of a summary of the information received and the results of the preliminary investigation.

The Attorney General shall apply to the special court for the appointment of an independent counsel if the Attorney General determines there are substantial grounds to believe that further investigation is warranted or the 120 day period granted for preliminary investigation has elapsed without proper notification to the special court.

In making this determination, the Attorney General shall comply with the written and established policies of the Department of Justice.

If the Attorney General receives additional information after notifying the special court of a decision not to seek an independent counsel, the Attorney General shall conduct an additional preliminary investigation for a period of no more than 120 days.

The Attorney General's determination on the appointment of an independent counsel shall not be reviewable by any court.

Congress may request in writing that the Attorney General apply for the appointment of an independent counsel. No later than 30 days after a congressional request, the Attorney General must report on the status of the preliminary investigation or the reasons for not investigating.

If the preliminary investigation is initiated in response to a congressional request, any communication to the special court shall be supplied to the persons requesting the investigation. If no application for the appointment of an independent counsel is made, the Attorney General shall submit a report explaining the decision.

§ 593. Duties of the division of the court

Upon receipt of an application, the special court shall appoint an appropriate independent counsel and define the independent counsel's prosecutorial jurisdiction. The appointment shall be made from the list of candidates comprised of five individuals recommended annually by the chief judge of each federal circuit.

An independent counsel shall have appropriate experience, including prosecutorial experience if practical. An independent counsel shall have no actual or apparent conflict of interest and shall conduct the investigation on a full-time basis and shall not hold any office of profit or trust under the United States.

The independent counsel shall have the authority to fully investigate and prosecute the subject matter of the appointment and all matters directly related to the prosecutorial jurisdiction and the proper investigation of the subject matter. ''Directly related'' includes federal crimes, other than certain misdemeanors, that impede the investigation such as perjury and obstruction of justice.

The identity and prosecutorial jurisdiction of the independent counsel shall not be made public until any indictment is returned or criminal information is filed unless the Attorney General requests such public disclosure or the special court determines it is in the best interest of justice.

The special court shall have no authority to overrule the determination of the Attorney General not to investigate further.

If a vacancy in office arises, the special court shall appoint another independent counsel to complete the work. If the vacancy arises by reason of removal, the appointment shall be of a temporary nature until any judicial review of the removal is completed.

If no indictment is brought against the subject of the investigation, the special court may award the subject reasonable attorneys' fees. The independent counsel and the Attorney General shall determine if the fees requested are reasonable.

§ 594. Authority and duties of an independent counsel

The independent counsel shall have full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice except that the Attorney General shall exercise control over matters that specifically require the Attorney General's personal attention under section 2516 of title 18. These include the following: Conducting proceedings before grand juries; engaging in any litigation considered necessary; appealing any decision of a court in which the independent counsel participates officially; reviewing all documentary evidence; determination of an assertion of testimonial privilege; receiving necessary national security clearances; application for a grant of immunity to witnesses, or for warrants, subpoenas or other court orders; exercising the authority of the Attorney General for the purposes of section 6003, 6004 and 6005 of title 18, and section 6103 of the Internal Revenue Code of 1986; inspecting, obtaining or using any tax return; initiating and conducting prosecutions in any court, framing and signing indictments, filing informations and handling all aspects of any case in the name of the United States; and consulting with the United States Attorney for the appropriate district.

Travel expenses shall be compensated. After one year of service, commuting costs shall not be reimbursed unless the special court certifies that it is in the public interest. Relevant factors include cost of reimbursement, time period of office, burden of relocation and burden of appointing a different independent counsel.

An independent counsel may request assistance from the Department of Justice, which shall be provided within reason. The costs relating to the establishment and operation of any office of independent counsel shall be paid through the Department of Justice and reported to the Congress within 30 days of the end of the fiscal year.

The Attorney General or the special court may refer ''directly related'' matters to the independent counsel, who can also request that such matters be referred.

An independent counsel shall comply with the written and established policies of the Department of Justice, except when such policies require the approval of the Department of Justice. The independent counsel shall comply with all guidelines dealing with classified material.

A person who is a target, witness or defendant or otherwise directly affected by the investigation, who has reason to believe that the independent counsel is violating a written Department of Justice policy that is material to the investigation, may ask the Attorney General to investigate whether there has been a violation. The Attorney General shall respond in writing within 30 days. If the Attorney General determines that there has been a violation of written policy material to the investigation, the Attorney General may ask the special court to order appropriate relief.

The independent counsel may dismiss matters within his or her prosecutorial jurisdiction if it is consistent with Department of Justice policy.

The independent counsel shall report to the special court every 6 months and before termination of the office. The 6-month period report shall include explanations of expenses, and estimates of future expenses. The termination report shall include summaries of expenses and disposition of legal actions taken.

The special court may release appropriate sections of the reports if it is appropriate to protect the rights of any individual named in the report. At the request of an independent counsel, past reports may be printed and made available to the public.

The independent counsel may have no other paid employment and any person with an associated firm may not represent anyone under investigation by the independent counsel. Appointees may not represent anyone under investigation. The independent counsel and appointees may not represent a subject of the investigation for three years. Those parties and an associated law firm are banned for one year from representing any person in any matter involving this chapter.

The independent counsel shall conduct all activities with due regard for expenses and authorize only reasonable and lawful expenditures. An appointee making an invalid certification will be held liable. An independent counsel shall comply with the established expenditure policies of the Department of Justice.

The independent counsel shall within 90 days of appointment submit a budget for the first year, and thereafter on an annual basis. This budget shall be submitted to the Attorney General and the General Accounting Office (''GAO''). The GAO shall review the annual budget and submit a written appraisal to Congress.

It shall be the duty of the courts of the United States to expedite matters relating to an investigation and prosecution by an independent counsel.

§ 595. Congressional oversight

The appropriate committees of Congress shall have oversight jurisdiction. The independent counsel shall submit annually a report on the activities of the independent counsel omitting confidential matters, but sufficient to justify the expenditures.

Within 15 days of a request from an appropriate congressional committee, the Attorney General shall provide the following: when the information regarding the case was received, the starting date of the preliminary investigation, and whether an application for an independent counsel or notification of no further investigation has been filed.

§596. Removal of an independent counsel; termination of office

An independent counsel may only be removed from office by the Attorney General for ''good cause,'' physical or mental disability, or any other condition that impairs the performance of the independent counsel's duties. Good cause include a knowing and material failure to comply with the written policies of the Department of Justice, or an actual conflict of interest

Upon removal of an independent counsel, the Attorney General shall submit a report to the special court and the appropriate congressional committees specifying the facts found and the ultimate grounds for the removal. This report shall be made public with necessary protections for the rights of any named individual.

The independent counsel may request judicial review of his or her removal. Remedies may include reinstatement or other appropriate relief.

The independent counsel shall notify the Attorney General when the matters within the prosecutorial jurisdiction have been completed, or completed to the point that it would be appropriate for the Department of Justice to complete those investigations. The independent counsel shall file the final report. The special court may terminate an office of the independent counsel on the same grounds within two years of appointment and thereafter on an annual basis.

The term of an independent counsel shall terminate after two years except for good cause or dilatory tactics. The special court shall review all requests for extensions and may grant an extension for additional one year periods.

By June 30th and December 31st of each year, the independent counsel shall prepare a statement of expenditures covering the previous 6 months. The Comptroller General shall conduct a financial review of the statements and submit the results to the appropriate congressional committees.

§597. Relationship with the Department of Justice

Whenever a matter is within the prosecutorial jurisdiction of the independent counsel, the Department of Justice shall suspend all investigation, except if the independent counsel agrees in writing that the matter may be continued by the Department of Justice.

Nothing in this chapter shall prevent either the Attorney General or the Solicitor General from presenting an amicus curiae brief on matters involving the jurisdiction of the independent counsel.

§598. Severability

If any provision of this chapter is held invalid, the remainder of this chapter not similarly situated shall not be affected by that invalidation.

§599. Termination of effect of chapter

This chapter shall sunset five years after the date of enactment.

Sec. 3: Assignment of Judges to Division to Appoint Independent Counsels

Section 49 of title 28, United States Code, is amended to read as follows:

§49. Assignment of judges to division to appoint independent counsel

Three judges shall be assigned for a period of three years to a division of the United States Court of Appeals for the District of Columbia to be the special court for the purpose of appointing independent counsels. This shall not be a bar to other judicial assignments. Assignment shall be by lottery. Vacancies shall be filled by lottery only for the remainder of the assignment. These judges shall not be eligible to participate in any judicial proceeding concerning a matter that involves the independent counsel while the independent counsel is in office, or a matter involving the exercise of the independent counsel's official duties.

Mr. SPECTER. Mr. President, I ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I have sought recognition for 2 additional minutes to comment about an amendment which I will seek to add when this statute is considered. It is one where I am proceeding by myself. That is a provision to have a mandamus action to compel the Attorney General to appoint an independent counsel where there is an abuse of discretion. It is my view that independent counsel should have been appointed on campaign finance reform, as recommended by FBI Director Louis Freeh and special counsel Charles LaBella.

I will ask consent that at the conclusion of the remarks which I am now making, there be included a draft complaint which I had prepared to compel the appointment of independent counsel.

This draft complaint was never filed because at each stage where it appeared warranted to pursue mandamus, the Attorney General would take some action on extension of investigation, and then it became interwoven with the impeachment proceedings so the time was never quite right. There was a complex issue on standing, although at one time we almost had an agreement by the chairman of the House Judiciary Committee and the chairman of the Senate Judiciary Committee to have their sponsorship, perhaps if not all of the Republicans in each committee, a majority of the Republicans, which would have provided standing for a report and, by analogy, perhaps, standing for such a lawsuit.

I do believe that when independent counsel is again considered and this statute sponsored by the four of us will be ready, willing, and able to proceed, the issue of a mandamus action ought to be considered.

I ask unanimous consent that the text of this draft complaint be printed in the RECORD to preserve the factual allegations for later reference on the general principle of the need for a mandamus provision.

There being no objection, the complaint was ordered to be printed in the RECORD, as follows:

[United States District Court for the District of Columbia, Civil Action No.]

PLAINTIFFS *vs.* THE HONORABLE JANET RENO, ATTORNEY GENERAL, DEPARTMENT OF JUSTICE, DEFENDANT.

COMPLAINT

Plaintiffs, by counsel, complain as follows:

COME NOW Plaintiffs, and for cause of action against Defendant, allege as follows:

JURISDICTION

1. This court has jurisdiction by reason of (1) 28 U.S.C. section 1361, which confers jurisdiction over any action in the nature of mandamus to compel an officer or employee of the United States, or any agency thereof, to perform a duty owed to the plaintiff; (2) 5 U.S.C. section 702, which confers jurisdiction over any action to compel an agency of the United States to perform a duty which has been unreasonably withheld; and (3) by reason of its general Federal Question jurisdiction under 28 U.S.C. section 1331.

THE PARTIES AND STATUTORY BACKGROUND

2. This is an action to compel the Attorney General of the United States of America to comply with statutory provisions set forth in the Independent Counsel Statute, 28 U.S.C. sections 591–599 (hereinafter ''The Act'').

3. [Plaintiffs comprise a majority of the Republican members of the House and Senate Judiciary Committees.] Section 592(g) of the Act provides that a majority of the majority party members of the House or Senate Judiciary Committee shall have the authority to request that the Attorney General apply for appointment of an independent counsel.

4. Defendant is the Attorney General of the United States and is charged with the duty of carrying out the provisions of the Act by reason of the requirements set forth in 28 U.S.C. sections 591–595.

5. Section 591 of the Act provides that the Attorney General ''shall'' conduct a preliminary investigation whenever the Attorney General receives specific and credible information which is ''sufficient to constitute grounds to investigate'' whether a covered person under the Act ''may have violated'' any Federal criminal law. Such covered persons include the President and the Vice President.

6. Section 592(c) of the Act provides that the Attorney General ''shall'' apply to the special division of the circuit court for appointment of an independent counsel if the Attorney General determines, after reviewing specific and credible evidence, that there are ''reasonable grounds to believe that further investigation is warranted.''

FACTUAL BACKGROUND

7. The following factual background sets forth specific and credible information sufficient to require the Attorney General to apply for appointment of an independent counsel under the provisions of the Act cited above. This information has been organized as follows:

I. National Security Information Withheld from the President. The Attorney General found that there was sufficient evidence of illegal activity by the President to justify withholding certain national security information from him. Since the evidence was sufficiently compelling to justify such an extreme denial of presidential prerogative, the same evidence is sufficiently specific and credible so as to warrant appointment of independent counsel.

II. Criminal Violations. The Attorney General has ignored specific and credible evidence of at least two violations that warrant appointment of an independent counsel to investigate the President and/or the Vice President:

A. *Coordination between the President and the DNC.* There is specific and credible evidence that President Clinton engaged in illegal coordination of expenditures by the DNC on its television advertising campaign.

B. *Conspiracy to Violate and Evade the Campaign Finance Laws.* There is specific and credible evidence that the President, Vice President, and other high-ranking officials acted in concert to violate the Federal Election Campaign Act.

III. The Failure of the Department of Justice's Investigation and Estoppel of the Attorney General.

A. *Failure of the Department of Justice's Campaign Finance Investigation.* After over one year of investigation, the Justice Department's campaign finance task force has suffered a series of embarrassments and can point to little visible achievement. If a credible investigation is to take place, it must be done by an independent counsel.

B. *Estoppel of the Attorney General.* Attorney General Reno has stated before Congress that there is an inherent conflict whenever senior Executive Branch officials are to be investigated by the Justice Department and its appointed head, the Attorney General. Furthermore, Attorney General Reno has, until the present, complied with the view she expressed before Congress by appointing independent counsels to investigate Executive Branch officials on four separate occasions. Given the Attorney General's statements and pattern of behavior, and Congress' detrimental reliance thereon, Attorney General Reno is estopped from refusing to appoint an independent counsel in the instant case.

I. NATIONAL SECURITY INFORMATION WITHHELD FROM THE PRESIDENT AND SECRETARY OF STATE

8. The Federal Election Campaign Act provides that ''it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value . . . in connection with an election to any political office. . . .'' 2 U.S.C. 441e(a). A ''foreign national'' is defined as someone who is not a citizen of the United States and who is not lawfully admitted for permanent residence in the United States. 2 U.S.C. 441e(b).

9. *National Security Information Withheld from the President.* On June 3, 1996, the F.B.I. briefed two members of the White House National Security Council (the ''N.S.C.'') on intelligence of Chinese Government efforts to buy influence in the United States government through political contributions. Also in June, the F.B.I. provided individual, classified briefings to 6 members of Congress, warning them that they may have been targeted by the Chinese Government to be the recipients of illegal campaign contributions.

10. President Clinton was not informed of the F.B.I. briefing to the N.S.C. and became aware of it only after reading a February, 1997 report in the Washington Post. After learning about the June briefing, President Clinton explained on March 10, 1997, that the two N.S.C. officials had not reported the F.B.I. briefing to their superiors because the F.B.I. agents involved, ''asked that they [the N.S.C. officials] not share the briefing, and they honored the request.'' Also on March 10, White House Press Secretary Michael McCurry stated that the two N.S.C. officials who received the briefing were ''adamant in recalling specifically that they were urged by [by the FBI] not to disseminate the information outside the briefing room.''

11. President Clinton further stated on March 10 that such national security information should not have been withheld from him. The President stated, ''I should have known. No, I did not know. If I had known, I would have asked the N.S.C. and the chief of staff to look at the evidence and make whatever recommendations were appropriate.''

12. *National Security Information Withheld from the Secretary of State.* On February 18, 1997 White House Counsel Charles Ruff wrote to Deputy Attorney General Jamie Gorelick asking for information about the possible involvement of Chinese officials and citizens in a purported plan to make illegal contributions to American political campaigns. He sought this information in order to brief Secretary of State Madeline Albright, who was preparing to make an official visit to China in late February. Mr. Ruff's letter stressed that he did not want information that might interfere with ''any criminal investigation.''

13. The New York Times reported (March 25, 1997) that F.B.I. and Justice Department officials prepared a thorough response to Mr. Ruff's letter but, at the request of F.B.I. Director Freeh, this response was never sent. As a result, Secretary of State Albright was denied critical information at a time when she was embarking upon a diplomatic mission to Beijing.

14. In response to this decision to withhold this information from the Secretary of State, President Clinton stated on March 26, 1997 that, ''I think everyone understands that there are significant national security issues at stake here and that the White House, the National Security Council, and the Secretary of State, as well as the President, need to know when the national security issues are brought into play.''

15. On April 30, 1997, Attorney General Janet Reno appeared before the Senate Judiciary Committee for an oversight hearing. At this hearing, Senator Arlen Specter questioned the Attorney General about these reports that the FBI and the Justice Department had withheld national security information from President Clinton and the Secretary of State because the President is a subject in a criminal investigation. In response, Attorney General Reno acknowledged that Director Freeh had told National Security Advisor Sandy Berger that ''he [Freeh] would not go into certain matters because of the ongoing criminal investigation.''

16. In an op-ed piece published in the Washington Post on May 22, 1997, Senator Arlen Specter noted the inconsistency in Attorney General Reno's position: ''Since the facts of the underlying investigation are sufficiently serious in the judgement of the Attorney General to deny the president 'significant national security' data, how can they possibly be insufficiently 'credible' and 'specific' to justify not appointing independent counsel?''

II. CRIMINAL VIOLATIONS

17. There is specific and credible evidence that the President and Vice President have committed criminal violations of the Federal Election Campaign Act (''FECA''). The Attorney General has therefore violated the letter and the spirit of the Independent Counsel Statute by failing to appoint an independent counsel to investigate these allegations.

A. Illegal Coordination of Expenditures of DNC Money by President Clinton

18. There is specific and credible evidence that President Clinton committed a criminal violation of FECA by personally drafting, editing, and planning a series of television advertisements paid for by Democratic National Committee soft money.

19. ''Hard money'' is money which is raised pursuant to the caps, restrictions, and reporting requirements of FECA. Hard money can be spent in connection with a specific campaign for Federal office. ''Soft money'' is money that is not governed by the restriction of FECA and can therefore be raised in unlimited amounts. Soft money cannot be spent in connection with specific campaigns for Federal office and must be used for general party building activities.

20. As one of the conditions for receiving $61.8 million in Federal funding for their 1996 general election campaign, President Clinton and Vice President Gore signed a letter to the Federal Election Commission in which they pledged that in exchange for the Federal funding they would not spend any additional money on their campaign.

21. After signing the pledge, President Clinton actively participated in raising funds for the DNC beyond these limits. According to Federal Election Commission records, the President helped raise $27 million in hard and soft money for the DNC through the White House coffees, and an additional $6 million in hard and soft money for the DNC from overnight guests in the Lincoln Bedroom.

22. President Clinton also actively participated in spending DNC money through close coordination with the DNC of the expenditures made on a major television advertising campaign.

23. Former White House Chief of Staff Leon Panetta, appearing on the March 9, 1997 edition of NBC's ''Meet the Press,'' acknowledged that President Clinton helped direct the expenditure of approximately $35 million in DNC soft money on television campaign commercials.

24. Former Presidential advisor Richard Morris, in his book Behind the Oval Office (p. 144), describes his first-hand knowledge of the coordination which took place between President Clinton and the DNC: ''[T]he President became the day-to-day operational director of our TV-ad campaign. He worked over every script, watched each ad, ordered changes in every visual presentation, and decided which ads would run when and where. He was as involved as any of his media consultants were. The ads became not the slick creations of admen but the work of the president himself. . . . Every line of every ad came under his informed, critical, and often meddlesome gaze. Every ad was his ad.''

25. Section 441a(a)(7)(B)(I) of FECA states that: ''Expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate.'' By this standard, all of the money spent by the Democratic National Committee (''DNC'') on express advocacy commercials, as defined under FECA, that were designed, edited and/or purchased in consultation and co-ordination with the Clinton campaign and the President personally were contributions to the Clinton campaign under FECA. The President knowingly violated FECA by (1) coordinating the contributions by the DNC and (2) accepting and expending contributions in violation of his commitment to limit expenditures to the public financing.

26. Violations of FECA are criminal violations when they are done ''knowingly and willfully'' and involve contributions or expenditures aggregating $2,000 or more. 2 U.S.C. 437g(d)(1)(A).

27. The Federal Election Commission has defined express advocacy ads as: ''Communications using phrases such as 'vote for President,' 'reelect your Congressman,' 'Smith for Congress,' or language which, when taken as a whole and with limited reference to external events, can have no other reasonable meaning that to urge the election or defeat of a clearly identified federal candidate.'' 11 CFR 100.22.

28. On April 30, 1997, Attorney General Janet Reno appeared before the Senate Judiciary Committee for an oversight hearing. At this hearing, Senators Arlen Specter and Fred Thompson questioned the Attorney General about the coordination between the DNC and the President. The Attorney General acknowledged that coordination between President Clinton and the DNC ''was presumed at the time by the FEC.'' The Attorney General further stated that ''it would be the content'' which controlled whether or not the law was violated, thereby acknowledging that such coordination would be illegal if the advertisements so produced were advocacy ads.

29. Senator Specter then asked Attorney General Reno the following question:

Attorney General Reno . . . I ask you if this advertisement . . . can be anything other than express advocacy. . . . It reads as follows:

'Head Start, student loans, toxic cleanup, extra police, anti-drug programs—Dole-Gingrich wanted them cut. Now, they're safe, protected in the 1996 budget because the president stood firm. Dole-Gingrich—deadlock, gridlock, shutdowns. The president's plan—finish the job, balance the budget, reform welfare, cut taxes, protect Medicare. President Clinton gets it done. Meet our challenge, protect our values.'

Can that possibly be language taken as a whole which does anything other than urge the election expressly of President Clinton?

30. In response to this question, the following exchange took place between Attorney General Reno and Senator Specter:

RENO: Based on the processes that have been established by the Department of Justice, the MOU with the elections commission, this is a situation in which we would not find specific and credible evidence that a crime had been committed that would justify triggering the statute.

SPECTER: Well, Attorney General Reno, that is conclusory. A critical step along the way is your legal judgment as to whether that is express advocacy.

RENO: At this point, the career lawyers who have worked on this issue, who are familiar with the election law, I have met with them. We have discussed it, and they do not believe that it could support a prosecution.

SPECTER: Are you familiar with these ads, Attorney General Reno?

RENO: I have not seen the ads. I have read what could be called the transcripts of the ads.

SPECTER: Well, can you say—listen, I don't have to make a point that you're the attorney general. You have career lawyers. Have you gone over these ads with them specifically to ask them?

RENO: I have specifically gone over the ads. I have read the ads and have discussed the ads and discussed what is involved.

SPECTER: And have your career lawyers told you that the ad I just read to you is not express advocacy?

RENO: What they have told me is that based on their understanding of the law, their structure of the election law, that we could not sustain a prosecution.

SPECTER: Well, I understand your conclusion. But my question to you is a lot more specific than that: Have you gone over that ad with your career prosecutors, and they told you that was issue advocacy . . .

RENO: No, I have not.

SPECTER: Well, Attorney General Reno, I would like to submit these to you, and I would like you to give us your judgment as to whether they are express advocacy or not—your judgment on them. . . . And this is not a judgment for the Federal Election Commission alone. This is jurisdiction for the attorney general of the Department of Justice, because the Federal Election Commission statute has criminal penalties.

31. Senator Arlen Specter wrote to Attorney General Reno on May 1, 1997 requesting a legal judgment as to whether the ads in question constitute express advocacy. A true and correct copy of the May 1, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint. Senator Specter included in his letter the following texts of the DNC advertisements:

'American values. Do our duty to our parents. President Clinton protects Medicare. The Dole/Gingrich budget tried to cut Medicare $270 billion. Protect families. President Clinton cut taxes for millions of working families. The Dole/Gingrich budget tried to raise taxes on eight million of them. Opportunity. President Clinton proposed tax breaks for tuition. The Dole/Gingrich budget tried to slash college scholarships. Only President Clinton's plan meets our challenges, protects our values.

'60,000 felons and fugitives tried to buy handguns—but couldn't—because President Clinton passed the Brady Bill—five-day waits, background checks. But Dole and Gingrich voted no. One hundred thousand new police—because President Clinton delivered. Dole and Gingrich? Vote no, want to repeal 'em. Strengthen school anti-drug programs. President Clinton did it. Dole and Gingrich? No again. Their old ways don't work. President Clinton's plan. The new way. meeting our challenges, protecting our values.

'America's values. Head Start. Student loans. Toxic cleanup. Extra police. Protected the budget agreement; the president stood firm. Dole, Gingrich's latest plan includes tax hikes on working families. Up to 18 million children face health care cuts. Medicare slashed $167 billion. Then Dole resigns, leaving behind gridlock he and Gingrich created. The president's plan: Politics must wait. Balance the budget, reform welfare, protect our values.

'Head Start. Student Loans. Toxic Cleanup. Extra police. Anti-drug programs. Dole, Gingrich wanted them cut. Now they're safe. Protected in the '96 budget—because the president stood firm. Dole, Gingrich? Deadlock. Gridlock. Shutdowns. The president's plan? Finish the job, balance the budget. Reform welfare. Cut taxes. Protect Medicare. President Clinton says get it done. Meet our challenges. Protect our values.

'The President says give every kid a chance for college with a tax cut that gives $1,500 a year for two years, making most community colleges free, all colleges more affordable . . . And for adults, a chance to learn, find a better job. The president's tuition tax cut plan.

'Protecting families. For million of working families, President Clinton cut taxes. The Dole-Gingrich budget tried to raise taxes on eight million. The Dole-Gingrich budget would have slashed Medicare $270 billion. Cut college scholarships. The president defended our values. Protect Medicare. And now, a tax cut of $1,500 a year for the first two years of college. Most community colleges free. Help adults go back to school. The president's plan protects our values.'

32. By letter dated June 19, 1997, Attorney General Reno refused to respond to Senator Specter's request and instead referred the request to the Federal Election Commission (''FEC''). A true and correct copy of the June 19, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint. By letter dated June 26, 1997, the FEC responded that it would not respond to Senator Specter's inquiry because the letter was not in the form of a formal complaint to the Commission. A true and correct copy of the June 26, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

33. The President conceded that these DNC ads were advocacy advertisements intended to further his candidacy in remarks he made at a December 7, 1995 DNC luncheon at the Hay Adams Hotel in Washington. The President said the following in remarks which were captured on videotape: ''Now we have come way back. . . . But one of the reasons has been . . . we have been running these ads, about a million dollars a week. . . . So I cannot overstate to you the impact that these paid ads have had in the areas where they've run. Now we're doing better in the whole country. . . . [I]n areas where we've shown these ads we are basically doing ten to fifteen points better than in areas where we are not showing them. . . . And then we realized that we could run these ads through the Democratic Party which meant that we could raise money in twenty and fifty and hundred thousand dollar lots, and we didn't have to do it all in thousand dollars and run down—you know—what I can spend which is limited by law.

34. The facts outlined above constitute sufficient specific and credible evidence to make a prima facie case that the President committed criminal violations of FECA through the knowing and wilful coordination of the expenditure of DNC soft money. The Attorney General has therefore violated the letter and the spirit of the Indpendent Counsel statute by failing to appoint an independent counsel to investigate these allegations.

B. Conspiracy to Violate and Evade the Campaign Finance Laws.

35. 18 U.S.C. 371 provides that a conspiracy to commit an offense against the United States is a criminal offense punishable by up to 5 years in prison. Participation in a conspiracy to violate the Federal campaign finance laws is therefore a criminal violation.

36. After the Democrats lost control of both houses of Congress in the 1994 elections, President Clinton and his associates realized that in order to win reelection in 1996, the Clinton campaign would need to raise large sums of money. President Clinton's former senior advisor, George Stephanopoulos, wrote in Newsweek (March 10, 1997) that President Clinton's reelection would ''take cash, tons of it, and everybody from the President on down knew it. So money became a near obsession at the highest levels. We pulled out all the stops: overnights at the White House, coffees, intimate dinners at Washington hotels, you name it.''

37. As the events detailed below reveal, ''pulling out all of the stops'' included ignoring the Federal election law. Accordingly, the White House plan to aggressively pursue campaign contributions was, in practice, a conspiracy to evade and violate the Federal election laws.

38. The acts detailed below were all acts in furtherance of this conspiracy. There is specific and credible evidence that President and Vice President participated in this conspiracy by trading access to the President, Vice President and other Executive Branch officials for political contributions, trading access to the White House for political contributions, engaging in fundraising activities from Federal property, granting public office for political contributions, and soliciting campaign contributions from illegal sources.

Use of the White House for Fundraising—The May 1 Coffee

39. President Clinton personally engaged in fundraising activities from the executive offices of the White House. On April 29, 1997, the Democratic National Committee (''DNC'') sent a memorandum to President Clinton which identified five individuals invited to attend a May 1 coffee at the White House. The following personal note is typed at the top of the memo, ''Mr. President. . . the five attendees of this coffee are $100,000 contributors to the DNC.'' In addition, there is a notation on the first page of the memo which reads, ''President has seen, 5/1/96.'' A true and correct copy of the April

29, 1997 memorandum is attached hereto as Exhibit . All of the contents of the attached memorandum are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

40. On May 1, 1996, President Clinton held a coffee in the Oval Office which was attended by the five individuals listed in the DNC memo. Federal Election Commission (''FEC'') filings show that within one week of the coffee, four of the five attendees (Peter Mathias, Samuel Rothberg, Barrie Wigmore, and Robert Menschel) had contributed $100,000 each to the DNC. A true and correct copy of a printout from the FEC database of contributors is attached hereto as Exhibit . All of the contents of the attached printout are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

Use of the White House for Fundraising—Overnights in the Lincoln Bedroom

41. President Clinton used the opportunity to spend the night at the White House as a tool to raise funds from large contributors. The overnights in question were arranged by the Democratic National Committee, not the President, and thus do not fall into the category of the President using his residence to entertain friends.

42. White House records indicate that between 1993 and 1996, 178 individuals who were not personal friends of the President or First Family spent the night at the White House. These 178 individuals contributed a total of over $5 million to the DNC during the '96 election cycle. A true and correct copy of the list of 178 overnight guests provided by the White House to the Senate Governmental Affairs Committee is attached hereto as Exhibit . All of the contents of the attached list are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint

43. The Senate Governmental Affairs Committee obtained a list of the dates on which 51 of these 178 individuals spent the night in the White House. Of these 51 individuals, 49 contributed a total of over $4 million to the DNC during the 1996 election cycle. Furthermore, of these 38 families represented by these 51 individuals, 37 families, or 98%, contributed to the DNC during the 1996 election cycle. 21 of the 38 families, or over 50% percent, contributed a total of $900,000 to the DNC within one month of their stay at the White House. A true and correct copy of this list of 51 overnight guests is attached hereto as Exhibit . All of the contents of the attached list are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

The Solicitation of R. Warren Meddoff

44. Appearing before the Senate Governmental Affairs Committee on September 19, 1997, Mr. Warren Meddoff testified to the facts set forth in paragraphs 35, 36 and 37 below.

45. At a fund-raising dinner on October 22, 1996 at the Biltmore Hotel in Coral Gables, Florida, Mr. Meddoff handed one of his business cards to President Clinton with the following message written on the back of the card, ''I have an associate that it interested in donating $5 million to your campaign.''

46. After reading this message, the President stopped to speak with Mr. Meddoff and stated that someone from his staff would contact him. Two days later, on October 24, the President's Deputy Chief of Staff, Mr. Harold Ickes, called Mr. Meddoff and left a message on his answering machine. On October 26, Mr. Ickes called Mr. Meddoff again, this time from Air Force One, and discussed the possibility that an associate of Mr. Meddoff would contribute as much as $55 million to the DNC over the course of the year.

47. On October 29 or 30, Mr. Ickes called Mr. Meddoff again and asked for an immediate contribution of $1.5 million within 24 hours. On the next morning, Mr. Ickes sent Mr. Meddoff a fax with detailed instructions on where to send the money. Mr. Ickes later called Mr. Meddoff and requested that he shred the fax.

Mr. Roger Tamraz's Contributions

48. Appearing before the Senate Governmental Affairs Committee on September 18, 1997, Mr. Roger Tamraz testified that he gave a total of $300,000 in contributions to the DNC and state Democratic parties during the 1996 campaign. On March 28, 1996, at Mr. Tamraz's request, the DNC's Richard Sullivan drafted a memorandum to Mr. Tamraz listing the Democratic entities to which Mr. Tamraz had contributed and the amounts he had contributed to each entity as of that date. A true and correct copy of the March 28, 1996 memorandum is attached hereto as Exhibit . All of the contents of the attached memorandum are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint

49. In his September 18 testimony, Mr. Tamraz stated that ''the only reason'' he contributed this money was to gain access to the President and senior government officials. Mr. Tamraz was promoting a plan to build an oil pipeline from the Caspian Sea region of Central Asia to the Mediterranean and was hoping to receive assistance from the Federal government.

50. Mr. Tamraz further testified that, following this donation, Mr. Tamraz was invited to six social functions at the White House. At one of these events, he spoke to President Clinton briefly about the proposed pipeline. Asked whether or not he got his ''money's worth'' for the $300,000 he gave, Mr. Tamraz replied, ''I think next time I'll give $600,000.''

51. Appearing before the Senate Governmental Affairs Committee on September 17, 1997, Ms. Sheila Heslin, a former official with President Clinton's National Security Council, testified that she was concerned about Mr. Tamraz's ''shady reputation'' and advised the White House not to agree to any formal policy meetings with him.

52. Ms. Heslin further testified that she received calls to pressure her to drop her opposition to Roger Tamraz from Don Fowler of the Democratic National Committee, Jack Carter of the Department of Energy, and a CIA officer referred to publicly as ''Bob of the CIA.'' Ms. Heslin testified, for example, that Jack Carter told her that ''he [Mr. Tamraz] has already given $200,000, and if he got a meeting with the President, he would give the DNC another $400,000.'' When Ms. Heslin persisted in her opposition, Mr. Carter told her not to be ''such a Girl Scout.''

Mr. John Huang in the Commerce Department and the DNC

53. On July 18, 1994, John Huang began to serve as the Deputy Assistant Secretary for International Trade and Economic Policy at the U.S. Department of Commerce. Huang's supervisor at the Commerce Department, Commerce Undersecretary Jeffrey Garten, found Huang ''totally unqualified'' for his position and limited his activities to administrative duties.

54. Prior to working at the Commerce Department, John Huang had been the chief U.S. representative of the Lippo Group. The Lippo Group is a multi-billion dollar firm based in Indonesia with large investments in the Far East and China. The Lippo Group is controlled by Mochtar and James T. Riady, longtime friends and financial backers of President Clinton dating back to his days as governor of Arkansas.

55. The Lippo Group has extensive investments and contacts throughout China and is currently involved in dozens of large-scale joint ventures in China, including construction and development of apartment complexes, office buildings, highways, ports, and other infrastructure. Appearing before the Senate Governmental Affairs Committee on July 15, 1997, Mr. Thomas Hampsen, president of a business research and investigation firm, testified that ''the record is very clear that the Lippo Group has shifted its strategic center from Indonesia to the People's Republic of China.'' Mr. Hampsen noted that Lippo's principal partner in China is ''China Resources,'' a company wholly owned by the Chinese Government. Mr. Hampsen further testified that ''the People's Republic of China uses China Resources as an agent of espionage, economic, military, and political.''

56. Documents from the Lippo Group and its subsidiaries show that, upon leaving the Lippo Group for a much lower paying job at the Commerce Department, Huang received a bonus of over $700,000. A true and correct copy of the Lippo Group documents detailing John Huang's bonus are attached hereto as Exhibit . All of the contents of the attached documents are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

57. Records from the U.S. Secret Service show that during his tenure at the Commerce Department, and despite the fact that he was a relatively low level functionary there, Huang made 67 visits to the White House. A true and correct copy of a list of the dates on which the visits took place and, where available, the visitee is attached hereto as Exhibit . All of the contents of the attached list are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

58. While he was at the Commerce Department, Huang was given top secret security clearance. Appearing before the Senate Governmental Affairs Committee on July 16, 1997, Mr. John H. Dickerson, a CIA agent who handled issues relating to the Commerce Department, testified that he gave John Huang 37 confidential intelligence briefings in which he showed Huang hundreds of confidential documents. Mr. Dickerson further testified that he gave Mr. Huang 12 finished intelligence reports—10 classified ''secret'' and 2 classified ''confidential''—which Mr. Huang kept in his possession until the end of his tenure at the Commerce Department. Mr. Dickerson further stated that Huang had a particular interest in China and Taiwan.

59. Appearing before the Senate Governmental Affairs Committee on July 17, 1997, Mr. John H. Cobb, an attorney with the staff of the Governmental Affairs Committee, testified that Mr. Huang had over 300 contacts (phone conversations, faxes and meetings) with the Lippo Group and Lippo-related individuals during his tenure at the Commerce Department. Many of these calls were made from his Commerce Department office. In addition, other calls were made from the offices of Stephen's, Inc., a Little Rock-based investment bank with an office across the street from the Commerce Department, where Huang regularly went to send and receive faxes and make phone calls.

60. Shortly after he left the Commerce Department in December, 1995, John Huang was appointed Finance Vice-Chairman of the DNC. During his 9 months at the DNC, he raised $3.4 million, nearly half of which was returned as illegal, inappropriate or suspect.

John Huang's Solicitation of Funds in the Presence of the President in the White House

61. In his appearance before the Senate Governmental Affairs Committee on September 16, 1997, Mr. Karl Jackson, a former Assistant to the Vice President for National Security Affairs from 1991 to 1993, testified that Mr. John Huang solicited money in front of and within hearing distance of the President in the White House. Mr. Jackson was present at a coffee held in the Map Room of the White House on June 18, 1996 at which the President, John Huang, and eleven others were present. Mr. Jackson testified that after everyone had taken their seats and were listening to opening comments, Mr. Huang stood up and said, ''Elections cost money, lots and lots of money, and I am sure that every person in this room will want to support the re-election of President Clinton.''

62. A photograph taken of all of the attendees of the June 18 coffee at their seats demonstrates that Mr. Jackson, who heard Mr. Huang clearly, sat four seats away from Mr. Huang. The President was seated next to Mr. Jackson and only three seats away from Mr. Huang. The President did not object to Mr. Huang's comments or disassociate himself from them. A true and correct copy of the photograph and a legend are attached hereto as Exhibit . All of the contents of the attached photograph and legend are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

Mr. Wang Jun and the Possible Laundering of Foreign Contributions

63. Mr. Wang Jun is the chairman of the state-owned China International Trade and Investment Corp. (''CITIC''), a $21 billion conglomerate. One of CITIC's subsidiaries, Poly Technologies, is one of Beijing's leading weapons companies and has been tied to an attempt to smuggle $4 million worth of AK–47s into the United States. Wang Jun is the son of Wang Zing, who was the Vice President of China.

64. In a deposition taken by the Senate Governmental Affairs Committee on June 18, 1997, Ernest Green, a managing director of the Washington office of Lehman Brothers investment bank, stated that he had written a letter to Wang Jun inviting him to the United States. At the time, Lehman Brothers was competing for underwriting business in the vastly expanding Chinese market.

65. On February 5, 1996, a copy of Wang Jun's bio was faxed to the DNC from Lehman Brothers' offices. A true and correct copy of the fax of Wang Jun's bio received by the DNC is attached hereto as Exhibit . All of the contents of the attached fax are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

66. On February 6, 1996, Wang Jun attended a coffee with President Clinton at the White House. On the morning of this coffee, Mr. Green contributed $50,000 to the DNC. A true and correct copy of the check signed by Mr. Green's wife, Phyllis Clause-Green, is attached hereto as Exhibit . All of the contents of the attached check are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

67. In his June 18, 1996 deposition, Mr. Green testified that towards the end of February, he received a bonus of approximately $50,000 from Lehman Brothers. Mr. Green had already received a bonus of $114,961 on February 1, 1996. The grant of a $50,000 bonus so quickly following Mr. Green's $50,000 donation to the D.N.C. gives rise to the inference that Lehman Brothers, not Mr. Green, was the true source of the contribution to the DNC. Making contributions ''in the name of another person'' is prohibited by FECA. 2 U.S.C. 441f.

Vice President Gore and the Hsi Lai Buddhist Temple Fundraiser

68. Vice President Gore appeared at a fundraiser in the Hsi Lai Buddhist Temple in Los Angeles on April 29, 1996. The fundraiser at the Temple was illegal since the Temple is a tax-exempt institution which cannot engage in political activity. The Vice President has maintained that he did not know that the event at the Temple was a fundraiser.

69. There is evidence that Vice President Gore did know ahead of time that the Hsi Lai Temple event was a fundraiser. In a deposition taken by the Senate Governmental Affairs Committee on August 6, 1997, the Venerable Man-Ho, an administrative assistant at the Hsi Lai Buddhist Temple, stated that on March 15, 1996, there was a meeting at the White House between Vice President Gore, Hsi Lai Temple Venerable Master Hsing Yun, John Huang, and Maria Hsia. The Los Angeles Times (9/5/97) has reported that Gore was invited to visit the Temple during this meeting. The involvement at the meeting of Huang (a DNC fundraiser) and Hsia (a long-time Gore fundraiser) should have suggested to Gore that the Temple event was planned as a fundraiser from the beginning. The presence of Huang and Hsia at the Temple when Gore arrived should have further suggested to Vice President Gore that this event was a fundraiser.

70. Following the March 15 meeting, Vice President Gore responded via e-mail to an aide (Kimberly H. Tilley) who inquired about whether the Vice President could attend a New York event the night before the April 29 Los Angeles trip. In his e-mail, Vice President Gore stated ''If we have already booked the fundraisers, then we have to decline.'' This demonstrates that the Vice President knew that the Temple event was a fundraiser, since he used the plural term ''fundraisers'' and the only acknowledged fundraiser he attended on April 29 was a dinner at a home near San Jose. A true and correct copy of a print-out of the Vice President's e-mail message to Kimberly Tilley is attached hereto as Exhibit . All of the contents of the attached print-out are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

71. The facts outlined above constitute sufficient specific and credible evidence to make a prima facie case that the President, Vice President, and other high-ranking executive branch officials conspired to violate the Federal campaign finance laws in order to raise large sums of money to spend on the 1996 presidential campaign. The Attorney General has therefore violated the letter and the spirit of the Independent Counsel Statute by failing to appoint an independent counsel to investigate these allegations.

Johnny Chung, Loral, Inc. and the Launching of American Satellites by China

72. On March 14, 1996, the White House announced that President Clinton had decided to transfer control over export licensing for communications satellites from the State Department to the Commerce Department. This decision makes it much easier for American companies to get permission to export their satellites to be launched by Chinese rockets. (The New York Times, 5/17/98). In February, 1998, the White House gave permission to Loral Space and Communications Ltd. to launch one of its satellites on a Chinese rocket. (The Washington Post, 5/17/98)

73. One of the parties that benefitted from the waivers and eased export restrictions is China Aerospace Corporation, a state-owned company with interests in satellite technology, missile sales and rocket launches. Contracts to launch American satellites are crucial to the financial viability of these ventures. (The New York Times, 5/15/98)

74. Democratic fundraiser Johnny Chung has told Department of Justice investigators that an executive from China Aerospace named Liu Chao-Ying gave him $300,000 to donate to the Democrats' 1996 campaign. According to Mr. Chung, Ms. Liu told him that the money originated with Chinese military intelligence. Mr. Chung has stated that he funneled $100,000 of this money into Democratic party coffers. (The New York Times, 5/16/98)

75. Liu Chao-Ying is a lieutenant colonel in China's People's Liberation Army and vice-president of China Aerospace International Holdings, Ltd., the Hong Kong arm of China Aerospace Corporation. Ms. Liu's father, General Liu, was China's top military officer and a member of the Politburo of China's Communist party. (The New York Times, 5/15/98)

76. Johnny Chung brought Ms. Liu to two fundraisers attended by the President on July 22, 1996. The first fundraiser was a $1,000 a plate affair at the Beverly Hilton. The second fundraiser was a $25,000 per couple dinner at the home of a private donor. At the dinner, Ms. Liu had her picture taken with President Clinton. (The New York Times, 5/15/98)

77. Two American companies, Loral Space and Communications Ltd. and Hughes Electronic Corp., also benefited from the waivers and eased export restrictions on commercial satellites. These companies wanted permission to launch their satellites on Chinese rockets to cut costs and shorten the waiting period prior to launch. These companies repeatedly lobbied the White House to allow them to launch their satellites on Chinese rockets. (The New York Times, 5/17/98)

78. In 1996, a rocket carrying a $200 million Loral satellite crashed upon launch from China. Following this crash, scientists from Loral and Hughes allegedly advised the Chinese on how to improve their guidance systems by sharing technology that had not been cleared for export. (The Washington Post, 5/17/98) A classified Pentagon report concluded that the technology transferred to the Chinese by these companies can be used to significantly improve the accuracy of China's long-range missiles aimed at the United States. (The Chicago Tribune, 4/13/98)

79. The Justice Department started a criminal investigation to determine if Loral and Hughes had illegally transferred technology to the Chinese. That investigation was still underway in February, 1998, when Hughes and Loral petitioned the White House for another waiver to launch a satellite from China. The Justice Department objected to this waiver, arguing that its ability to pursue its investigation would be severely hindered if the government allowed Loral and Hughes to return to China under the same arrangement they had allegedly abused two years earlier. The White House granted the waiver. (The Washington Post, 5/17/98)

80. According to an official familiar with this investigation, the White House decision, ''just about killed a major investigation involving a very sensitive national security issue. On the one hand you have investigators and prosecutors needing to be taken seriously so they can gather information, and then on the other hand the White House is saying that suspicions . . . are not serious enough to keep these companies from going back and doing it all over again.'' (The Washington Post, 5/17/98)

81. Loral's Chief Executive Officer, Bernard L. Schwartz, was the single largest donor to the Democratic party in 1996. According to

the Center for Responsive Politics, Mr. Schwartz gave $632,000 in ''soft money'' donations to the DNC in advance of the 1996 elections. (The Washington Post, 5/17/98). According to the Center for Responsive Politics, Mr. Schwartz has given an additional $421,000 to Democrats in the current election cycle. (The Washington Post, 5/6/98)

III. BEHAVIOR OF THE ATTORNEY GENERAL AND THE DEPARTMENT OF JUSTICE

A. Failure of the Justice Department's Campaign Finance Investigation

82. Attorney General Reno has repeatedly insisted that there is no need to appoint an independent counsel to investigate the campaign finance activity during the 1996 presidential election because the Department of Justice's own Campaign Finance Task Force was conducting a professional and effective investigation. Yet in the two years it has been conducting its investigation, the Task Force has proved unable to handle this matter.

83. In March, 1996, it was revealed that Vice President Gore had solicited campaign contributions from his White House office.

84. For more than five months following Vice President Gore's public defense of his phone calls, Justice Department investigators did not review Vice President Gore's assertion that he acted legally in seeking these contributions from his White House office in 1995–96 and solicited only soft money.

85. On September 3, the Washington Post reported that more than $120,000 raised by Vice President Gore through these phone calls had actually been deposited into legally restricted ''hard money'' accounts maintained by the DNC. This report was based on White House and DNC records that had been available to the public. Only after reading the report, Attorney General Reno ordered a 30-day review of the Vice President's phone calls, the first step in the legal procedure leading to appointment of an independent counsel.

86. On September 5, the Attorney General acknowledged that she learned of the deposits to hard money accounts from the press: ''The first I heard of it was when I saw the article in the Washington Post . . . . It is my understanding that this is the first time the public integrity section learned of it, as well.''

87. On September 20, the Justice Department announced that Attorney General Reno had decided to open a review of President Clinton's fund raising calls from the Oval Office. On September 22, the Washington Post reported that the records that convinced Attorney General Reno to open this review had been turned over to the Justice Department task force several months prior to the decision to open the review, but the Task Force had not examined the documents until that week. The delay in examination was attributed to confused document-handling procedures within the campaign finance task force.

88. On September 11, 1997, Attorney General Reno, FBI Director Freeh and CIA Director Tenet briefed the Senate Governmental Affairs Committee on some matters relating to the campaign finance investigation. At this briefing it was revealed that the Department of Justice had critical information in its files for two years relating to possible illegal contributions without advising the Governmental Affairs Committee without knowing it had the information in the first place.

89. Specifically, CIA Director Tenet advised the Committee that a particular individual (whose identity is confidential) who had been identified in many news accounts as a major foreign contributor to political campaigns and campaign committees, made these contributions as part of a plan of the government of China to buy influence in the United States government through political contributions. According to Senator Arlen Specter, FBI Director Freeh further advised the Committee that one of the reports upon which the briefing was based had been in the FBI's files for over two years, since September/October 1995, and a second report had been on file since January, 1997.

90. On September 16, 1997, Senator Arlen Specter made the following comments about the September 11 briefing from the floor of the Senate: ''In those briefings, Senators learned that the Department of Justice had critical information in its files for a long time on the issue of possible illegal foreign contributions without advising the Governmental Affairs Committee and, apparently, without knowing it had the information or acting on it. That again shows the necessity for Independent Counsel to be appointed to investigate the 1996 Federal campaign illegalities and irregularities.''

91. These failures of the Justice Department Campaign Finance Task Force have been attributed in part to a policy, pattern and practice which prevented the task force from investigating the President, Vice President and other high level officials covered by the Independent Counsel Statute (''covered persons.'')

92. On October 3, 1997, the Washington Post reported that Justice Department prosecutors determined that the law prohibited them from looking at the activities of ''covered persons'' unless presented with ''specific'' and ''credible'' allegations that such covered persons had committed a crime. This approach prevented the Justice Department prosecutors from focusing on or even interviewing senior administration officials, thus insuring that covered persons would be among the last implicated in any possible misdeeds. According to one Justice Department lawyer involved in the investigation, ''You can't ask someone whether a covered person committed a crime.'' That approach and mindset demonstrated the DoJ Task Force could not and did not handle this matter thus calling for Independent Counsel.

93. The Act does not mandate such a passive investigatory approach. The Act requires ''specific and credible'' evidence of wrongdoing by covered persons before the Attorney General is required to appoint an independent counsel. Nowhere does the Act require ''specific and credible evidence'' of wrongdoing before the Department of Justice can investigate a covered person on its own.

94. This policy demonstrates that the Justice Department has simply ignored evidence of violations by covered persons and, contrary to its public pronouncements, has failed to conduct a competent investigation of the evidence that has been presented to it.

B. Estoppel of the Attorney General

95. In her May 14, 1993 opening statement before the Senate Committee on Governmental Affairs on the reauthorization of the Independent Counsel Statute, Attorney General Reno stated: ''The reason that I support the concept of an independent counsel with statutory independence is that there is an inherent conflict whenever senior Executive Branch officials are to be investigated by the Department and its appointed head, the Attorney General. The Attorney General serves at the pleasure of the President. . . . It is absolutely essential for the public to have confidence in the system and you cannot do that when there is conflict or an appearance of conflict in the person who is, in effect, the chief prosecutor. There is an inherent conflict here, and I think that is why this Act is so important.''

96. Commenting on the Independent Counsel Statute, Attorney General Reno, at the same May 14, 1993 reauthorization hearing, stated: ''The Independent Counsel Act was designed to avoid even the appearance of impropriety in the consideration of allegations of misconduct by high-level Executive Branch officials and to prevent, as I have said, the actual or perceived conflicts of interest. The Act thus served as a vehicle to further the public's perception of fairness and thoroughness in such matters, and to avert even the most subtle influences that may appear in an investigation of highly-placed Executive officials.''

97. During most of her tenure in office, Attorney General Reno has interpreted the Act in a manner consistent with these statements. On seven previous occasions she sought appointment of independent counsels when presented with evidence of possible violations by covered officials:

A. On May 11, 1998, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that Labor Secretary Alexis Herman accepted payments in return for directing clients towards a consulting firm operated by her friend and a colleague.

B. On February 11, 1998, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that Interior Secretary Bruce Babbitt allowed contributions to the Democratic party to influence his policy decisions.

C. In November of 1996, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that Eli Segal, head of the AmeriCorps program, raised illegal campaign contributions.

D. In July of 1995, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that former Commerce Secretary Ron Brown improperly accepted a $50,000 payment from a former business partner and then filed inaccurate financial disclosure statements.

E. In March of 1995, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that former Housing and Urban Development Secretary Henry Cisneros misled the FBI about payments he made to his former mistress.

F. In September of 1994, Attorney General Reno requested the appointment of an independent counsel to investigate allegations that former Agriculture Secretary Mike Espy violated the law by accepting gifts from companies regulated by his Department.

G. In January of 1994, Attorney General Reno requested the appointment of an independent counsel to investigate President Clinton's Whitewater real estate venture.

98. Congress relied upon the Attorney General's statements and record when amending and then reauthorizing the Independent Counsel Statute subsequent to the hearing. Accordingly, no Senator saw a need to amend the statute to clarify or emphasize the requirement that independent counsel be appointed in circumstances such as those reflected in the facts recited above.

99. Given the Attorney General's statements and pattern of behavior, and Congress' detrimental reliance thereon, Attorney General Reno is estopped from refusing to appoint an independent counsel in the instant case.

C. Conflict of Interest

100. Section 591(c) of the Act provides that the Attorney General ''may'' conduct a preliminary investigation of any person whenever the Attorney General (1) receives specific and credible information which is ''sufficient to constitute grounds to investigate'' whether such person ''may have violated'' any Federal criminal law, and (2) determines that an investigation or prosecution of such

person by the Department of Justice ''may result in a personal, financial, or political conflict of interest.''

101. The independent Counsel statute presumes that it would present a conflict of interest for the Attorney General to investigate the President or Vice President.

102. The Department of Justice campaign finance task force has indicted five individuals with close ties to the President and/or Vice President (as detailed below). Accordingly, the investigation of the five individual currently under indictment will inevitably involve the Justice Department in investigating the President and Vice President. In order to avoid the conflict of interest presented by such an investigation, the Attorney General should exercise her discretion under the Act and appoint an independent counsel.

Howard Glicken

Finance Vice Chairman of the DNC during the 1996 campaign.

Raised over $2 million for the Democratic party during the 1996 campaign.

Made over 70 visits to the Clinton White House.

Served as Vice President Gore's Florida Finance Chairman during his 1988 Presidential bid.

Maria Hsia

Accompanied Vice President Gore on a trip to Taiwan paid for by a Buddhist organization in 1989.

Organized a $250–a-plate Beverly Hills fund-raiser for Gore's 1990 Senate re-election campaign.

Helped organize April 29, 1996 fund-raising lunch at the Hsi Lai Buddhist Temple attended by Vice President Gore which raised $140,000 for the DNC.

Yah Lin ''Charlie'' Trie

Owned a Chinese Restaurant in Little Rock, Arkansas, frequented by President Clinton during his tenure as Governor of Arkansas.

Raised $640,000 for President Clinton's legal defense fund in 1995–96.

Raised $645,000 for the Democratic party in 1995–96.

Made at least 23 visits to the Clinton White House.

Johnny Chung

Contributed $366,000 to the DNC between August 1994 and August 1996.

Contributed $50,000 to the DNC on March 9, 1995. Handed check to Hillary Clinton's Chief of Staff, Maggie Williams, at the White House.

Two days later, Mr. Chung and a delegation of six Chinese officials were admitted to watch President Clinton tape his weekly radio address.

Made at least 49 visits to the Clinton White House.

Pauline Kanchanalak

Raised $679,000 for the Democratic Party and candidates.

Visited the Clinton White House 26 times.

Appointed Managing Trustee of the DNC.

Recommended by the White House for a position on an executive trade policy committee.

D. Additional Facts relating to the Attorney General's Refusal to Appoint Independent Counsel

Letters to Attorney General Reno from the Senate and House Judiciary Committees and Others

103. On March 13, 1997, Senate Judiciary Committee Chairman Hatch and all Republican members of the Committee sent a letter to Attorney General Reno setting forth, in great detail, evidence of involvement by individuals and associations, including foreign interests, that point to potential involvement by senior Executive Branch officials. The letter also notes the ''inherent conflict of interest'' in the Attorney General investigating the Executive Branch, and calls on the Attorney General to commence a preliminary investigation. A true and correct copy of the March 13, 1997 letter is attached as Exhibit ——. All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

104. On April 14, 1997, the Attorney General responded by letter to Chairman Hatch that she would not initiate a preliminary investigation under the Act. A true and correct copy of the April 14, 1997 letter is attached hereto as Exhibit ——. All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

105. On October 11, 1996 Senator John McCain wrote to the Attorney General requesting that she appoint an independent counsel. Senator McCain wrote to the Attorney General again on October 29, 1996 in a joint House-Senate letter. True and correct copies of the October 11, 1996 and October 29, 1996 letters are attached hereto as Exhibit —— and ——, respectively. The allegations contained in Exhibits —— and —— are incorporated herein by reference. All of the contents of the attached letters are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

106. On September 3, 1997, House Judiciary Committee Chairman Hyde and all of the Republican members of the Committee sent a letter to Attorney General Reno setting forth, in great detail, the alleged wrongdoings of the Clinton Administration in the 1996 campaign. The letter requests that the Attorney General apply for the appointment of an independent counsel to investigate these matters. A true and correct copy of the September 3, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

107. On November 13, 1997, House Judiciary Committee Chairman Hyde and a majority of the Republican members of the Committee sent a letter to Attorney General Reno setting forth, in great detail, the allegation that the U.s. Department of the Interior made policy changes in exchange for campaign contributions. The letter calls on Attorney General Reno to immediately request appointment of an independent counsel to investigate these allegations. A true and correct copy of the November 13, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

The Preliminary Investigations and Failure to Appoint an Independent Counsel

108. On September 3, 1997, Attorney General Reno launched a preliminary investigation under The Act into allegations that Vice President Gore may have violated Federal law by making fund-raising telephone calls from his office in the White House.

109. On October 14, 1997, Attorney General Reno launched a preliminary investigation under The Act into allegations that President Clinton may have violated Federal law by making fund-raising telephone calls from the Oval Office.

110. On November 25, 1997, Senator Arlen Specter wrote to Attorney General Reno setting forth in great detail the reasons why her focus on the issue of fund-raising telephone calls in both preliminary investigations was too limited. Senator Specter noted that there is ''substantial evidence of wrongdoing which meets the specific and credible threshold in the Independent Counsel Statute'' and cited five specific examples of issues other than the telephone calls which require appointment of independent counsel. A true and correct copy of the November 25, 1997 letter is attached as Exhibit . All of the contents of the attached letter are hereby incorporated by reference as part of the factual and evidentiary basis for the relief sought in this complaint.

111. On December 2, 1997, Attorney General Reno announced that she decided not to seek an independent counsel to investigate these allegations against the President and Vice President. On the same day, she formally advised the special panel of three judges who oversee the appointment of independent counsel that ''there are no reasonable grounds'' for further investigation.

112. On August 26, 1998, Attorney General Reno launched a preliminary investigation under The Act into allegations that Vice President Gore lied when he told investigators that he did not know that a percentage of the money he raised from the White House went into hard money accounts. The investigation was initiated after the Department of Justice received evidence that the Vice President had attended a meeting in which the division of such funds into both hard and soft money was discussed.

113. On November 24, 1998, Attorney General Reno announced that she decided not to seek an independent counsel to investigate the allegations that Vice President Gore lied to the campaign finance investigators. On the same day, she formally advised the special panel of three judges who oversee the appointment of independent counsels that ''there are no reasonable grounds'' for further investigation of the allegations against the Vice President.

114. On September 1, 1998, Attorney General Reno launched a preliminary investigation under The Act into allegations that former White House deputy chief of staff Harold Ickes lied to the Senate Governmental Affairs Committee about whether he made efforts to aid the Teamsters Union in exchange for campaign contributions.

115. On November 30, 1998, at the end of the 90-day preliminary investigation, Attorney General Reno decided to delay her decision whether to appoint an independent counsel to investigate Harold Ickes. On that date, Attorney General Reno requested and received from the special three judge panel a 60-day extension of the preliminary investigation into Ickes.

Rejection of Advice from Top Investigators to Appoint an Independent Counsel

116. In deciding not to appoint an independent counsel, Attorney General Reno rejected the advice that had been given to her by two individuals she had placed at the top of the Justice Department's campaign finance investigation: Louis Freeh and Charles LaBella.

117. On October 15, 1997, Attorney General Reno testified before the House Judiciary Committee that she had given FBI Director Louis Freeh a leading role in the Justice Department's campaign finance inquiry and that no avenues of investigation would be closed without Freeh's approval.

118. On December 9, 1997, Director Freeh testified before the House Committee on Government Reform and Oversight that he had recommended to Attorney General Reno that she appoint an independent counsel with respect to the campaign finance investigation. It was later disclosed that in a 22–

page memorandum to the Attorney General explaining his conclusions, Director Freeh concluded that, ''It is difficult to imagine a more compelling situation for appointing an independent counsel.''

119. In September, 1997, Attorney General Reno appointed Charles G. LaBella to direct the Justice Department's campaign finance investigation task force.

120. On May 3, 1998, Mr. LaBella issued a statement confirming that he had recommended to Attorney General Reno that she appoint an independent counsel to investigate whether President Clinton and Vice President Gore violated the law by making telephone solicitations from their offices.

121. On July 16 or 17, 1998, Mr. LaBella delivered a detailed report to Attorney General Reno arguing that she had no alternative but to seek an independent prosecutor to investigate political fund-raising abuses in President Clinton's reelection campaign. In particular, Mr. LaBella concluded that there is enough specific and credible evidence of wrongdoing by high-ranking officials to trigger the mandatory provisions of the Independent Counsel statute. The report was based on all of the evidence gathered by the Department's task force including confidential evidence and grand jury testimony not available to the public.

122. September, 1997, Attorney General Reno appointed James V. DeSarno Jr. to serve as special F.B.I. agent in charge of the campaign finance investigation task force.

123. On August 4, 1998, Mr. DeSarno testified before the House Committee on Government Reform and Oversight that he agreed with the conclusion in Mr. LaBella's memo that Attorney General Reno has no alternative but to seek an independent counsel to investigate campaign finance violations.

Reliance upon Advice from Secondary Advisors

124. In deciding not to appoint independent counsel, Attorney General Reno relied primarily upon the advice of two individuals further removed from the investigation than Freeh, LaBella and DeSarno: Lee Radek and Robert Litt.

125. Robert. S. Litt has plated an active role in the meetings in which Attorney General Reno has concluded not to appoint Independent Counsel. Mr. Litt was nominated to be chief of the Criminal Division of the Department of Justice in 1995, but was never confirmed for this position. He currently serves as Principal Associate Deputy Attorney General and is the de facto head of the criminal division.

126. Prior to moving to the Department of Justice, Mr. Litt was the law partner of David Kendall, the President's private attorney.

127. Lee Radek is a career bureaucrat who currently serves as chief of the Criminal Division's public integrity section. Mr. Radek and the lawyers working under him have been among the strongest advocates for keeping the inquiry inside the Department of Justice. (New York Times, 12/11/97).

128. Mr. Radek has been openly critical of the independent counsel statute and has rejected the fundamental premise of the law—that the Department of Justice should not be in charge of investigating certain high officials in the executive branch. According to Mr. Radek, ''The independent counsel statute is an insult. It's a clear enunciation by the legislative branch that we cannot be trusted on certain species of cases.'' (New York Times, 7/6/97) Radek also complained that the Independent Counsel statute places his prosecutors in a no-win situation, ''If we do very well in our investigation, we have to turn the case over to an independent counsel. If we don't find anything, then we're criticized for not making the case.'' (New York Times, 7/6/97)

Special Standing of the Senate and House Judiciary Committees to Sue for Enforcement of the Independent Counsel Statute

129. The Act provides that: ''The Committee on the Judiciary of either House of the Congress, or a majority of majority party members or a majority of all non-majority party members of either such committee may request in writing that the Attorney General apply for the appointment of an independent counsel.'' 28 U.S.C. 592(g)(1).

130. The Attorney General must respond in writing to such request and report to the Committees whether she has begun or will begin a preliminary investigation of the matters with respect to which the request was made, and the reasons for her decision. 28 U.S.C. 592(g)(2).

131. This specific inclusion of the Judiciary Committees within the framework of the Act and the role granted these Committees thereunder is evidence that Congress intended to create procedural rights—including the right to sue for enforcement—in members of the Judiciary Committees.

132. Both the D.C. Circuit and the Ninth Circuit have made specific reference to the fact that members of the Judiciary Committees have been given a special oversight role within the scheme of the Act and each court has stated that this role is evidence that Congress intended to create broad procedural rights in the members of these Committees. See *Banzhaf v. Smith*, 737 F.2d. 1167 (D.C. Cir. 1984) and *Dellums v. Smith*, 797 F.2d 817 (9th Cir. 1986).

FIRST COUNT (FOR A WRIT OF MANDAMUS)

133. Plaintiffs repeat and reallege all of the foregoing allegations in the Complaint as if set forth at length herein.

134. Defendant, Attorney General Reno, has been presented with specific and credible evidence pertaining to possible violations of criminal law by covered persons which is sufficient to create reasonable grounds to believe that further investigation is warranted.

135. Given this evidence, Attorney General Reno is required under the Act to make an application to the special division of the circuit court for appointment of an independent counsel.

136. Notwithstanding the duties imposed on her under the Act and repeated requests by Plaintiffs, the Attorney General has refused to apply to the special division of the circuit court for appointment of an independent counsel.

137. The failure of the Attorney General to apply for appointment of an independent counsel despite the evidence that has been presented to her is a violation of her mandatory duty to do so under the Act or, in the alternative, is a gross abuse of her discretion to do so under the Act.

138. The failure of the Attorney General to apply for appointment of an independent counsel injures the plaintiffs, who have requested that she do so in accordance with their special authority under the Act and who have supplied her with information sufficient to trigger such an appointment under the Administrative Procedures Act.

WHEREFORE, the Plaintiffs respectfully pray that the Court require the Defendant, the Attorney General of the United States Janet Reno, to apply to the special division of the circuit court for the appointment of an independent counsel to investigate evidence that criminal violations may have occurred in the 1996 presidential campaign involving covered persons, including possibly the President and/or the Vice President.

SECOND COUNT (FOR A COURT ORDER UNDER THE ADMINISTRATIVE PROCEDURES ACT)

139. Plaintiffs repeat and reallege all of the foregoing allegations in the Complaint as if set forth at length herein.

140. Despite the specific and credible evidence that has been presented to her, the Attorney General has unlawfully withheld and unreasonably delayed applying for the appointment of an independent counsel.

141. The failure of the Attorney General to apply for appointment of an independent counsel injures the plaintiffs, who have requested that she do so in accordance with their special authority under the Act and who have supplied her with information sufficient to trigger such an appointment under the Act.

WHEREFORE, the Plaintiffs respectfully pray that the Court require the Defendant, the Attorney General of the United States Janet Reno, to apply to the special division of the circuit court for the appointment of an independent counsel to investigate evidence that criminal violations may have occurred in the 1996 presidential campaign involving covered persons, including possibly the President and/or the Vice President.

THIRD COUNT (FOR A COURT ORDER)

142. Plaintiffs repeat and reallege all of the foregoing allegations in the Compliant as if set forth at length herein.

143. The failure of the Attorney General to apply for the appointment of an independent counsel despite the specific and credible evidence that has been presented to her is a gross abuse of any discretion she may have to do so under the Act.

144. The failure of the Attorney General to apply for appointment of an independent counsel effectively blocks the proper and orderly administration of justice in the instant case.

145. The failure of the Attorney General to apply for appointment of an independent counsel injures the plaintiffs, who have requested that she do so in accordance with their special authority under the Act and who have supplied her with information sufficient to trigger such an appointment under the Act.

WHEREFORE, the Plaintiffs respectfully pray that the Court exercise its inherent power under common law to issue an order appointing an independent counsel to investigate evidence that criminal violations may have occurred in the 1996 presidential campaign involving covered persons, including possibly the President and/or the Vice President.

FOURTH COUNT (FOR SPECIFIC PERFORMANCE UNDER PROMISSORY ESTOPPEL)

146. Plaintiffs repeat and reallege all of the foregoing allegations in the Complaint as if set forth at length herein.

147. In her May 14, 1993 statement before the Senate Committee on Governmental Affairs on the reauthorization of the Independent Counsel Statute (quoted above), Attorney General Reno made statements which assured the Committee and the Senate that she shared their interpretation of the Independent Counsel Statute and that she understood her obligation to appoint an independent counsel in circumstances such as those reflected in the facts recited above.

148. On four prior occasions during her tenure in office, Attornet General Reno has applied for appointment of an independent counsel. This pattern of conduct further assured the Committee and the Senate that she understood her obligation to appoint an independent counsel in circumstances such as those recited in the facts above.

149. The member of the U.S. Senate relied upon Attorney General's statements and record when amending and then reauthorizing the Independent Counsel Statute subsequent to the hearing. Accordingly, no Senator saw a need to amend the statute to clarify or emphasize the requirement that independent counsel be appointed in circumstances such as those reflected in the facts recited above.

150. The failure of the Attorney General to apply for appointment of an independent counsel injures the plaintiffs, who have requested that she do so in accordance with their special authority under the Act and who have supplied her with information sufficient to trigger such an appointment under the Act.

WHEREFORE, the Plaintiffs respectfully pray that the Court exercise its power under the common law doctrine of promissory estoppel to issue an order appointing an independent counsel to investigate evidence that criminal violations may have occurred in the 1996 presidential campaign involving covered persons, including possibly the President and/or the Vice President.

Dated: December , 1998.

Respectfully submitted,

_____,

Attorney for Plaintiffs.

Mr. SPECTER. I thank the Chair for the extra time, and I yield the floor.

RECESS

The PRESIDING OFFICER. All time having expired, under the previous order, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:38 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

ORDER OF PROCEDURE

The PRESIDING OFFICER. Under the previous order, the time until 3:15 shall be under the control of the Democratic leader.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield such time as I may need under the time allotted to the distinguished Senator from South Dakota.

PATIENTS' BILL OF RIGHTS

Mr. LEAHY. Mr. President, it is interesting when you think of the debate we are in. Here we are as Americans in the richest and most powerful country the world has ever known. There is really no comparison to it. We have the most highly trained and capable health professionals of any nation. Our technology leads the way on the frontiers of medical science. People come from all over the world to train and to be educated in medical science. But at that same time, millions of American families in our Nation with its first-class medical expertise are subject to second-class treatment because of the policies and practices of our health insurance system.

I have to ask, is it really beyond the ability of this great Nation to ensure access and accountability to help these families? Of course it is not. Is this an important enough problem that solving it should be a high priority for this body, the Senate? Of course it is.

Although the President and many of the Senators have done their utmost for years to encourage the Congress to act, I am afraid that the Republican leadership long ago decided that protection for those Americans insured through private managed care plans was just not a priority for us—this despite the fact that we have had calls from nonpartisan groups from every corner of the Nation. The Republican leadership has refused to schedule a full and reasonable debate to consider the vote on the Patients' Bill of Rights.

Certainly from my experience in the Senate it is clear that the only step left is, of course, to bring the Patients' Bill of Rights directly to the floor. I believe we should keep it there until the Republicans, who are in the majority, agree that it merits the priority consideration that we—and I believe most of the American people, Republican and Democrat—strongly believe it does.

I applaud Senator KENNEDY, Senator DURBIN, and many others for leading this vigilance to save the Patients' Bill of Rights. I commend the distinguished Senate Democratic leader, Mr. DASCHLE, for continuing to insist on a reasonable time agreement as he attempts to negotiate with our friends on the other side of the aisle.

I urge our friends in the Republican Party to make the Patients' Bill of Rights a high priority. Let's get on with the debate, vote it up or vote it down, and then go on to the other matters, things such as the agriculture appropriations bill and other business before us.

The Patients' Bill of Rights that we Democrats have presented reflects a fundamental expectation that Americans have about their health care. That expectation is that doctors—not insurance companies—should practice medicine.

To really sum up our Patients' Bill of Rights, we are saying that doctors—not insurance companies—should be the first decisionmakers in your health care. The rights that we believe Americans should have in dealing with health insurers are not vague theories; they are practical, sensible safeguards. You can hear it if you talk to anybody who has sought health care. You can hear it if you talk to anybody who provides health care. I hear it from my wife, who is a registered nurse. I hear it from her experiences on the medical-surgical floors in the hospitals she has worked in. If you want to see how some of them would work in practice, come with me to Vermont. My state has already implemented a number of these protections for the Vermonters who are insured by managed care plans. I am proud Vermont has been recognized nationally for its innovation and achievements in protecting patients' rights.

I consistently hear from Vermonters who are thankful for the actions that the Vermont legislature has taken to ensure patients are protected. But I also hear from those who do not yet fall under these protections.

This Congress should waste not more time and instead make a commitment to the American people that we will fully debate the Patients' Bill of Rights. We must protect those Vermonters who are not covered under current state law. And we must act now to cover every other American who expects fair treatment from their managed care plan.

I am one of many in this body who firmly believe in the importance of this bill. I hope the leadership is listening and I hope they hear what we are saying. It is what Americans are saying.

As I stated at the beginning of this message, millions of American families in this Nation of first-class medical expertise are subject to second-class treatment because of the policies and practices of our health insurance system.

We have heard a lot of ''our bill has this,'' and ''their bill doesn't have that.'' Here are some of the facts. Our Patients' Bill of Rights will protect every patient covered by private managed care plans. And it offers protections that make sense, such as ensuring a patient has access to emergency room services in any situation that a ''prudent layperson'' would regard as an emergency, guaranteeing access to specialists for patients with special conditions, and making sure that children's special needs are met, including access to pediatric specialists when they need it.

Our Patients' Bill of Rights provides strong protections for women. It will provide women with direct access to their ob/gyn for preventive care. Through successful research, we have learned that regular screening can prevent breast cancer and cervical cancer in women of all ages.

We stress the importance of regular visits to ob/gyns to the women in our lives: our mothers, our wives, our daughters, and our sisters. But we make it difficult for these women to receive care by requiring referrals and putting other obstacles in the way of their care. Let us make sure women have the direct access they need and deserve.

Our bill also will give women time to recover when they have undergone surgery. We should let doctors and patients determine if a lengthier hospital stay is necessary, and our bill would let them decide.

Health plans must be held accountable for their actions, just as doctors and hospitals are today. Out Patients Bill of Rights provides a variety of ways to achieve this goal.

First, patients must be able to appeal decisions made by their health plans. In our bill, any decision to deny, delay or otherwise overrule doctor-prescribed treatments could be appealed. And our bill says these appeals must be addressed in a timely manner, especially when the life of a patient is threatened. Patients must have the opportunity to question managed care decisions and insurance companies must be held accountable, especially when they decide to overrule the decisions of a trained health care providers.

Our bill would require an external appeals process through an independent body with the ability and the authority to resolve disputes in a variety of instances. We know this is often a successful way of mediating labor disputes. Why can't it work for our patients, too?

Finally, the Patients' Bill of Rights would allow patients to hold health plans liable for their decisions. This is essential. How can we justify holding our physicians responsible for decisions that they are not really making? Doctors must account for the decisions they make. Why shouldn't health insurers be responsible for theirs?

Differences between patients and their managed care plans can readily be resolved without going to court. But that will not and should not always be the case. We must extend this consumer protection to patients.

Mr. President, let us make the Patients' Bill of Rights the high priority that our families want it to be on our agenda.

DELAYS IN CONSIDERATION OF THE NOMINATION OF RONNIE L. WHITE

Mr. LEAHY. Mr. President, I rise to speak on the question of nominations. We are approaching another Senate recess. We ought to act on judicial nominations, the longstanding vacancies in the Federal courts around this country. This is the fourth extended Senate recess this year. So far this year, the Senate has confirmed only two judicial nominees for the longstanding vacancies that plague the Federal courts. That is one judge per calendar quarter; it is one half a judge per Senate vacation. We should do better.

Let me focus on one: Justice Ronnie White. This past weekend marked the 2-year anniversary of the nomination of this outstanding jurist to what is now a judicial emergency vacancy on the U.S. District Court in the Eastern District of Missouri. He is currently a member of the Missouri Supreme Court.

He was nominated by President Clinton in June of 1997, 2 years ago. It took 11 months before the Senate would even allow him to have a confirmation hearing. His nomination was then reported favorably on a 13–3 vote in the Senate Judiciary Committee on May 21, 1998. Senators HATCH, THURMOND, GRASSLEY, SPECTER, KYL and DEWINE were the Republican members of the committee who voted for him along with the Democratic members. Senators ASHCROFT, ABRAHAM, and SESSIONS voted against him.

Even though he had been voted out overwhelmingly, he sat on the calendar, and the nomination was returned to the President after 16 months with no action.

The President has again renominated him. I call again upon the Senate Judiciary Committee to act on this qualified nomination. Justice White deserves better than benign neglect. The people in Missouri deserve a fully qualified and fully staffed Federal bench.

Justice White has one of the finest records—and the experience and standing—of any lawyer that has come before the Judiciary Committee. He has served in the Missouri legislature, the office of the city counselor for the City of St. Louis, and he was a judge in the Missouri Court of Appeals for the Eastern District of Missouri before his current service as the first African American ever to serve on the Missouri Supreme Court.

Having been voted out of Committee by a 4–1 margin, having waited for 2 years, this distinguished African American at least deserves the respect of this Senate, and he should be allowed a vote, up or down. Senators can stand up and say they will vote for or against him, but let this man have his vote.

The Chief Justice of the United States Supreme Court wrote in his Year-End Report in 1997: ''Some current nominees have been waiting a considerable time for a Senate Judiciary Committee vote or a final floor vote. The Senate confirmed only 17 judges in 1996 and 36 in 1997, well under the 101 judges it confirmed in 1994.'' He went on to note: ''The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down.''

For the last several years I have been urging the Judiciary Committee and the Senate to proceed to consider and confirm judicial nominees more promptly and without the years of delay that now accompany so many nominations. I hope the committee will not delay any longer in reporting the nomination of Justice Ronnie L. White to the United States District Court for the Eastern District of Missouri and that the Senate will finally act on the nomination of this fine African-American jurist.

I have been concerned for the last several years that it seems women and minority nominees are being delayed and not considered. I spoke to the Senate about this situation on May 22, June 22 and, again, on October 8 last year. Over the last couple of years the Senate has failed to act on the nominations of Judge James A. Beaty, Jr. to be the first African-American judge on the Fourth Circuit; Jorge C. Rangel to the Fifth Circuit; Clarence J. Sundram to the District Court for the Northern District of New York; Anabelle Rodriguez to the District Court in Puerto Rico; and many others. In explaining why he chose to withdraw from consideration after waiting 15 months for Senate consideration, Jorge Rangel wrote to the President and explained:

> Our judicial system depends on men and women of good will who agree to serve when asked to do so. But public service asks too much when those of us who answer the call to service are subjected to a confirmation process dominated by interminable delays and inaction. Patience has its virtues, but it also has its limits.

Last year, Senator KENNEDY observed that women nominated to federal judgeships ''are being subjected to greater delays by Senate Republicans than men. So far in this Republican Congress, women nominated to our federal courts are four times—four times—more likely than men to be held up by the Republican Senate for more than a year.''

Justice White remains one of the 10 longest-pending judicial nominations before the Senate, along with Judge Richard Paez and Marsha Berzon.

I have noted that Justice White's nomination has already been pending for over two years. By contrast, I note that in the entire four years of the Bush Administration, when there was a Democratic majority in the Senate, only three nominations took as long as nine months from initial nomination to confirmation—that is three nominations taking as long as 270 days in four years.

Last year the average for all nominees confirmed was over 230 days and 11 nominees confirmed last year alone took longer than nine months: Judge William Fletcher's confirmation took 41 months—the longest-pending judicial nomination in the history of the United States; Judge Hilda Tagle's confirmation took 32 months, Judge Susan Oki Mollway's confirmation took 30 months, Judge Ann Aiken's confirmation took 26 months, Judge Margaret McKeown's confirmation took 24 months, Judge Margaret Morrow's confirmation took 21 months, Judge Sonia Sotomayor's confirmation took 15 months, Judge Rebecca Pallmeyer's confirmation took 14 months, Judge Dan Polster's confirmation took 12 months, and Judge Victoria Roberts' confirmation took 11 months. Of these 11, eight are women or minority nominees. Another was Professor Fletcher, held up, in large measure because of opposition to his mother, Judge Betty Fletcher.

In 1997, of the 36 nominations eventually confirmed, 10 took more than 9 months before a final favorably Senate vote and 9 of those 10 extended over a year to a year and one-half. Indeed, in the four years that the Republican majority has controlled the Senate, the nominees that are taking more than 9 months has grown almost tenfold from 3 nominations to almost 30 over the last four years.

In 1996, the Republican Senate shattered the record for the average number of days from nomination to confirmation for judicial confirmation. The average rose to a record 183 days. In 1997, the average number of days from nomination to confirmation rose dramatically yet again, and that was during the first year of a presidential term. From initial nomination to confirmation, the average time it took for Senate action on the 36 judges confirmed in 1997 broke the 200-day barrier

for the first time in our history. It was 212 days.

Unfortunately, that time is still growing and the average is still rising to the detriment of the administration of justice. Last year the Senate broke its dismal record. The average time from nomination to confirmation for the 65 judges confirmed in 1998 was over 230 days.

Acting to fill judicial vacancies is a constitutional duty that the Senate—and all of its members—are obligated to fulfill. In its unprecedented slowdown in the handling of nominees since the 104th Congress, the Senate is shirking its duty. That is wrong and should end.

As the Senate recesses for the Independence Day holiday, I hope Senators will reflect on this record and the need to maintain the independence of the judiciary by acting more promptly on the nominations of the many fine men and women pending before us. We have 45 nominations still pending, the Senate having only acted on only two all year. The courts are faced with 72 vacancies, many of extensive duration. The Senate recesses with a sorry record of inaction on judicial nominations.

The PRESIDING OFFICER. The Senator from North Dakota.

AGRICULTURE APPROPRIATIONS

Mr. DORGAN. Mr. President, I understand yesterday there was a press conference on the Capitol lawn. They brought in some big, shiny farm tractors and a group of folks held a press conference, with the tractors as a background, wheezing and moaning about the agriculture appropriations bill, saying somehow that bill is getting held up and it will hurt family farmers.

I advise my colleagues, if we had invoked cloture as the majority leader and others wanted with respect to that bill, we would have been prevented the opportunity to offer an amendment on the floor dealing with the farm crisis, an amendment that provides some basic income support to family farmers during this urgent farm crisis. We would not have been able to do that.

Voting yes on cloture, on a bill that the majority leader pulled off the floor and then brought back on a cloture motion, would mean there is no opportunity to vote for some kind of income support package for family farms while there are collapsed prices. We have tried to get that before this Congress.

I sat downstairs at midnight in the emergency conference on appropriations between the House and the Senate. Senator HARKIN and I offered an amendment that would have provided about $5.5 billion in emergency help for family farmers during this collapse of farm prices. We lost on a 14–14 tie vote. Then we tried in the appropriations subcommittee and lost there on a partisan vote.

We intend to offer the amendment on behalf of family farmers on the floor, saying when prices collapse, if this country cares about family farmers, if this Senate is indeed profamily and cares about family farmers and wants to have some family farmers in its future, then it will pass an emergency package to respond to family farmers' needs during this price collapse. We wouldn't have been able to do that if we voted to invoke cloture. We would not have been able to offer the amendment. Now we have people saying somehow those who voted against cloture have disserved the interests of farmers.

The agricultural appropriations bill that came to the floor is a piece of legislation that funds USDA; it funds the research programs and the other programs at USDA. It takes effect October 1. It does not take effect for months.

The delay of the bill is not going to injure, in any way, family farmers. The bill will get passed on time. It will be sent to the President and be signed. Contrary to those standing in front of a tractor yesterday, wheezing and blowing about farm issues—some of whom I bet wouldn't know a bale of hay from a bale of twine—I guarantee before that bill leaves the Senate, we intend to offer an emergency package to say to family farmers: You matter; we are going to help you; when prices collapse, we will help you over the price ''valley.''

What happens to a company on Wall Street, Long-Term Capital Management, that threatens to lose billions of dollars? What happens is they get bailed out by the Federal Reserve Board.

What would happen if we were talking about big corporations? They would get bailed out, but they are family farmers.

Somehow in the minds of some, it does not matter what happens to family farmers. It matters to me. It does to many of my colleagues on this side of the aisle.

I know why they held the press conference with tractors. It is because they are upset that folks on this side of the aisle offered a Patients' Bill of Rights. The reason the Patients' Bill of Rights was offered in the Senate on agriculture, and it would not have mattered on which bill it was offered, is we said it was going to be offered to the first bill that came up if we were not given the opportunity to have a Patients' Bill of Rights on the floor of the Senate.

It was offered because we have pushed and pushed and pushed and we have been denied the opportunity to debate and offer amendments on a Patients' Bill of Rights. That is not the way the Senate is supposed to work. You are supposed to be able to offer legislation, offer amendments, have debates, and then have a vote. But some do not want the Senate to operate that way. They want to shut the place down, close the blinds, pull the windows shut, and then say: This is our agenda. Here is all we are going to allow you to do. You can offer these three amendments. They have to be worded this way. If we don't agree with them, we will not give you the privilege of speaking on the floor. That is not the way the Senate is supposed to operate and we will not let it operate that way. We have rights.

The American people have rights. In my judgment, patients in this country have the right to know all of their medical options for their treatment, not just the cheapest. Patients have the right to get emergency room treatment when they have an emergency. Patients have a right to keep their own doctors during cancer treatment even if their employers change HMOs. All of those issues are issues we intend to fight for on behalf of patients in this country. But we are denied that right by a majority who says you can only talk about the things we want to talk about.

Then when the agriculture appropriations bill or any other bill comes to the floor and we offer the Patients' Bill of Rights, we are told by the same folks who say they care about farmers that we have delayed the agriculture appropriations bill. This bill will not take effect until October 1 and is to fund the U.S. Department of Agriculture and had we voted for cloture, it would have prevented Senator HARKIN and myself from offering the specific amendment to deal with income support for family farmers during this farm crisis.

I just have to say it takes some imagination to hold a conference and suggest we are the problem.

Mr. DURBIN. Will the Senator yield for a question?

Mr. DORGAN. I am happy to yield.

Mr. DURBIN. Is it not true the course of the debate we have literally taken is to debate measures such as the Y2K liability bill with dozens of amendments, and there was not a complaint made that we were slowing down the process on appropriations?

Mr. DORGAN. That is exactly the case. It is the case that we are in the circumstance which now exists because there are some here in the Senate who simply do not want to have to vote on the issues we are talking about with respect to the Patients' Bill of Rights. They want to have a slogan so they can vote for something titled the Patients' Bill of Rights but one that will not have any strength; one that will really not have any provisions to provide people with the basic rights they ought to be provided with respect to this health care issue.

We have talked at great length about the too many instances in this country where health care decisions are not made by a doctor in a patient's room in the hospital or by a doctor in a doctor's office at a clinic, but where the answer to what kind of patient care will be allowed is to often, in too many circumstances, made by an accountant making medical judgments somewhere in an insurance company office 1,000 miles away. That is what is wrong with the system.

Mr. DURBIN. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. DURBIN. Is my understanding correct that some 200 groups that represent consumers and doctors and hospitals and business and labor have endorsed the Democratic Patients' Bill of Rights and, to my knowledge, the only group endorsing the Republican approach to this is the insurance industry?

Mr. DORGAN. The Senator describes it exactly. It is the difference between one approach that is toothless and an approach that has some teeth to it that says we are going to make this work; we are going to offer some basic protections to patients.

I have a poster I was going to show today. I will show it later in the day. It is a poster of a young boy in a wheelchair named Ethan who was denied treatment by the HMO. He was born with very difficult problems that impaired the use of his limbs. He was denied treatment because a doctor who had never seen this young patient decided that the patient had a 50-percent chance of being able to walk by age 5, and a 50-percent chance of being able to walk if he gets the appropriate therapy is ''not significant.'' This is from a doctor who did not see the patient. It is not significant that this person might have a 50-percent chance of being able to walk, therefore we deny coverage.

That is the kind of thing that is happening time and time again. I say to the Senator from Illinois, I have talked about this woman who falls off a cliff, drops 40 feet, fractures her bones in three places, is knocked unconscious, taken by medevac helicopter out to a hospital, is brought into the emergency room unconscious, survives, and later is told: We will not pay the emergency room bill because you didn't have prior approval for emergency room treatment. This is a woman unconscious, brought into the emergency room for help. That is the kind of thing that ought to stop. Does she have a right through her health care coverage to emergency room treatment when she is knocked unconscious from a fall in the mountains? The answer is yes, of course. We demand that right be given that patient in this Patients' Bill of Rights.

Mr. DURBIN. If the Senator will yield for one other question, it is my understanding the Republican bill, supported by the insurance industry, provides no protection to 115 million Americans who have no health insurance, whereas the Democratic bill provides protection to all of those in this country who have health insurance. That is a pretty dramatic difference; is it not?

Mr. DORGAN. The Senator is absolutely correct. Again, it is the difference between an approach that is toothless and an approach that has teeth; one that works, makes a difference, one that matters.

So we have a couple of bills ricocheting around here for which the other side has adopted the same title—which is a nice thing to do, I guess: The Patients' Bill of Rights. The question is scope. How many Americans will it cover and what kind of coverage will it offer? Will it, in fact, help people like that young boy who was told a 50-percent chance to be able to walk by age 5 really doesn't cut it with us; we will not provide the therapy you need? Or will it, in fact, provide assurance to someone who is knocked unconscious in an accident, that if he or she goes into an emergency room unconscious nobody is going to say later: You should have gotten prior approval from the emergency room?

Mr. REID. Will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. REID. I will ask this in the form of a question. Not only are we concerned now about the terrible care that is being given or not given to patients, but would the Senator care to comment on what we are seeing as a result of how doctors are being treated? Could you have imagined 5 or 10 years ago that the doctors would join together to form unions to protect their interests, as they are doing now?

Mr. DORGAN. I say to the Senator, I was as surprised as anyone to read the news these days about doctors wanting to join a union. But the reason is pretty obvious. They are tired of not being able to practice health care on their own. They are tired of someone making decisions about their patients who they have seen. They are the ones who have been in the examining rooms. They are the ones who have visited the hospital beds. Yet an accountant 500 miles away or 1,000 miles away in some insurance office, is telling them how to practice medicine. They are flat sick of it.

Mr. REID. So I say to my friend, it is not only the patients who are rising up, but now we have the doctors rising up because of this managed care program. I think that is the reason the American people have latched onto this issue and are saying please, Washington, do something. Does the Senator think that is a fair statement?

Mr. DORGAN. I think that is exactly the case, the reason over 200 medical, consumer, and labor groups support this legislation. I have a picture loaned to me by Dr. GANSKE, who is a Member of Congress from the House, a Republican, a very thoughtful Congressman. He is a doctor who does reconstructive surgery. He held up the picture of this young boy. Let me hold up that picture, if I might, just so everyone understands what we are talking about. This is a terrible deformity. Dr. GANSKE held this picture up to use it as an illustration.

Obviously, you look at this young boy and you say what an awful deformity to have to live with. But there are ways, of course, to correct this. A young boy doesn't have to live with that deformity. Dr. GANSKE pointed out he did a survey of his fellow doctors and discovered that half of his fellow doctors had experienced the circumstance of having an HMO say: No, this is not medically necessary. You don't need to correct this. It is not medically necessary.

Can this young person live with this? Yes, I suppose so. Would any prudent American say it is medically necessary to help fix this problem, to give this young child the opportunity to get reconstructive surgery? The answer is clearly yes. That is what is at the root of this issue.

Mr. REID. Will the Senator yield for a question?

Mr. DORGAN. I am happy to yield.

Mr. REID. Dr. GANSKE, who is a conservative Republican from the State of Iowa, voted on this issue and joined the Democrats' Patients' Bill of Rights because of this and other instances. Here is a man who also brought in a picture later showing what could happen to a child who has surgery that has been perfected over the decades. This is a child who has a cleft palate; is that not true?

Mr. DORGAN. That is correct.

Mr. REID. I would ask one further question to the Senator.

Isn't it true there are over 200 organizations that support our Patients' Bill of Rights and that the only organization that opposes our Patients' Bill of Rights is the insurance industry basically?

Mr. DORGAN. As I understand it, the Senator describes the case exactly. Virtually every organization in health care supports what we are trying to do. The doctors in this country, the patients all support what we are trying to do because they know we are trying to solve problems.

Let me go back to this notion there are two different approaches. The approach they offer is toothless. It has a title and does not mean anything very much. The approach we offer has teeth, is real, and makes a difference in people's lives.

I want to make one additional point and then conclude because I know there are others who wish to speak. I came to the floor today because the majority leader and others held a press conference yesterday with tractors as a backdrop saying what we have been doing here is shortchanging American farmers. Nothing is further from the truth. American farmers are going to be well served by a Senate that does not push this agriculture appropriations bill through without emergency help which farmers desperately need. That is exactly what would have happened if we had voted for cloture as the majority leader was insisting.

Had we voted for cloture on the agriculture appropriations bill, the amendment that Senator HARKIN and I were going to offer for $6 billion to $7 billion in emergency help for farmers would have been ruled nongermane. It would have been over. We cannot pass an agriculture appropriations bill in the Senate without addressing this farm crisis, and those who stood in front of

tractors and talked about farmers know that. They know better than that. We cannot pass an agriculture appropriations bill and say we have done our job if we ignore the crisis which now exists and if we do not pass some basic income support package.

Senator HARKIN, Senator DURBIN, and I tried in the midnight hours of the emergency appropriations bill. We lost on a 14–14 tie vote. We tried to get it in this year's appropriations bill but lost on a partisan vote. We must try again on the floor of the Senate, and we will in the coming weeks.

We had a farmer and author testify before the Democratic Policy Committee named Wendell Berry. He has written a book called ''Another Turn of the Crank.'' I was thinking about that today because yesterday's show in front of these polished tractors was just another turn of the crank.

As I said, some of these folks would not know a bale of hay from a bale of twine and they are telling us about the long-term interests of farmers. Many of us who fight for farmers every day in every way are insistent that before this Senate moves any appropriations bill dealing with agriculture out of this Senate, it does not just deal with the programs and research over in USDA, that it deals with the income needs of family farmers. That is what has been at stake in the last couple of days.

Frankly, I am not a happy person to see the criticism that has been leveled by those who do not know anything about family farmers and those actions which will undercut our attempt to help family farmers.

Mr. EDWARDS. Will the Senator yield for a question?

Mr. DORGAN. Yes.

Mr. EDWARDS. I wonder if the Senator has the same perception I do, being from the State of North Carolina. The Senator and I both know that agriculture and our family farmers are in desperate crisis, and they need help in the worst kind of way. He and I are committed to help them. I know that. I have heard him talk about that subject in this Chamber. I feel very strongly about that.

My question is about this Patients' Bill of Rights issue. It seems to me what we have—there has been a lot of discussion about the Democratic version and the Republican version—is an insurance company bill, on the one hand, and a patients' and doctors' bill on the other hand. Will the Senator agree with that?

Mr. DORGAN. I think that is correct.

Mr. EDWARDS. Also, we have such extraordinary medical technology in this country. We have the most advanced medical treatment available in the world today. Can the Senator explain to us how that treatment and the fact we are the most advanced medical country in the world today does anybody any good if folks cannot get access to it? Does the Senator have any explanation for that?

Mr. DORGAN. The Senator asks a question that relates to the key components of our piece of legislation. I again refer to this picture used by Dr. GANSKE, a Congressman in the House of Representatives, a Republican who supports our basic legislation.

Does current medical technology and all the advances in reconstructive surgery do this young child any good, if the child does not have access to it, if the child's parents belong to an HMO that says, no, it is not medically necessary we correct that deformity, it is not medically necessary at all? Does that kind of medicine help this child? The answer is no. What helps this child is a determination by this Senate that health care plans ought to judge on a uniform basis that this type of deformity is medically necessary and this child would get reconstructive treatment to solve that problem.

Mr. EDWARDS. Will the Senator yield for one last question?

Mr. DORGAN. I will be happy to yield.

Mr. EDWARDS. We discussed it briefly a moment ago, and that is the fact that doctors are finding it necessary to unionize or to make an effort to unionize because they are no longer able to prescribe the treatments and tests for their patients they know their patients need, in fact because they are not able to make determinations about what is medically necessary, whether a child—if the Senator would hold this photograph up one more time—whether such a child medically needs the surgical procedure the Senator talked about in the last few minutes, the fact that doctors find it necessary to unionize in order to do what they have spent their entire lives being trained to do, which is to provide the best possible medical care to their patients. Can the Senator imagine a more powerful indication and symptom of the medical crisis confronting this country today?

Mr. DORGAN. I cannot. The Senator makes a point with his question. This is real trouble for a lot of patients, and what we are trying to do and say is health care is changing and patients ought to have rights. That is what our Patients' Bill of Rights does. It empowers patients and allows them to believe that if they are covered with health care through their HMO, there will be some basic guarantees that just, prudent people expect would be there anyway but which we have now seen in recent years by some HMOs have systematically been denied patients.

Let me make one final point. Not always, but too often health care treatment has become a function of profit and loss for some corporations. Look at their executives. Find how much money they are making in this industry. Then they say: But we can't afford to provide emergency room care for someone who is unconscious and presents himself on a gurney to emergency room workers, or we can't help this young child with a facial deformity which clearly needs attention. We can't help a child in a wheelchair who has a 50-percent chance of walking and told you don't get the therapy because a 50-percent chance of walking by age 5 is insignificant.

We are saying those are not medical judgments made by a doctor. Those are insurance judgments made by HMO accountants 1,000 miles away, and they undercut the very premise of this health care system in which we ought to expect prudent treatment that a doctor believes is necessary for a patient. Yet in too many instances, they are not getting it. This is not just a consumer bill or a patients' bill, it is a bill that really gets at the root of health care in this country. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, my colleague from North Carolina has 3 minutes. I wonder if he can speak, and I ask unanimous consent I follow him and Senator BOXER follow me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. I thank the Senator.

TRIBUTE TO MICHAEL HOOKER, CHANCELLOR OF THE UNIVERSITY OF NORTH CAROLINA

Mr. EDWARDS. Mr. President, I rise today to note with sadness the death this morning of the Chancellor of the University of North Carolina at Chapel Hill, Michael Hooker.

Chancellor Hooker was a friend and someone whom I have known for a number of years. He was a man of vision, enthusiasm, energy, brilliance, and he had an extraordinary love for the State of North Carolina.

His passing is not only a loss for those of us in the University of North Carolina family, but for all North Carolinians. By making a great university better, Michael Hooker made a lasting contribution to our entire State.

The truth is that his death was both a shock and a blow. Just yesterday he was at work in Chapel Hill.

He was diagnosed this year with non-Hodgkin's lymphoma and had been undergoing treatments at the National Cancer Institute in Maryland and also at the UNC Hospitals.

While he was up here, I had the pleasure of seeing him a few times. Not too long ago, I ran into him and his wonderful wife Carmen, who is an extraordinary woman, right outside the Senate Chamber. He looked well and was feeling optimistic at that time about his health. He did take a brief leave from his job for treatment of the disease, but for most of the year, he was hard at work.

I cannot say how sad I felt to learn this morning the news that his cancer had grown worse and that it took him at an early age—at the age of 53. My thoughts and prayers go out to Carmen, his wonderful wife, and to their children.

Let me tell you, Mr. President, just a little more about Chancellor Hooker and what he has done for my State of North Carolina.

He was the first person in his family to get a college degree—a philosophy degree from Chapel Hill in 1969. His father was a coal miner. He always credited his parents' belief in hard work and good education for his own success.

After graduation, he left North Carolina to get a graduate degree and to enter the world of academics. He taught philosophy at Harvard. He was president of Bennington College and also president of the University of Massachusetts system. He was president of the University of Maryland at Baltimore County.

He returned to North Carolina in July of 1995 to become UNC's eighth chancellor. And he really attacked the job. One year he visited every single county in North Carolina—and we have 100 counties in North Carolina—to make sure that every person in the State knew they were connected with their university. Then he made sure that the faculty and administration at UNC were connected to the State. He once took the new faculty and administrators from other States on a week-long bus tour of North Carolina.

The truth of the matter is that men like Michael Hooker have long lists of accomplishments. They serve on many blue ribbon panels; they get lots of honorary degrees; they write great scholarly pieces; they are placed on many ''best of'' lists. I could go through a great deal of these with respect to Chancellor Hooker, because he accomplished all of those things.

But in the end, I think Michael Hooker himself valued people most. I believe he would like to be remembered for all of the things he did to make people's lives better. He understood the need for education, not only because it expands men's and women's minds but because it makes our society better, stronger, more prosperous, and more equitable. He was an extraordinary and wonderful man.

He said it best himself, if I could just quote him:

> There is only one reason to have a public university, and that is to serve the people of the state. That should be the touchstone of everything we do: whether it's in the interest of North Carolina and our citizens. Our litmus test is the question: Is what we do in Chapel Hill helping the factory worker in Kannapolis?

The best tribute we can give him is all the good works performed in the future by those who were touched by him and his life. Chancellor Hooker was an extraordinary man. He will be missed by me, he will be missed by every single citizen in North Carolina, and he will be missed by all those who knew him.

With that, I yield the floor, Mr. President.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Let me just thank the Senator from North Carolina. Having been an undergraduate at the University of North Carolina, having done my doctorate work there, having had two children born in Chapel Hill, and having known Chancellor Hooker, I am also very sorry to hear of his death—a very young man. It is really a loss for North Carolina and the country. I appreciate the Senator's eloquence.

There are other Senators on the floor, so I am going to try to be brief and take only an hour or so—less than that, much less than that.

THE FARM CRISIS

Mr. WELLSTONE. Mr. President, first of all, coming from an agricultural State, I just want to, as I think Richard Nixon would say, make one thing ''perfectly clear'' about agriculture.

Senator DORGAN is right on the mark when he makes the point. It is sort of an inside thing, but it is very important to the outsiders, especially to farmers, and not just to farmers but to those of us who come from farm States. If yesterday the majority leader had been successful on the cloture vote, we would not have been able to bring this amendment to the floor on this ag bill that calls for an additional $6.5 billion of assistance.

Let me just say that this ag appropriations bill that just funds existing USDA programs will not do the job. Let me also say, in my State of Minnesota, and I will not talk about a lot of statistics that I could talk about farm income having dropped 40 percent over the last several years. I could talk about this last decade where farmers have been wondering why they see a 35-percent drop in price, and yet the consumer price goes up while the farm-retail spread grows wider and wider between what farmers make and consumers pay. We want to know what is going on. Let me just tell you, in my State there are a lot of broken lives and a lot of broken dreams and a lot of broken families.

Let me also just simply say that time is not neutral; time moves on. We are confronted with the fierce urgency of now. If we do not get this additional assistance to farmers, much of it directly related to income loss because of record low prices, then a lot of farmers are not going to be able to live to farm another day.

We have to get this assistance to farmers. It has to be in this ag appropriations bill. I will tell you something. I do not even like coming out here and fighting for additional bailout for farmers or additional credit assistance, because most of the farmers in North Carolina and Minnesota, and around the country, are not interested in bailout money. They are interested in being able to get a decent price. That's what they are interested in.

Let me go on. Let me say, again, this appropriations bill will be an appropriations bill that will really help. This amendment calls for this additional $6.5 billion in assistance.

Second point: I do not know what the press conference was about here in Washington. I was back home with a lot of farmers. There were a lot of people from all around the State who came together for a gathering at the capital. But I will tell you this. I hope that some of the folks who held the press conference also talked about how we can make sure that family farms have a future several years from now. I think we have to speak the truth. And the truth of the matter is, this Freedom to Farm bill of 1996 is a freedom to fail bill.

The fundamental crisis is a crisis of price. Right now our corn growers get $1.75 at the local elevator; our wheat growers get $3.13 for wheat. This is nowhere near the cost of production. They cannot cash flow. They cannot make a living. Unless we fix this freedom to fail bill and we go back to some sort of leverage for farmers in the marketplace, some kind of safety net which will give them a decent income, some sort of price stability, our family farmers do not have any future. That is what this is all about.

I am not interested in semantics. If people want to say, I am still for the Freedom to Farm bill, I don't care. But I will say this. The flexibility in that legislation to farm a whole lot of different crops does not do any good if there are record low prices for all of them. So let's get the assistance to people so they can survive.

But let's get beyond the short run, and let's be honest with one another. Let's fix that Freedom to Farm, or freedom to fail, bill, and let's make sure there is some price stability and there is some farm income out there; otherwise, our family farmers have no future.

Finally, if there was a press conference yesterday, I sure as heck hope there was some focus on the distortions in the market. I would like to join all my Republican colleagues in calling for putting free enterprise back into the food industry. I would like to join with all of my Republican colleagues in being a true Adam Smith apostle and calling for a market economy. I would like to join with all my Republican colleagues, in other words, in calling for some antitrust action.

How in the world can our family farmers make it when you have four large firms, the packers dominating the livestock farmers, the grain companies dominating the grain farmers? There has to be some fair competition. Everywhere our family farmers turn, whether it is from whom they buy or to whom they sell, we do not have the competition.

Let's really be on the side of these family farmers and insist on some competition. Let's have the courage to take on some of these conglomerates that have muscled their way to the dinner table exercising their raw political power over our producers and over

our consumers, and, I say to the Chair, who is my friend, I think over the taxpayers as well.

So I am all for a focus on family farmers. This is a crisis all in capital letters. I hope we will have some action. But I want to make it crystal clear, I think these are the issues that are at stake.

PATIENTS' BILL OF RIGHTS

Mr. WELLSTONE. Mr. President, I also want to make it crystal clear that I have been proud to join with my Democratic colleagues out here on the floor; and the sooner we have Republican colleagues joining us, the better. We have been focusing on the importance of patient protection legislation. Protection of medical records privacy is very important to the American people. I hope we will have an opportunity to debate the Patients' Bill of Rights because I want to offer an amendment for segregation of records. The right to privacy is deeply rooted in American culture. American citizens expect that we will continue that tradition.

This amendment allows a person to segregate any type or amount of protected health information, and limit the use or disclosure of the segregated health information to those people specifically designated by the person. I want to just give one more example and, in this small example, tell a larger story.

It would allow a person, any of us, to take some of the particular private health information, and make sure it is not a part of a total record by segmenting it off and preserving privacy. We are getting more and more worried about genetic testing. For example, if you are talking about a woman who has genetic testing for breast cancer, she may fear the results if she thinks the life insurance companies are going to get ahold of this information or employers are going to get ahold of this information. She might not want to even be a part of this testing.

We want to protect the privacy rights of people. The same thing could be said for people who are talking to their doctor about mental health problems or substance abuse problems. The same can be said on a whole range of other issues.

There is the whole question of making sure ordinary citizens have some privacy rights, some protection in terms of who gets to see their medical records and who doesn't, making sure it is not abused. I will give a perfect example. I have never said this on the floor, but I will to make a larger point, I had two parents with Parkinson's disease. Research is now showing there is probably some genetic predisposition. As we move forward with this research, I may want to be a part of whatever kind of test or pilot project is put together by doctors. But maybe I wouldn't, if I thought there would be no way that, whatever their research suggested, that I wouldn't have some right to ensure I had some protection.

The right to privacy is relevant for the potential for genetic map research, for testing, and, for that matter, treatment, for maybe even finding cures for diseases. There are a lot of people who are not going to want to be a part of it, and there are a lot of people who are going to worry about that information if we don't have the privacy rights.

Conclusion: The pendulum has swung too far. I think we should be talking about universal health care coverage as well, and we will. At the moment, here is what we are faced with.

In the last several years, since we were stalemated on every kind of major national health insurance legislation or universal health care coverage bill, major changes have taken place in health care, not here in Washington but in the country. They have been revolutionary in their impact on people. The pendulum has swung too far. We have now moved toward an increasingly bureaucratized, corporatized, impersonal medicine where the bottom line has become the only line, where you have a few large insurance companies that own and dominate the majority of the managed care plans to the point where consumers, ordinary people, the people we represent want to know where they fit in. Right now they don't believe they fit in at all.

So without going into all the specifics, because we have been talking about this for a week, what people in the country have been saying is, if you want to do a good job of representing us, please make sure we have some protection for ourselves and our children to make sure we will be able to get the care we need and deserve. That is what we hear from the patients. That is what we hear from the consumers.

What we hear from the providers, the care givers, is, Senators, we are no longer able to practice the kind of medical care we thought we would be able to practice when we went to medical school or nursing school. We have become demoralized. Demoralized care givers are not good care givers. So we have a lot of work to do to make sure we have families in our States getting the health care they deserve. That is what this debate is all about.

We have been trying for a week to get some commitment from the majority party that we would have a substantive debate. That is the Senate. I hope that we will have an agreement. I hope we can come back to this. I hope we will have an agreement, and then I hope we can have the substantive debate and Senators can bring amendments to the floor.

There are several amendments I am very interested in, and probably a number of other Senators have amendments they are interested in. We will vote them up or down. We will all be accountable. We will all do what we think is right for the people in our States.

The point is, we are not going to accept not being able to come to the floor and fight for people we represent on such an important question. That is what last week was about. That is what the beginning of this week is about.

I hope there will soon be an agreement. I hope there will soon be a debate. My hope is that before it is all over, we can pass a good piece of legislation that will not be an insurance company protection act but will be a consumer or patient protection act.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank the Senator from Minnesota. Before he leaves the floor, I say to my friend that he pointed out we have been talking about this for a week solid. I came down to the floor today to talk about how we have been fighting this for over 2 years. We have increased and we have escalated the debate in the last week, but I asked my staff to go through my earliest talks on this subject.

Mr. WELLSTONE. Will the Senator yield?

Mrs. BOXER. Yes.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Tiffany Stedman, who is an intern, and Carol Rest-Mincberg, who is a fellow, be granted the privilege of the floor today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. I know we are running short of time so I will be glad to yield to my colleagues for questions.

On January 28, 1998, I came to the floor and talked about the case in my State of a gentleman named Harry Christie who had a very poignant story to tell me about his daughter who, when she was 9 years old, was diagnosed with a very malignant and dangerous tumor in her kidney. It was explained to Mr. Christie that there were only a couple of surgeons who knew how to operate on this kind of a tumor, and it would cost $50,000 for the operation.

He went to his HMO. He said to them: Look, this is my flesh and blood, my daughter. She means everything to me. I am assuming the HMO will allow me to go out of the plan, get the specialist, and then the HMO will pay the specialist.

They said: No, we have good oncologists on our staff. We have good physicians, and they will handle it.

He said to them: Did they ever do this kind of pediatric surgery?

No, they had never done it in their lives.

And Mr. Christie said: This is an impossible situation, and I won't accept this.

They said: Then too bad. You will have to pay for it yourself.

Well, that is exactly what he did. It was not easy.

What about parents who can't do that? What happens to their child?

This is just one story. I told it January 28, 1998. By the way, the end of the

story is that Carley is now 15 years old and her cancer is gone. She is a fantastic young woman.

Mr. SCHUMER. Will the Senator yield?

Mrs. BOXER. Yes, I am happy to yield.

Mr. SCHUMER. I would like to ask the Senator a question because I have heard of so many similar instances. A young woman, a nurse on Long Island, needed an orthopedic oncologist to remove a tumor from her leg. No, she can't have it. She couldn't afford it. So she went to a regular orthopedist, not the oncological orthopedist, who took out the tumor. It grew back. She can hardly walk. Then she had to go to an oncological orthopedist and pay the $40,000 herself because there was no other choice.

So the Senator is right. She has fought for this for so long.

I just heard—parenthetically, it is sort of related, because one of the things that inspired some of us to join in this fight was what happened on guns—for instance, that the majority leader in the House has said they would not appoint conferees at least until after July 4, which I consider truly outrageous. I will talk more about that later when we get time. I think it is so wrong to not allow the will of the people to happen. We are doing the same thing on the Patients' Bill of Rights. We just want to debate and let people vote on what is important.

I ask the Senator, is this the only case she has heard of in this situation, or do you hear, when you go around your State, as I go around mine, hundreds of cases where people are denied treatment that the doctors feel they need? They sit there in anguish.

Mrs. BOXER. Yes.

Mr. SCHUMER. They almost go into complete debt to get the operation or get an inferior product.

Mrs. BOXER. Yes. My friend is exactly right.

First of all, I think his point about the House putting off any action on the juvenile justice bill that deals with making sure we keep guns out of the hands of children and criminals is an outrage. When they tried to put this bill forward, we pointed out it was really a sham. Now we have the same thing in the Senate.

I think the Senator from North Carolina was speaking before and we were talking. He points out that it is not a question anymore of the Republican bill or the Democratic bill. He said that we ought to just say it is about a bill that is supported by patients and doctors versus a bill that is supported by insurance companies. We understand on this side of the aisle that it is supported by patients and doctors.

Mr. DURBIN. If the Senator will yield, I would like to ask a question of her. I think it is important to remind those who are following this debate why we are here. We are here trying to bring this issue to the floor of the Senate. We want there to be a debate between Democrats and Republicans on giving patients and families across America some rights when it comes to dealing with these insurance companies. The Republican leadership does not want this debate. We think the American people do. We think that is why we were elected—because families across America know there is real concern when you take your child to the hospital.

I literally ran into a doctor from Highland Park, IL, Sunday night who told me a terrible situation that just happened to him a week before. He is a cardiologist. A woman came in to see him in his office on a Thursday complaining of chest pains. He was worried and said: I want to get you into the hospital tomorrow morning for catheterization. It is a diagnostic process to find out what was wrong with her heart. She said: Fine. He said: We will do it tomorrow morning.

He called her insurance company. The insurance company said: No, we don't approve of the hospital where you want to send her. Let us call our hospital under her insurance policy, and we will see when we can get her scheduled.

They told that to the doctor on Friday. They never had a chance to schedule it. She passed away on Sunday. That was a decision made by the insurance company not to let this woman go to a hospital on a Friday morning to get the catheterization. They did not understand her problem.

Is this not what this debate is all about?

Mrs. BOXER. It is exactly what this debate is all about.

I want to talk about another case that I brought up about a year or two ago, also a doctor with a similar story in Texas. He came to testify before the Democratic Policy Committee. This was in Texas. This doctor was assigned to work in the emergency room. A gentleman comes in with terribly high blood pressure. They checked him into a room, and they monitored his blood pressure. It could not be controlled by medication. They were giving him a lot of medicine that didn't work. The doctor called the HMO and said: We need to keep this patient overnight. I am very fearful he will have a stroke.

Bottom line: The HMO says: You control it by drugs. He says: I can't.

He has to now tell the patient that the HMO won't cover this, and he says to his patient: Pay for that out of your own pocket; I will fight for your right to be reimbursed.

The patient said: How much will it be? Five thousand dollars. I can't do it, says the man, I am sure the HMO wouldn't hurt me.

P.S.—you know the story. The gentleman had a stroke, and he is totally paralyzed on one side.

The irony of all ironies about this is that under current law the doctor can be sued but not the HMO that actually made the decision.

Isn't there any wonder that doctors are joining with patients? You spend your life trying to save others' lives, and now you can't do it—a doctor in Highland Park, and a doctor in Texas. It goes on.

I would be happy to yield to my friend.

Mr. EDWARDS. With respect to the instance described by our distinguished colleague, the Senator from Illinois, where obviously a catheterization would have saved this patient's life, will the Senator from California explain to the American public and to our colleagues, No. 1, when they decided initially, no, we are not going to pay for the care, and, therefore, they could not get the test done, and a lot of life-saving tests that needed to be done, what avenue or recourse does that patient have? Is there anything they can do under the circumstances under existing law if we don't pass a real Patients' Bill of Rights?

Mrs. BOXER. We have to pass a Patients' Bill of Rights, because, unless you are so wealthy that you can pick up the tab and the cost for these very expensive procedures, you are just plain out of luck. We have said this a number of times to our friends on the other side of the aisle. We have good health insurance as Members of the Senate. We really do. We are fortunate. We have the clout. We have good health insurance. We are trying to bring everybody up to our standards.

Mr. DURBIN. If I can ask the Senator, isn't it true that, as Senator EDWARDS of North Carolina just said, the example I gave where the lady didn't get the catheterization and passed away—if her family hears of this and they are upset and want to go to court and believe there has been medical malpractice and negligence—the only exposure and the only thing they can sue the insurance company for is the cost of the catheterization, or for the procedure? That is it under the law. And that our bill says health insurance companies, as every other company in America, will be held accountable for their actions. If they are guilty of negligence, they can be held accountable. But under current law, a law being protected by the Republican bill, the patients will not have that right of recovery.

Is that not the fact?

Mrs. BOXER. That is the most incredible thing about this. As I said, in many of these cases, the doctor can be sued if he is working and he is contracting with the plan and not an employee. The doctor can be sued—a doctor who is trying to fight for the patient—but not the HMO.

Mr. EDWARDS. If the Senator will yield for one other question, with respect to what my distinguished colleague from Illinois just pointed out, it is my understanding that under existing law we have this very privileged group of insurance companies—very wealthy insurance companies—that are singled out in American life as not being held accountable for what they do. You and I can be held accountable.

Everybody in our State of North Carolina, and Illinois, New York, and California, can be held accountable. Every other business, small and large, can be held accountable. But the health insurance industry is special. It is different. It is better than the rest of us. It can't be held responsible.

I want to know how the Senator from California would respond to a family, or to our children who we are trying on a daily basis to teach about personal responsibility, personal accountability, something that all of us believe in deeply, how do we explain that we have singled out this very well-to-do industry for privileged treatment, and, in fact, unlike our children, unlike our families, we are not going to hold them responsible or accountable?

Mrs. BOXER. I think the Senator has made a very good point. If we believe that each of us should be responsible for our actions and our deeds, the current law certainly undermines that. It is unfathomable to me. As the Senator from Illinois has pointed out in another debate, the only people in our country today who are truly exempted from any kind of accountability—you can't go after them—is a foreign diplomat and an HMO. Something is wrong with that.

Mr. SCHUMER. I was going to ask the Senator another question related to one of the other problems we face; that is, even before they get the right to sue, there is an appeal.

Let us say, as in the case that the Senator from Illinois brought up and the unfortunate death that occurred, the doctor said that she needed catheterization, and it is denied by the insurance company. The only type of appeal that is required by law is an internal review. I want to know if that is required—that the only appeal that would be required would be an internal review.

I ask the Senator a question, and that is this: Wouldn't it be much fairer if it at least were mandated that there be some external, impartial review so that in instances over and over again where inadequate health care maybe would be provided before the stroke occurs—as in the case related by the Senator from California, and the unfortunate death that occurred—some outside, independent reviewer gets to say, hey, that actuary didn't quite make the correct medical decision; I agree with the doctor?

Mrs. BOXER. My friend is right on point. It is another aspect of our Patients' Bill of Rights where you have a truly independent outside review so the people who are looking at the actions of the HMO are not part of the initial decision. On the other side of the aisle, they have an appeals process where essentially the HMO says who the outside reviewers are. That is not really an outside review.

I want to say to all of my friends who have been so good on this issue I had such a transforming event 2 years ago at a hearing the Democratic Policy Group had. A woman from an HMO spoke. By the way, she was afraid to show her face. She was on a satellite television hookup with her face covered and her voice was disguised because she was a whistleblower.

In the course of her testimony, she said something that made my skin crawl. I wonder if my friends feel the same. We kept asking questions about patients. We said: What happened when a patient came in and had heart symptoms? How was it handled? Who made the decision?

In the course of describing the patient, she said: This unit was a case we felt we had to look at.

I said: What did you say?

She said: This unit.

I said: What do you mean, this ''unit''?

That is how we refer to clients.

I said: You mean patients?

She said: Yes, we refer to patients or clients as units.

I had this sense there was no humanity left. It is all about ''units.'' It is all about dollars. It is all about the bottom line. It is all about profit. It is not about serving. That is why doctors are saying this is against their Hippocratic oath: Do no harm, help people.

Now they are doing harm. They are in situations where they have predicted patients could die if they didn't get the treatment, and the HMO didn't give the treatment.

I want to hear from my friends as we go back and forth on this question.

I yield to the Senator from North Carolina.

Mr. EDWARDS. I was thinking about the comments from the Senator from Illinois, the comments from the Senator from New York, and the comments made about the health insurance executive accounting, talking about human beings as ''units.''

I did understand the Senator correctly?

Mrs. BOXER. Units, U-N-I-T-S.

Mr. EDWARDS. Units. Not human beings but units.

Under existing law, health insurance companies have proven time and time again they are motivated by one thing, and that one thing is the dollar bill. Profit is the bottom line.

We have talked about doing two things in a patients' bill—not in an insurance industry bill. Since money seems to be what motivates these folks, we will do two things.

No. 1, as the distinguished Senator from New York mentioned, we will create an independent body that can oversee the insurance industry, the HMO. When they make arbitrary decisions, when they decide even though it is clear a patient or child desperately needs a treatment or a test and that was an arbitrary decision, they can get a quick reversal from that truly independent board. That is one thing.

In addition to that, we also say health insurance companies and HMOs, as every other segment of American society, will be treated the same. They can be held accountable. They can be held responsible. They can be held responsible in a court of law.

Those two things together—a truly independent review, done swiftly so reversals can occur, combined and working in concert with arbitrary, money-driven decisions where if some child is severely injured as a result, they can be held accountable.

I wonder if the distinguished Senator would comment on whether she believes those two things, working together, create a tremendous incentive that does not presently exist for HMOs and health insurance companies to do the right thing to start with, so we never get to an independent review board, we never get to a court of law; instead, insurance companies and HMOs are doing the right thing, not making arbitrary decisions, doing what the treating doctors are advising needs to be done in the very first instance when it is most important and could do the most good.

Mrs. BOXER. I thank my friend from North Carolina for articulating two areas of our Patients' Bill of Rights which are so important: The right to independent review if a patient feels the HMO made a mistake, and the ability to hold HMOs accountable if they do the wrong thing.

By the way, the opposition from the other side is misleading because all we do is say if States choose to hold HMOs accountable, they can. We don't dictate the law on the right to sue. It is up to the States. However, we lift the impediment to holding them responsible.

I think it is important to note that we in America have the safest products in the world, even though every once in a while there is a horrible example of something monetarily wrong. The reason is, we hold companies accountable if they make an unsafe product that could explode and harm a child. Most of the time we don't have any problem because we have a very clear precedent in law that says if you don't take into account what your product can do to a human being, and they get hurt, you will pay a price. For HMOs, we don't do that. The irony is that they are dealing with life and death decisions every day and they are making wrong decisions.

My friend is right on those two aspects of our Patients' Bill of Rights, working together.

Mr. WELLSTONE. I follow up on what the Senator from North Carolina said.

Five years ago I introduced a bill on patient protection. This matter has been going on for a while. There is an issue that defines ''medical necessity,'' another issue the Senator from North Carolina raised about an external independent appeals process, another issue on ''point-of-service'' option—making sure the families have a choice, and they don't now have when the employer shifts from one insurer to another.

There are two bills on the floor. People in the country have become more

and more disillusioned with the politics that they think is dominated by money and special interests.

Does the Senator from California agree people want to see a piece of legislation passed that has some teeth in it, that will make a difference and provide some protection?

My question is, Do the Senators think this patient protection legislation, what we are trying to do, is a test case as to whether or not the Senate belongs to the insurance companies, or whether or not the Senate belongs to the people in this country?

Is that too stark a contrast, or does it ultimately boil down to that core question?

Mrs. BOXER. I think the Senator has put his finger on it exactly right.

Who is supporting our Patients' Bill of Rights? It is every patient advocacy group, every provider who has an organization, including the nurses and the doctors. And who is on the other side? The insurance companies.

What do we have? Two bills. The bill on our side is supported by these advocacy groups and doctors; the other is supported by the insurance companies.

My friend is right. People are getting so upset that this place seems dominated by the special interests.

I yield the remaining time to my friend from Rhode Island.

Mr. REED. I thank the Senator from California.

Let me follow up and perhaps engage in a brief dialog. I think the Senator from Minnesota made a good point about the heart of the Republican legislation. The most telling point, in my view, is the coverage. It simply covers one-third of the eligible private-insured individuals throughout the country.

As I understand the legislation, it is aimed at those self-insurers. These are businesses that contract with HMOs simply to manage the health care of their employees, so the only people who will directly be impacted by their legislation are those individuals who are essentially insured by their employers directly through self-insurance.

Mrs. BOXER. That is correct.

Mr. REED. In a sense, the only protections in the Republican bill are protections for the insurance industry. They are completely without risk. All of their patients, all of the people they directly insure, where they directly assume the risk, are exempt from coverage by this legislation.

The Democratic bill covers all of those who are private-insured HMOs throughout the United States. If the logic is these protections are good enough and necessary enough for those in employer-sponsored self-insured plans, why aren't they good enough, important enough, necessary enough, for those who are direct insurers of HMOs?

The answer, frankly, is that the legislation has been designed to protect the insurance companies from any additional risk. It is fine if we put it on employers; it is fine if they have to pay extra or if they have to do these things.

However, the only consistent pattern if you look at the coverage, this is not a patients' protection bill; this is an insurance industry protection bill.

I yield to the Senator for her comments.

Mrs. BOXER. It perplexes me that my friends on the other side have a bill that doesn't cover everyone.

It perplexes me it is called the Patients' Bill of Rights. As my friend points out, if you look at the differences, whether it is the appeals process—and my friend last week came to the floor and pointed out that under the Republican proposal it doesn't look as if there is an outside entity looking over the HMO decision but, rather, someone essentially selected by the HMO itself.

I thank my friend for yielding.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Mr. CRAPO). Under the previous order, the time from now until 4:15 shall be under the control of the majority leader or his designee.

The Senator from New Mexico is recognized.

NATIONAL CHARACTER COUNTS WEEK

Mr. DOMENICI. On behalf of the leader, I ask unanimous consent the Senate now proceed to the immediate consideration of Calendar No. 148, S. Res. 98.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A resolution (S. Res. 98) designating the week beginning October 17, 1999, and the week beginning October 15, 2000, as ''National Character Counts Week.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOMENICI. Mr. President, the resolution I have just alluded to is a bipartisan resolution. A number of years ago we started this approach to character education called Character Counts. Senator Nunn was the cosponsor of a resolution that passed the Senate on innumerable occasions, perhaps as many as five times. It declares for all of America that one week during the year will be known as called Character Counts Week.

Frankly, from this Senator's standpoint, we hear so much about what we ought to do and what we can do to help our young people as they grow up in this very difficult society and often very difficult time. We all understand that there are many people who have primary responsibility for our children. We are not in any way talking about negating that primary responsibility, that of relatives and grandparents and mothers and fathers and brothers and sisters to help raise a child with good values. But we have found, starting about 6 years ago, that the teachers in our public schools have been yearning for something they would like to teach our children that for some reason had been eliminated from both the public and private school agenda. It is sometimes referred to as character education.

I chose to call it ''Character Counts'' and I chose to speak about a specific program that is being used in many public schools in our country, and certainly in my State of New Mexico, whereby the teachers take six pillars of character and they embrace those within the classroom—on a day-by-day basis, not as a special class. But let me just mention a few of the Character Counts traits that are part of this program and used in many schools.

Let's start with the first one. It is trustworthiness. In some public schools and private schools, especially in the grade schools, for one entire month, the school would promote the idea of trustworthiness by students and teachers, who have lesson plans and programs that articulate what trustworthiness is. They use this with the students, and they from time to time engage in discussions, engage in activities around the school that epitomize trustworthiness. I think we all understand trustworthiness is one of those characteristics and qualities of character that says you should not lie. It says if you agree with somebody to do something, you should live up to your agreement. Trustworthiness has a quality of loyalty to it.

Then maybe the next month, one of the other six pillars would be discussed and woven into the curriculum. The next month, it may very well be ''respect.'' The same kind of thing might happen during that month in some grade school in New Mexico or Idaho or the State of Tennessee or the State of Connecticut, where an awful lot of activity in Character Counts education is taking place.

Maybe the next month it might be the third trait, which is ''responsibility,'' and then maybe the next would be ''fairness,'' and ''caring,'' and ''citizenship.''

I have been part of this now for a number of years. It is a joy to visit public schools, parochial schools, and other kinds of schools, and visit a class and just talk to the young people about the word of the month; to see the teachers, how excited they are that for that month the children have been talking about responsibility; they have been talking about that in terms of their classmates, their teacher, their responsibilities at home.

Then if you are lucky, you might choose to visit a school at the time once a month when they are having an assembly. During Character Counts assemblies, schools bring all the students together, and they present awards to the students that month who were most responsible. One way of reinforcing the importance of good character is to reward those who did more

things than anyone else that month to demonstrate ''trustworthiness,'' or ''responsibility,'' or ''caring,'' or ''respect,'' or ''citizenship.''

Actually, Character Counts and its Six Pillars are not the only character education idea and program taking place in our country. But it is one of the best. The resolution we have just adopted resolves and proclaims the week beginning October 17 of this year, and the week beginning October 15 in the year 2000, to be National Character Counts Week. We request that the President issue a proclamation calling upon people and interested groups to embrace the six core elements of character identified by the Aspen Declaration, which are trustworthiness, respect, responsibility, fairness, caring, and citizenship. That week the people in the country observe as National Character Counts Week, with appropriate ceremonies and activities.

There are many Senators who have already joined in this effort from both sides of the aisle. Some are very active in their home States, and some are not. But I can say to any Senator who would be interested, there is a format which is very simple and at the same time very effective and profound, where a Senator or any elected official can get together with the superintendent of schools and others and talk about joint sponsorship of Character Counts in that particular public school. If the board of that school condones it and says it is a good idea, then it is all a question of leadership and who wants to pursue it and push Character Counts. So when graduation at a Character Counts school occurs, you can attend and you can see what the 9 months of character education have done. At schools where arithmetic was taught, grammar was taught, reading was taught, all of a sudden the young kids also know something about these six pillars of character.

Frankly, people ask what has gone wrong with our country and what should we do about it.

I am no prophet, and I am not one who thinks he knows all the answers, but I say what is missing in the United States more now than 20 or 30 years ago is character. The old Greek philosophers talked about character. I think it was Plato who said a country without character is a country that cannot exist for long, and that for a country to have character, the people in the country must have character.

What we are speaking of is our little mission and our part in trying to change the quality of lives of young people by letting them know that some things are better than other things, there are some things that are right and some things that are wrong.

Nobody seems to object across this land to these six pillars, these six words. It used to be whenever one talked about behavior and said values, people would wonder, whose values?

In our America, under our Constitution, we surely cannot decide which religions values are to be taught in the schools, for as soon as we do that, we have to ask which ones are being left out. And as soon as we do that, we begin to break down the wall of separation between church and State, which is such a formidable part of America as it started under our forefathers and continues today.

It is interesting. I have asked in many assemblies of adults whether there was any objection in the community—be it the community of Gallup, NM, or Clovis, NM, or Las Cruces, NM, or Albuquerque, my home city—to these six pillars. If one thinks them through, they are so fundamental and desperately needed that hardly anyone can object to them.

I wish the Governors of our country—and I am going to ask them, along with my good friend and chief cosponsor, Senator DODD of Connecticut—might adopt this in their States. I want to work with the Governors to move together with the public institutions of education and the private institutions of education to begin a broader-based promotion of Character Counts in more States.

Frankly, a number of our Senators have been involved in the past. Senator DODD has brought this idea to his State, and Senator LIEBERMAN works with him. Senator FRIST of Tennessee has had great success in getting it started, and now it is multiplying in his State. I have had a rather phenomenal success in New Mexico. In my small State, over 200,000 young people, one way or another in classrooms across our State, are learning and living these six words, these six pillars of character, as part of their 9 months of education. It is having a profound effect.

On the other hand, there are cynics. They ask: How do you know? Are you sure?

We do not know for sure, although we are beginning to get some objective analysis that seems to indicate that some of the things going wrong in the schools before are not going wrong when the six pillars of character are utilized, are popular and preeminent and where the children are participating in building their character around them.

I believe we are better off trying character education than not. If I had to guess what might change things, I would say if the young people in our country can build individually and collectively into their daily lives the six pillars of character celebrated in this resolution, so they feel part and parcel and immersed in the ideas of respect, trustworthiness, caring, and the other three pillars I have mentioned heretofore, we have a better chance of effecting some change for the positive than almost anything else we can do.

I am going to do my share to keep this going in my State. I am also going to join Senator DODD in meeting at the next opportunity with the Governors in a bipartisan way to see if they will engage us in a discourse and dialog about character education and, in particular, how Character Counts works in the places it is being tried.

There is not an organization that dictates Character Counts for the Nation, nor does it promote it nationwide. This is an activity left up to localities. The only thing is, it is coordinated in our country by an entity which came up with these six pillars, the Josephson Institute of Ethics. That institute helps provide materials and the know-how for localities, schools, Boy Scouts, athletic clubs and others to promote these six pillars. But, it is up to the locality to do something about it.

But today, we are going to adopt this resolution celebrating Character Counts in the hope of raising awareness and encouraging states and localities to consider using this approach in their communities.

I note the presence on the floor of my cosponsor who has done a wonderful job in his State, and also speaks about Character Counts and the six pillars in various places in this country. He has had a significant degree of success. The way it is run in his State is different than our State, but, nonetheless, the six pillars are becoming prominent.

These six pillars are becoming prominent in the education of young people. We might never have thought we could include them, but in the backs of our minds we always thought they must be used.

How can we raise children without responsibility, without caring and respect being meaningful to them?

I am very pleased to be part of this again this year. Like I said, I am going to try to be a little more effective in expanding Character Counts to a few more places with the help of my colleague, Senator DODD. As I said in Senator DODD's absence, we are going to ask Governors to take the lead. We will join them and get the Josephson Institute and any others that are involved in character education and move it ahead so that many States will be like Senator DODD's and mine where it will be flourishing among young kids.

Mr. President, I say again, today, for the sixth consecutive year, we will adopt a resolution designating the third week of October as National Character Counts Week. Once again, this resolution has received overwhelming bipartisan support with 57 cosponsors. Through this measure, this body—the United States Senate—pledges its support and encouragement of character education and training by setting aside one week for a celebration. Yes, National Character Counts Week, October 17–23, 1999 and October 15–21, 2000 will be an opportunity for schools, communities, and youth organizations all over America to celebrate the ideals of good character and honor those who have worked so hard throughout the year to promote values such as trustworthiness, caring, fairness, respect, responsibility, and citizenship.

I believe it is time to reclaim the importance of these values in our daily lives. Many Americans, I regret, have become too cynical about the role of character in modern society. For too long, we have declined to discuss fundamental moral principles in our schools for fear of offending someone or imposing our beliefs. However, we nearly forgot that this nation was founded upon basic values. These values have bound our citizens together and sustained them through wars, depressions and other adversities. Indeed, it is our belief in these core values that continues to make the United States a beacon of hope and opportunity to people around the globe.

The ''Six Pillars of Character'' concept reflects these core values. They are the building blocks to helping our children recognize the difference between right and wrong, and they deserve a place in our schools alongside lessons in math and reading. Although parents do bear ultimate responsibility for teaching children the value of human dignity and character, we, as a community, have a duty to support these messages outside the home. To that end, Senator DODD and I are exploring ways to expand the role of character education in schools and after-school programs, and we urge our colleagues to join us. I can assure the Senate, character education programs have been phenomenally well received in school systems throughout the country.

In my own State of New Mexico, teachers have told me they finally feel empowered to discuss what it means to be a good citizen and a good person with their students, and they love it. Schools across the state have walls covered with posters on what ''responsibility'' means, and students who demonstrate outstanding acts of caring, for example, are celebrated at pep rallies. These simple lessons are taking root among our children, and they must be encouraged.

I am not suggesting that character education is the magic elixir that will prevent tragedies like the Columbine High School shooting from happening, but it's a start. We, as a society, need to tell our children that lying is not acceptable, under any circumstance. Stealing cannot be allowed. Breaking the law will not be tolerated. We also need to reinforce positive values, and programs like Character Counts do just that. I applaud the Senate for passing this resolution designating a National Character Counts Week for this year and next, and I encourage my fellow Senators to continue to work with me to ensure that our children receive strong and consistent messages on the essential values our society must embrace in order to succeed.

This is Republican time, but I am going to yield on Republican time to my colleague, Senator DODD.

Mr. DODD. Mr. President, I thank my colleague from New Mexico for yielding to me. Far more important, I thank him for his leadership on this issue. We have worked on this issue together, along with several of our colleagues for the last 5 or 6 years.

It all began because the Senator from New Mexico discovered this program and brought it to the attention of the Senate and asked a group of his colleagues if we wanted to get involved in this idea of Character Counts.

I will not go through the long history of it, but one can imagine how provocative a meeting it was in Aspen, CO, when educators, child psychologists, and Lord knows who else, gathered together—quite a group of people—to try to come to some conclusion about six pillars of character. Apparently the debate went on for some time on which pillars they could agree on. They finally settled on respect, responsibility, trustworthiness, caring, loyalty, honesty, and fairness.

This is not an all-inclusive list. There may be other ideas. There may be synonyms for each of these words that others find more acceptable to their particular community.

The point is not to be rigid about the words or rigid about how to best promote these values among our young people. What is important is that there be community efforts, efforts at the neighborhood level to promote the idea of strong values in our young people, not only young people but young adults and adults as well.

One of the beauties of this program is it does not focus just on the children in the schoolroom. But when the issue of trustworthiness is raised as an issue that the school is going to focus on for a particular period of time—a day, a week, a month—everybody in the school is involved with the issue of trustworthiness. The administrators, the teachers, the coaches, the faculty advisers, as well as the students, share in coming to a better understanding of how that particular value can be enhanced and understood and promulgated within the community.

This has been a tremendously successful program. In my State of Connecticut, there are now some 10,000 young people who have gone through a Character Counts Program. I do not know the exact numbers in my colleague's State of New Mexico, but it is easily that or more. We are small States. We are not large States. But it is a good indication of how successful this program has been. It has expanded primarily as a result of word of mouth, good reputation, one teacher telling another teacher in another community how it works, one principal telling another principal how well it works. That is why it has expanded as much as it has in my State of Connecticut.

Education, as we all know, is a central activity in any child's life. We teach them to walk, to talk, to read, and to write. But one of the most important things that a child can learn is how to get along with others and to be a part of the larger community, to be a responsible, caring, loyal, honest, fair, respectful citizen. You can add other words, as I said.

Regrettably, today, for a lot of reasons which we do not need to go into this afternoon, young people are entering a school system not having learned these basic values. It has nothing to do with economics. It has nothing to do with race or religion.

I can show you communities in my State that are some of the most affluent in the country where children are entering a school system without these values. I can also take you to some of the poorest neighborhoods in my State and show you where children are entering school with these values. I could also show you children out of those communities who do not have those values.

So it was decided a number of years ago we ought to try to weave into the educational process the teaching of these values, and to do so in a way that would not confront, if you will, the agenda that a teacher, a school system, has on a daily basis, but to weave it into the seamless garment of a student's daily life.

So instead of having, say, 15 minutes at the outset of the school day in which the principal comes on the loudspeaker and says: We are now going to talk about trustworthiness for 15 minutes—and if any of us here recall those kinds of discussions growing up as children, we all know what happened: We yawned; we fell asleep; no one paid much attention; we hardly remember what the principal had to say—what Character Counts says is, we are not going to do it that way; we are going to take the word ''trustworthiness,'' or ''loyalty,'' or ''respect,'' or ''citizenship,'' and we are going to ask you to weave it into the daily life of a student—not for a day or a week, but for a month.

That is what we have done in Connecticut—a month. So from the beginning of the day, whether it is math class or science class or whether the student is going to band or working on the school newspaper, or showing up on the athletic field—whatever the activity is—that school tries to take one of those pillars and make it a part of that teaching experience, for the full program, in a sense, to weave it into it so that everybody in school, for that period of time—in our case, a month—works on that word—''respect,'' ''trustworthiness.'' What does it mean? What is the absence of it? How do you become more respectful, more trustworthy? What are examples when it does not happen? It becomes, as I said, part of the seamless garment of that educational experience.

I have to tell you, you may say: Well, this sounds wonderful, Senator. It is a nice idea. I wonder how it is working.

It is working remarkably well. I can tell you, on the basis of countless conversations I have had with people all across my State, they point to this particular effort as having had success in changing the culture of a school. I

am telling you it has had a profound effect not just on the students I mentioned earlier but on the teachers, administrators, faculty, student advisers. They have all benefited as a result of weaving these Character Counts programs into their school life.

We spent a lot of time over the last couple months after the tragedy of Littleton, CO, talking about what we might do to solve the problem. Without belaboring the point, we sort of resort to our old bromides. We have one group of us here that will convince you it is gun control that is the answer to the problem, and if we could just deal with gun control, we could solve the problem. I happen to believe that is part of the answer. We have others who say: Look, if we can clean up Hollywood, the videos games, that is the answer to the problem. I would not argue, there is certainly an element that contributes to what happened.

But frankly, what happened at Littleton, CO, did not happen all at once. The event did. But I suggest to you that what happened in Littleton, CO, what happened in Arkansas, and Kentucky and Oregon, and other places, in my own State, isolated cases of violence began a long time before the events. There was a breakdown at home. There was a breakdown that occurred weeks, months, years before, that culminated in the tragic events of those days that we all remember with such painful clarity.

What Character Counts does here is, it tries to get at the source of the problem early to try to see if we can begin to change the direction, to offer a foundation in basic values to students so that you might change a young person's ideas on how they relate to each other—understanding differences, respecting differences, not having to feel alienated because you are different, not making someone feel isolated and alone because maybe they are not a good athlete or a great student—maybe their clothes are not the ones you would wear or I would wear; they may listen to music that you and I would not particularly find appealing—but to understand that each person is God's creation and that if we can inculcate them with a basic sense of decency, of understanding that they are part of a larger community, as I said at the outset, learning to respect each other, to trust each other, to be honest with each other, then we can begin to change the kind of culture, in my view, that contributes to this growing sense of violence we too often see among our young people.

I again thank my colleague from New Mexico. He is the leader on this issue. I am his blocking guard here. I get involved whenever he asks me to, because I am so committed to it and so believe in what he is trying to do.

I think the idea of getting our Governors involved is a tremendous idea. We hope that every Governor in the country, if they are not already involved in this, will be willing to join with us and in some public relations efforts, if you will, to raise the level of awareness.

We do not have a fixed idea in mind. My colleague mentioned Mr. Josephson and his program. It is a fine program. There are others who have a different point of view on how best to make this work. We have learned to respect what works in, say, a Native American community in the Southwest or a highly ethnic community in my State of Connecticut where you may have differences on how you approach these particular values. We let local communities and school districts and others try to sort out what size fits them best and how to make it work.

That is what we want to support, we want to recognize, we want to bring attention to. We want to promote and expand this. Again, we do not have any simple answers here for how you stop some of the problems we are seeing that are becoming too frequent in our society.

But I stand here today and tell you that if more communities would adopt a Character Counts program, if they would at least try this—just try it; and we can get you the information; we can put you in touch with people who can help you work through how to start it and get it going so you do not have to make it up on your own—then I promise you, if you try this, if you really give it a chance, you can make a difference not only in your school's life but the individual lives of the people who enter those institutions.

It need not be just elementary schools or middle schools. We have not tried it extensively, but I know of one in my State at the high school level where Character Counts has worked, where the principal said: We're going to try it. And it made a difference at that senior high school.

So many say: Kids are too old then. They are not too old. They are looking for some direction, some ideas they can hold on to and grasp as roadmaps on how to proceed with their lives.

I think the 2 weeks we have designated—October 17 of this year and October 15 of the year 2000—as National Character Counts Week bring us one major step forward, bringing some needed recognition to this very worthwhile program that has made such a difference already in the lives of thousands of people all across our country.

Again, I commend my good friend and colleague from New Mexico for his distinguished leadership on this issue.

Mr. DOMENICI. I thank the Senator very much.

The PRESIDING OFFICER (Mr. GORTON). The Senator from New Mexico.

Mr. DOMENICI. I have been a Senator for a long time. I have participated in a number of events that made me feel very good about my work and about my community and the citizens of my State. But I do not believe there has been anything as satisfying as to work with the communities in New Mexico and school boards and superintendents and teachers on the six pillars of character in Character Counts. It has been absolutely something that I just will never forget.

I am quite confident that while it is not the only answer, the elixir, to all of our problems, it is certainly a very positive thing going on in the lives of our young people. We ought to be proud of these efforts and certainly encourage Character Counts, where we can.

I would say to the Senate, if any of you get involved in Character Counts, it is very difficult for the schools to have success at the high school level, but a lot of work is being done there. It is among the grade school children where this program starts. As they move through those years, when they have been exposed to character education for 4 or 5 years, there is a real difference in how they perceive their relationship to their teachers, to their parents, and to their community.

Mr. President, I understand that I have a number of minutes remaining under my control on the Republican side of this.

The PRESIDING OFFICER. The Senator has the remaining 15 minutes between now and 4:15.

Mr. DOMENICI. If there are any Republican Senators who would like to speak, they may certainly come and do that now. I will yield the floor to them.

Mr. COCHRAN. Mr. President, on May 6, 1999, I was pleased to join my friend, the distinguished Senator from New Mexico, (Mr. DOMENICI), in introducing a Senate Resolution designating the third week in October, 1999 and 2000 as Character Counts Week. I am delighted today that we are approving this legislation, just as we have approved similar legislation in the Senate every year since 1994.

In 1993, the Josephson Institute of Ethics convened a conference of ethicists, educators and other leaders to examine the issue of character development. The result of that conference, held in Aspen Colorado, was the Aspen Declaration on Character Education.

The elements of character described in the Aspen Declaration were: trustworthiness, respect, responsibility, fairness, caring, and citizenship. They are often referred to now as the Six Pillars of Character.

Today, more than 300 member organizations, including community groups, schools and businesses are part of a nationwide Character Counts Coalition. These organizations sponsor programs that emphasize the importance of good character traits in our society. American society is dependent on the strength of the character of her citizens.

Never have we seen a time in the life of our society that good character has been more important. Solid lessons in character must be taught by parents and families, schools, and religious groups.

A 1996 National School Boards Association report on Character Education

in our schools showed a significant trend toward adopting character education programs in schools.

Character Counts! suggests three steps to teach young people for making the decision to do the right thing:

1. Think about the welfare of all people likely to be affected by your actions and make choices that avoid harm to and promote the well-being of others.
2. Demonstrate character by living up to all ethical principles of the Six Pillars of Character even when you must give up other things you want.
3. If you cannot live up to one ethical principle without giving up another, do the thing that you sincerely believe will promote a better society and should be done by all.

The National School Boards Association report found that schools with character education programs reported improvement in student leadership, discipline, violence, vandalism, academic performance, attendance and drug and alcohol incidents. It also stated, ''Ultimately, . . . character education may be a long-term investment as improvement and contribution levels often increase over time.''

As we work to train our children well, we must keep in mind that we are building the foundation for new generations. The examples we set about how we treat others, and what we accept in social behavior will influence not only our children, but all children.

In Mississippi, the Noxubee County Competitive Community Program, the Ocean Springs Chamber of Commerce, Kids With Character, and the Junior Auxiliary of Clinton are organizations who have joined the Character Counts! Coalition. They make specific commitments including:

To integrate character education into new and existing programs and to encourage young people and their parents to adopt and model the Six Pillars. And, to participate in CHARACTER COUNTS! Week.

I congratulate them on their important efforts and hope that this year more groups and communities will become involved in similar programs.

Mr. DOMENICI. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 98) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 98

Whereas young people will be the stewards of our communities, the United States, and the world in critical times, and the present and future well-being of our society requires an involved, caring citizenry with good character;

Whereas concerns about the character training of children have taken on a new sense of urgency as violence by and against youth threatens the physical and psychological well-being of people of the United States;

Whereas more than ever, children need strong and constructive guidance from their families and their communities, including schools, youth organizations, religious institutions, and civic groups;

Whereas the character of a nation is only as strong as the character of its individual citizens;

Whereas the public good is advanced when young people are taught the importance of good character, and that character counts in personal relationships, in school, and in the workplace;

Whereas scholars and educators agree that people do not automatically develop good character and, therefore, conscientious efforts must be made by institutions and individuals that influence youth to help young people develop the essential traits and characteristics that comprise good character;

Whereas although character development is, first and foremost, an obligation of families, the efforts of faith communities, schools, and youth, civic, and human service organizations also play a very important role in supporting family efforts by fostering and promoting good character;

Whereas the Senate encourages students, teachers, parents, youth, and community leaders to recognize the valuable role our youth play in the present and future of the United States and to recognize that character is an important part of that future;

Whereas in July 1992, the Aspen Declaration was written by an eminent group of educators, youth leaders, and ethics scholars for the purpose of articulating a coherent framework for character education appropriate to a diverse and pluralistic society;

Whereas the Aspen Declaration states, ''Effective character education is based on core ethical values which form the foundation of democratic society.'';

Whereas the core ethical values identified by the Aspen Declaration constitute the 6 core elements of character;

Whereas the 6 core elements of character are trustworthiness, respect, responsibility, fairness, caring, and citizenship;

Whereas the 6 core elements of character transcend cultural, religious, and socioeconomic differences;

Whereas the Aspen Declaration states, ''The character and conduct of our youth reflect the character and conduct of society; therefore, every adult has the responsibility to teach and model the core ethical values and every social institution has the responsibility to promote the development of good character.'';

Whereas the Senate encourages individuals and organizations, especially those who have an interest in the education and training of our youth, to adopt the 6 core elements of character as intrinsic to the well-being of individuals, communities, and society as a whole; and

Whereas the Senate encourages communities, especially schools and youth organizations, to integrate the 6 core elements of character into programs serving students and children: Now, therefore, be it

Resolved, That the Senate—

(1) proclaims the week beginning October 17, 1999, and the week beginning October 15, 2000, as ''National Character Counts Week''; and

(2) requests that the President issue a proclamation calling upon the people of the United States and interested groups to—

(A) embrace the 6 core elements of character identified by the Aspen Declaration, which are trustworthiness, respect, responsibility, fairness, caring, and citizenship; and

(B) observe the week with appropriate ceremonies and activities.

THE ECONOMIC AGENDA

Mr. DOMENICI. Mr. President, I would like to speak a little about the President of the United States, his staff and his renewed focus on the domestic and economic issues of this country.

Across the land, it has been heralded that the President is once again coming back to address economic issues and wants to become a part of the economic agenda. He wants to be involved with what we are doing here in Congress in our work on approving money for programs, talking about Medicare, Social Security, and other things. I will say at the outset that it wasn't too many months ago that the President of the United States was promoting a plan that was considerably different from what he is espousing today. It wasn't long ago that you felt satisfied with saving only a portion of the Social Security surplus and using the rest for your spending initiatives. Yet, as of today, the President's plan has come the Republican way. We both say now that we should save 100 percent of the money that belongs to the Social Security recipients of our country and we should not let it be squandered on anything else.

This means that we are going to save the $1.8 trillion dollar Social Security surplus over the next decade. In the Congressional plan, the only way that we can touch these funds is if they are needed to undertake substantive reforms of Social Security to ensure that the program works well for seniors. Nothing else.

In order to guarantee such restraint, we have developed a lockbox proposal—I came up with the basic idea and Senator ABRAHAM has taken a lead in promoting it. While the President's lockbox is different from ours, at least we are speaking the same language—even the President is saying that we must make sure not to spend any of the Social Security surplus. That puts us on the same path. He is following us. We thank him for that and are pleased to have him on board.

However, now is the chance for him to show his commitment to this principle. Up until now, we have faced opposition on our lockbox bill, both in our budget resolution and on the Senate floor. I would remind you that we have not been able to vote on this proposal here yet because the Democratic minority doesn't want to let us vote on our lockbox. We are going to ask them another time, very soon, to give us an opportunity to vote on it. This lockbox has the name, Abraham-Domenici. It is a real lockbox.

We are also joined by the distinguished junior Senator from Missouri as our third cosponsor, Mr. ASHCROFT. We wish others would join. We wish Senators from the other side would join. Let us make sure that when we say to the seniors that we are putting their Social Security funds in a lockbox, that it is real and is the most real one we can do. As a matter of fact,

our bill is so tough that the administration has opposed it on the basis that it might put our Government in a straitjacket. They fear that it might cause some harm to our Government and to our country because we tied the knot on our lockbox so tightly.

We do not agree. We think we need a tough lockbox to guarantee safety. However, the Administration should take comfort in the fact that the Office of Management and Budget—the President's experts on budgetary matters—has just revised up their surplus projections over the next decade in light of recent economic strength. As our economy grows and new jobs are added, people pay more in taxes. This means that once again, there is more revenue expected in the year 2000 than we contemplated 3 months ago. This means that we will now have an on-budget surplus in fiscal year 2000 above and beyond the Social Security surplus—both the President's budget shop and the Congressional Budget Office expect forecast this. This is true, even accounting for the $7 billion we spent recently in FY2000 on Kosovo. This money came out of on-budget funds—we have not touched the funds that are accumulated by Social Security.

The President believes that we have a $5 billion on-budget surplus remaining next year. I can't tell you what the Congressional Budget Office is going to say with certainty, but I can tell you it is more than that. I can tell you it is between $10 and $15 billion. That means we can lock up Social Security's money in the Trust Fund and still have a $10 or $15 billion buffer to absorb any unanticipated expenses. This should allay the Administration's concerns about our lockbox.

Having said that, let me talk for a moment about a profound change which has occurred in our country in recent years. Something very dynamic is happening to the US economy. Some say we're having a new industrial revolution of sorts in the high tech arena that is fundamentally changing the way we do business. It has fueled tremendous growth in all sectors. Now, no one knows for certain why this recovery is so long-lived. However, even though I am usually pretty cautious as budget chairman of the Senate, it does appear that this growth will propel us toward higher and higher surpluses going forward. It is realistic to assume that American taxpayers will be paying far more in taxes than we need to run the Government for many years to come.

That means, year over year, your Government spends less than it takes in. It is great to run persistent surpluses. However, we will surely lose the faith of the American people if we end up spending those surpluses. We must save Social Security's money now and in the future. However, we should think carefully about what we do with the extra surplus—the surplus above Social Security's funds. The President is thinking about this and has formulated 15 year budget plans. I should say as an aside, we will not use 15 year budget numbers—we will not go beyond ten years, regardless of what the President does. Ten-year estimates are long enough—we will have almost a trillion-dollar surplus beyond Social Security during the coming decade.

Now, I have not seen the entire new plan of the President, but I can tell you that is has some odd features. In the first five years, no one in America will get any tax relief. The Government of America will retain control of all the enormous projected surpluses. Tax relief is relegated to the second five years in the President's plan.

That is not fair to the American working man or woman. Now certainly, we will need to retain some of the projected surpluses to put toward Medicare reform. The President envisions one type of reform where he spends $51 billion of surplus dollars on a Medicare prescription drug benefit. We don't know if that is right or not. But we can sit at the table and fix Medicare given our wonderful fiscal situation. But let's not kid ourselves. We don't need a trillion dollars. We should be giving some of this money back to the American people—they are the ones who generated all these extra tax payments, they ought to get some of them back.

In that regard, it appears we are on a collision course with the President. We will let the American people be the judge of who is correct. I don't think that these hardworking men and women will stand by as their taxes climb higher and higher—I think they will support our call for tax relief.

It is unfair to assume that the Government, having collected more than we need, ought to start saying: Well, let's find out how we can spend all of it in Government. How does that make sense? Should we wait for Washington to figure out which new program it needs? Should we do what the President is doing? He wants to put $340 billion of IOUs into the Medicare trust fund, and then say, in 30 years when the IOUs come due, we will just raise income taxes to pay for it. Putting that money into the trust fund for Medicare does not enhance one payment, does not increase its solvency for one week. And here we sit failing to say exactly what it is. The President's proposal will lead to income tax increases down the road to cover these IOUs.

I should say a number of Democrats and almost every Republican have been critical of this presidential proposal. It is similar to writing a postdated check. Guess who is signing the check? The American people, because they back up the U.S. Government who signed that check. It is postdated 30 years. When it comes due, there isn't any money to pay it. So then you go out and tax the American people to pay it. But, in the meantime, you can for some reason run around and say there is a lot of money in the trust fund, ignoring the long-run consequences of this plan. Frankly, I don't believe this is the right way to do things.

I look forward to a good, healthy debate. Normally, I would wonder whether the President is going to once again politicize the issue of Medicare so much so that it will turn out that we will not do anything, and we will all be frightened to death. But I actually believe that the President and Congress can work together. However, we do not endorse the President's reliance on trust fund accounting. Instead of forcing all the surpluses into some trust fund or another, why don't we give them back to the people who paid us? Maybe they could set up their own trust funds. Maybe they could start their own savings plan. Maybe they could put a little more into the kind of things they think they need for their families.

In a sense, I don't know about the rest of the Senators on both sides of the aisle, but I look forward to these issues we are going to discuss between Members of the Congress and the President. On some of them, I look for us to walk right down this aisle in bipartisan fashion and get some things done. However, we will not walk into an end agreement where no relief is given to American taxpayers. We will not be able to agree with the President of the United States if he is leading all the Democrats—which I somehow doubt—saying, no matter how big the surplus is, let's just wait around and see if Government doesn't need it. I submit that, if you do that, Government will need it. Government will use it. And the taxpayers who collectively paid more into Government than we need will see bigger Government, more money spent and less money in their own pockets, which is where more of it ought to be.

I think my time has expired. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

Mr. DOMENICI. Mr. President, on behalf of the majority leader, I ask unanimous consent that we remain in morning business until 5 o'clock and that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

The PRESIDING OFFICER. The Presiding Officer, in his capacity as a Senator from the State of Washington, suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I ask unanimous consent I be given 5 minutes to address the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

GUN SHOW LOOPHOLE

Mr. SCHUMER. Mr. President, 2 months ago, right after the tragedy of Columbine High School, I warned that whenever a tragedy occurs in our schools, if we don't act quickly and resolutely, the tragedy would recede in memory and we would fail to pass laws necessary to make our schools safe, thereby creating new ways for future tragedies to occur.

To the relief of the entire Nation, the Senate passed the juvenile justice bill that, thankfully, although belatedly, closed the gun show loophole.

The House, however, failed in its duty to the American people. The House was unable to shake loose from the NRA. They were unable to pass a juvenile justice bill with any gun control legislation and unable to even close the gun show loophole.

I rise today to remind the Senate of the urgency that led us to act firmly and resolutely after Columbine, and to use the various parliamentary procedures that allow Members to bring the juvenile justice bill and the gun show loophole bill to conference where we can do what is right.

I spent part of this weekend, Sunday and Monday, in New York's capital region, talking with constituents from Albany and the surrounding towns. Some of the areas were fairly rural. Without prompting, people walked up to me and said: Senator, what the heck are they doing in Washington? How come you can't even close something as simple as the gun show loophole?

They were incredulous. These people aren't passionate advocates of gun controls. They were outraged. They could not believe that a lobbying group, even such a powerful lobbying group as the NRA, could stop the Congress from passing a basic gun show measure.

I am proud of what the Senate accomplished last month. We debated juvenile justice for over a week. Passions frequently ran high. We cast five separate votes on various proposals purporting to close the gun show loophole. In the end, we approved the real thing. The juvenile justice bill itself passed by a margin of 73–25, with majorities of both parties voting in favor.

Is it a perfect bill? No. Is it a good bill that will make a real difference? Absolutely.

Now the question is whether we are going to throw up our hands and say the House couldn't stand up to the gun lobby, so let's give up.

We are in a strange lull, a lull in which newspaper stories inform us, and I quote the Washington Times of June 23:

> Some [GOP leaders] said even a Senate-House conference to iron out differences with Democrats over gun-control provisions in a juvenile justice bill is now in doubt.

I am told today that Mr. ARMEY said at the very earliest, conferees would not be appointed until after the July 4 recess.

First and foremost, conferees ought to be appointed. We should not simply stop the process because some people, certainly a minority of the Members of Congress, and certainly a minority in terms of the views of the American people, do not want it to happen. The Senate debated the issue. We should have the ability to go to conference. I call on the House leadership to appoint conferees quickly and with alacrity so we might debate the provisions here, not only the gun show loophole but many of the provisions that people on both sides of the aisle support that would make it easier to punish violent juveniles as adults and that would provide some of the prevention services that young people need. Because juvenile justice and closing the gun show loophole is a priority to many Americans; to a large majority of Americans, in my opinion.

Two weeks ago, for instance, a month after we passed the juvenile justice bill, we passed the Y2K liability bill. Lo and behold, Senate conferees were immediately appointed, and I understand we are now close to an agreement. In fact, I believe an agreement is due this afternoon. I think that is great. But Y2K is a far more complicated bill than juvenile justice. It is treading on fresh new ground.

The millennium, by definition, occurs every thousand years but we finished this one right up. The juvenile justice bill, however, is in stasis. There are things that can be done to get it moving. The most obvious is for the House leadership once again to appoint conferees so we can debate the gun show loophole. The real problem I fear is that those in the Republican House leadership do not want to continue to debate this issue. They know their allies in the NRA and the American people, including most gun owners, are divided because most Americans, including most gun owners, sincerely believe providing a background check at a gun show does not infringe their rights just as we now provide that a background check must be done when you buy a gun at a gun shop. But they do not want to do that.

So there are other things we should consider to get things moving. Perhaps we can add these provisions to a bill that has to be conferenced. Perhaps we can add this to other types of proposals which the other body sees a need to have go forward. But I am issuing this challenge, particularly to the House leadership but to all of my colleagues: We should pledge to send a juvenile justice bill, one way or another, to the President's desk, a bill which includes the Senate gun show provision, by the first day of school, the Tuesday after Labor Day. That is 2 months to pass a bill that we already passed. If we do not, and there is, God forbid, another school shooting, we will sorely regret our inaction.

I yield the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. I thank the Chair.

PATIENTS' BILL OF RIGHTS

Mr. REED. Mr. President, I will speak for a few moments about a topic that has consumed many of us for many days this week and preceding weeks, and that is the Patients' Bill of Rights.

A particular concern to me has been the status of children in the various versions of the Patients' Bill of Rights. I argue very strenuously and very emphatically that the Democratic proposal recognizes the key differences between children and adults when it comes to health care, and there is a significant difference. For a few moments, I will try to sketch out some of these differences.

First of all, if one looks at the adult population in terms of types of illnesses, they are characterized as chronic diseases with relatively simple symptoms, simple manifestations with known consequences. They are quantifiable over a short period of time. Prostate cancer, breast cancer, heart attack are familiar diseases to all of us.

The other aspect of adults is that there is a large volume of adults who have these types of diseases. As a result, there is more than a sufficient supply not only of physicians but of specialists, those who are particularly skilled and particularly knowledgeable about the most efficacious treatments one can use for these types of conditions.

In contrast, children present another type of population to the health professionals. The good news is that most children are healthy. But if a child is sick, that child usually does not have one of these chronic diseases that is well-researched and well-treated and staffed by numerous specialists, but something more complicated. In fact, as the professionals say, these diseases are usually complex and with multiple co-morbidities. For the layperson, that means different problems interrelated causing a much more complicated case for the physician.

There is another aspect of this dichotomy between adult health and children's health. There are so many

healthy children —the good news. The bad news is in terms of managing this population, there is a very small volume of very sick children. This makes it very difficult for physicians to maintain their clinical competency, particularly for general practitioners. They will see many adults who have similar symptoms and they know very well how to treat them. By contrast, they very rarely see chronically ill children, so treating them effectively becomes especially difficult for a general practitioner.

Another difficulty is the sense these general practitioners or even adult specialists can treat this population of patients. There is a further complicating factor, that is, to manage cases you need volume, you need data, you need to understand what the best treatments are, and you can only do that in a rational way by studying lots and lots of cases and, frankly, because of the nature of children's health, they do not have the same type of volume in children's diseases as they do in adult illnesses.

One other complicating factor is that many times children's true health conditions manifest themselves long after they have actually contracted the condition. It is not the short duration, it is not the heart attack that one can rush the person into the emergency room, do the surgery, apply the drugs, and get that adult on the road to recovery. It is much different when it comes to a child.

Managed care organizations and the way they deliver care can compound these inherent differences between the adult population and the children's population.

First, let me give credit where credit is due. When a managed care plan does it right, they do preventive care very well. They can anticipate, through the management of the child's case, immunizations and well-baby visits, et cetera. But there are certain inherent characteristics of the managed care system of health care delivery that makes it—appropriate for adults but less appropriate for children. That is why we have to focus a part of our efforts on making sure that children are truly recognized in the legislation we are discussing.

First of all, because there are a relatively small number of very sick children, there is not the adequate number of patients for the HMO to maintain a number of pediatric specialists in their provider network. The other fact is that HMOs tend to fragment the market. They go after parts of the market and leave other parts out, but they do not tend to accumulate large groups of children so that a pediatric specialist in a particular area can be fully employed.

Another aspect of the managed care delivery system is that they typically look for an affiliation with what they call centers of excellence, hospitals that are well-known for their practice in a certain field of medicine. In most cases, what they consider to be the center of excellence is a center that provides the best adult medicine because after all, they are marketing their products to adults, not to children. They are marketing their products to human resource managers who have to buy for a company, or they are marketing directly to people who make decisions about health care who are by definition adults. When they are out looking for centers of excellence, they are looking for those hospitals that have the best urology departments, have the best records with prostate cancer and breast cancer and heart attack. That is another built-in aspect of the HMO dilemma which complicates the care to children.

There is something else. There is an economic incentive for these HMOs to refer children to adult specialists and not to pediatric specialists. There is a great difference between a cardiologist and a pediatric cardiologist because of the differences in caring for a child versus caring for an adult. The incentives are sometimes very compelling.

For example, if you have a staff model HMO—that is where the doctor actually works for the HMO—you have a cardiologist simply because that is expected, and if you look at the numbers, you are likely to have a lot of adult cardiology patients and very few children. To add a pediatric cardiologist increases the fixed costs. Why do that when you can simply make a referral to the adult cardiologist that is already in the plan's network?

When you look at the nonstaff model, one where they will contract with individual physicians, typically what they will do is look at volume discounts. A physician will say: Sure, I will sign up for so much per visit, but you have to assure me that I will get a lot of visits. That is another incentive to drive children not to pediatric specialists but to adult specialists.

As a result, these incentives tend to diminish the quality of health care that HMOs give to children, particularly very sick children. It is not because they have some type of grudge against kids. It is simply, if you look at the market dynamics, if you look at the volume they are trying to manage, it all argues against the type of care that sick children must be assured. In other words, there is a failure in the market to recognize the needs of children.

That is why we have to step in. That is why we have to require HMOs to make sure that there is access to pediatric specialists, to make sure HMOs are tracking the health progress of children, to make sure they are measuring their outcomes in terms of children and not just adults. If we do not, the system will always be driven to the needs of the adults who managed care plans are trying to recruit as patients. Another way to say this very simply is that HMOs operate on economies of scale. That is how they make the money. And children with particularly complicated pediatric health care cases do not conform to those types of economies of scale.

I mentioned before there are other particular issues about the health status of children that make them distinct from adults, and one of them is the fact that children are still developing. They are constantly changing their functional levels —mobility, toddlers start walking, and then they start running, speech, puberty—all issues which are seldom associated with adult health.

As a result, unless you consider development as a first order of priority, you are going to overlook a lot of the emphasis that should be placed on children's health care. I suggest that most HMOs do not factor in the sensitivities to development that are so necessary.

Also, when you get into a situation like this, when the development of a child is at stake, the challenge is early intervention. It is not simply catching the disease someplace along its course and providing some type of treatment. It is early intervention.

There are numerous examples. One that I recently read about is a condition in infants called strabismus, which is muscle weakness of the eye. If it is not corrected soon after birth when the neurological connections between the eye and the cortex of the brain are being formed—again, this is not a situation that an adult would ever encounter—if you do not catch it early, you are going to have significant and irreversible loss of sight.

That is a special concern for kids, a very serious developmental concern for children diagnosed with the disease. That is why we need to make sure that development is built into HMOs consideration of the type of treatment and services they provide children. The economics of HMOs means they will not do it themselves. Therefore, we must make it our job. I think that is what is part and parcel of a good part of the Democratic initiative.

Let me suggest something else on the issue of development. My colleague from California, Senator FEINSTEIN, and so many others, have talked about medical necessity. This whole definition of medical necessity tends really to prejudice kids from getting a fair shake in HMOs, for many reasons.

First of all, most medical necessity determinations are documented by data. How efficacious is the treatment? How often do we use it? And it goes right back to one of the inherent issues: The very lack of the volume of seriously ill children to generate the kind of data, treatments and outcomes.

There is nothing in the law that I can see today at the Federal level that even requires HMOs to start thinking about outcomes, to start thinking about effectiveness in terms of kids.

The other thing that we should be concerned about is that a lot of medical necessity is cost based—using the cheapest option. Once again, when you have a very small volume of very sick

kids, the appropriate form of treatment may be extremely costly.

Another factor concerning medical necessity is that usually it is tied to the notion that a health plan will not pay for innovative treatment. It will not pay for experimental treatment.

Once again, many of the treatment modalities used for children, simply because they are not routine, can be called innovative or experimental. That is another example of how children are prejudiced by the system. It is something that we have to correct.

Finally, very seldom will you find in the definition of medical necessity this concept of developmental impacts, beyond simply returning to normal function. As a result, it is easy for HMOs to say a treatment or procedure is not medically necessary when children present themselves or their parents present them for care. It is not threatening their lives today, or even their ability to function today. However, they probably know that months from now, a year from now, 2 years from now, their development will be severely impaired. But that is not part of medical necessity. So that is another example of why we have to step up to the plate, particularly when it comes to children.

We have learned so much about the development of young children, particularly from ages 0 to 3, including the way the brain develops.

Once again, this is an issue that has very little correlation with adult experience. Children are developing.

Just a few examples.

At the Baylor College of Medicine there was a survey of abused and neglected children. They focused on 20 children who they described, in technical jargon, as living in ''globally understimulating environments.'' In other words, these children were rarely touched; they had no real opportunity to play; they had no opportunity to explore and experiment. They found that the brains of these young children were 20 to 30 percent smaller than those of children who had the opportunity to be stimulated. Indeed, literally parts of their brains had wasted away. Again, this is an issue that would never confront a practitioner looking at an adult.

Another example relating to development is in the area of childhood trauma. We have been able to show, through scientific examination, that children who have witnessed violence have physically continued to register that violence, they remain in a high-alert state, and this leads to emotional, behavioral and learning problems.

Again, these are conditions that you would never find in an adult, with some exceptions of course. But they are part and parcel of the developmental process of children. If we do not understand that, we do not recognize it. If we do not provide particular protections for children, it will not be done by the HMOs. It costs too much. They do not have the data. It is just something that they do not think about a lot.

I see my colleague from Oregon is here. Let me make one other point, if I could.

Mr. WYDEN. I just want to, at a convenient time, ask my good friend from Rhode Island to yield for a question or two because I think the Senator has made an excellent presentation on the need to advocate for kids. All the latest research with respect to these children is really dropped-dead material. Unless you get there early, as the Senator from Rhode Island is suggesting, you end up, with a lot of these poor kids, playing catchup ball for the next 10 years.

So when it is convenient, I would like to engage the distinguished Senator from Rhode Island in a few questions about some of the other areas where he has contributed on this bill that, frankly, I think ought to help bring the parties together and help us fashion a bipartisan proposal.

I just want the Senator from Rhode Island to know how much I appreciate him standing up for those kids who do not have political action committees and do not have clout and cannot speak for themselves. At an opportune time in the Senator's address, I would like to be able to ask the Senator to yield just to address a few other questions about some of the areas on which he has focused.

Mr. REED. I thank the Senator from Oregon.

I want to make one final point about children, and then I would very much like to yield to the Senator. And I compliment him, too, on his efforts because we are working together on many of these issues, including children's health.

One final point: Children's health is, I would argue, more dependent on environmental conditions than adults. Of course, there are certain situations in the workplace where adults are exposed to chemicals, and we try to deal with that in terms of regulations and standards. However, it is also important to recognize that children are particularly prone to environmental and sociological conditions.

For instance, lead poisoning—it is an epidemic in so many cities. In my city of Providence it is an epidemic. But it is not just Rhode Island, it is across the country.

For too long, we used lead paint in houses, and now we do not have enough HUD money to clean up homes that have lead-based paints. That is why so many children have lead paint poisoning.

We have to recognize, for kids, is they these are important health problems. We have to be developing mechanisms so managed care organizations recognize these issues as health problems and that the Government recognizes them as health problems, and that they work together with linkages.

My final point is, unless we pass the kind of language that we have in the Democratic alternative, we are not going to give the special needs of children the attention it needs and deserves. When we start collecting the data, when we start having the HMOs publish what they do for kids—what is their success rate with kids? How many kids with complicated conditions do they have enrolled in their program? When we start doing that, they are going to have an incentive to start talking to the schools and the local authorities about their patients because now they have a real visible, accountable incentive to do it.

Just one final point: Again, Bruce Clarke, Gen. Bruce Clarke, one of the great combat leaders of World War II, said—and I remember this from my days at West Point—''A unit does well what its commander checks. If the commander doesn't check, you are not going to find that unit paying attention.''

We have not been checking on kids in HMOs in this country. I do not think they are doing particularly well as a result. When we start checking on kids specifically, as the Democratic alternative does, then we will start doing much better, I think we will start doing well.

I yield to the Senator from Oregon.

Mr. WYDEN. I thank my colleague for yielding. He has made an excellent presentation with respect to the need for strong advocates for these kids.

I will turn briefly to another area where the Senator from Rhode Island has, in my view, done yeoman work, and an area, frankly, that I think has sort of gotten lost a little bit in this discussion. That is the proposal the Senator from Rhode Island has made with respect to having ombudsmen or advocates for consumers around the country. It ought to be one of the areas that both political parties could gravitate to, because I believe that what the Senator from Rhode Island has done—of course, we have gotten great input from Families USA and Ron Pollack and some of the folks who have done so much for consumers over the years—is essentially talk about a true revolution in the area of consumer protection.

What happened—I have seen this so often since my days as director of the Gray Panthers; I was head of the Gray Panthers at home for about 7 years before I was elected to the House—what we saw was that the consumer would have a problem and, without any advocates or the ability to get it handled early on, a problem that started off relatively modest and minor would just fester and get worse and eventually blossom into a huge controversy which ended up in litigation.

As the distinguished Senator from Rhode Island knows, one of the most controversial aspects of this whole debate about managed care is litigation. It seems to me that if the Senate were to adopt the proposal of the Senator from Rhode Island or some version of it, this would shift the focus of consumer protection away from litigation,

away from problems after they have unnecessarily developed into something serious. Instead, we would resolve a lot of the problems early on and we wouldn't need this focus on litigation.

Certainly, we ought to have legal remedies for the really outrageous examples of consumer rip-offs and the like. But I think what the Senator from Rhode Island has done, and it is such a valuable service in this debate and a real revolution in consumer protection, is said: Let's get at it early on when the consumer and the families can find somewhere to turn. We will prevent problems then. It can be done relatively inexpensively.

I would like the Senator from Rhode Island to elaborate a little bit on this and make sure that over the next few minutes the Senator from Rhode Island can lay out his proposal, on which I am honored to join with him. I think this has the potential of, frankly, being one of the areas where the parties, once they focus on it, can say: This is good public policy that will reduce the need for litigation and, as Ron Pollack and Families USA have said so eloquently, help a lot of consumers when they need it most. Perhaps the distinguished Senator from Rhode Island could take us through it.

Mr. REED. I thank the Senator from Oregon for his very kind words. Let me also thank him for his help and support in working so closely with me and Families USA and others to ensure that this proposal will work for all consumers and for the insurance industry as well.

Part of our attempt is to find answers before, as the Senator from Oregon has said, they wind up in court. My experience—I think your experience, too—is that people want their health care to be addressed. They don't want a lawsuit. They want to get their children cared for. They want their own health care. This is not an attempt to figure out some way to get involved in a messy multiyear litigation process. Yet if there are no mechanisms, such as an ombudsman and an internal/external review process, if we don't have these mechanisms, that is where we inevitably will find ourselves.

Let me quickly accept the Senator's invitation to lay out some of the details.

First, it would be a State-based program, not a national program in the sense of some collective wisdom here in Washington, but each State could design their own ombudsman program. We would provide financial support. There would be some general guidelines for the states to follow. Basically, this ombudsman operation or consumer assistance operation would inform people about their plan options that are available and to answer other questions about a person's health plan.

Frankly, one of the great dilemmas most of our constituents have is, they don't know whom to ask about health plans, what health plans are available. This would be a source, a clearinghouse, if you will, for that type of information.

Then the ombudsman or the consumer assistance center would operate a 1–800 telephone hotline to respond to consumer questions and requests for information—again, such a necessary ingredient, for several reasons: First, the general befuddlement one experiences when you try to read a health plan contract. Two, I sense there is deep skepticism about the kind of response you expect to receive from your own insurance company about your rights and your benefits, if you get a response at all. Too many times I have heard constituents say they have just found themselves entangled in a voice mail hell, if you will. As you push one number and find one recording, you push another number and find another recording. The ombudsman program with the 1–800 number would serve as a place where you could get information and get it quickly.

Then this objective ombudsman, or woman, as the case may be, would provide assistance to people who think they have a grievance. They would have an opportunity for a patient to go in and say: My plan said I could not have this procedure for my child. My doctor says my child needs it. Can you help me? Frankly, not only will the ombudsman help the individual consumer, but they will look at the plan, and they will conclude that under the terms and conditions of the contract, that is or is not covered.

It won't be the insurance company protecting their own interest, it will be an objective agency that will be able to step in and advocate for consumer rights when they need to vindicate their rights and explain to them the limitations of the policy, when that is the case.

That is the general outline.

I yield the floor.

Mr. WYDEN. I appreciate the distinguished Senator yielding. I have felt that he has really gone to great lengths to try to ensure that this could be supported by every Member of the Senate.

Frankly, I feel about his proposal much like I do about the gag clause discussion. I think he and I have talked about this. I am probably a lot of things, but one of the last things I guess I would qualify as is an HMO basher. We have a lot of good managed care in my part of the United States. My hometown of Portland has the highest concentration of folks in HMOs in the United States. About 60 percent of the older people are part of a managed care program.

The distinguished Presiding Officer, Senator SMITH, and I have worked together on a lot of these issues. Frankly, one of our big concerns is, we do offer a lot of good managed care. We end up getting the short end of the stick in terms of reimbursement. I think what the Senator is talking about with an ombudsman, much like gag clauses where people, of course, ought to be entitled to all of the information about their options, the ombudsman concept is much the same kind of approach to good government.

The Senator from Rhode Island has written this now so as to ensure it cannot result in litigation, that this specifically is designed to help consumers at the front end and bars litigation. I don't think the majority of the Senate is aware of that. The Senator from Rhode Island has indicated to this Senator and the Senator from Maine, Ms. COLLINS, who has been very interested in this issue over the years, who has done good work, that he wants to make sure we don't duplicate existing services.

I am happy to yield to the Senator.

Mr. REED. Reclaiming my time, it is quite specific in the legislation. Again, the Senator is one of the contributors to this legislation, along with Senator WELLSTONE, and I thank him.

The ombudsman, or the consumer assistance center, could not participate in litigation. Their scope of participation is informal and could include contacting the insurance company, explaining rights, advocating for the patient as an ombudsman, not as a lawyer, not as a litigator.

Let me add one other point and then, again, yield to my colleague from Oregon. Interestingly enough, again I think he has identified an issue that we all can rally around. One of the great talents the Senator from Oregon brings to the Senate is an ability to be a bridge in so many different ways, i.e., the Education Flexibility Act—to find a mechanism that we all can agree upon.

This is another one of these areas. Interestingly enough, a few weeks ago we passed with little controversy and with much enthusiasm the defense authorization bill that included an authorization for an ombudsman program to address the problems and complaints associated with military HMOs—the TRACER system—looking at the same problem that all of the Senator's constituents from Oregon face, and all of my constituents face, but in the context of military families and complaints, and legitimate complaints of military families. They cannot get the care they need. They cannot get the answers. They get the runaround. They do not get the support.

In response to that, this body voted enthusiastically to authorize an ombudsman for the TRACER system. Frankly, both the Senator from Oregon and I are saying if it works well, or we think it is going to work well for our military families who are enrolled in an HMO that has a great deal of responsibility for them, why not give it a chance in the context of the private insurance HMO industry in the United States?

I think that underscores what the Senator from Oregon has said. This is not controversial. This is helpful. This

is practical. This is not about litigation, it is about making sure that people get answers, that people get results, and that people get the care. That is what I think we are all here to do.

Again, I will yield.

Mr. WYDEN. I appreciate the chance to continue this for a moment because the Senator from Rhode Island is essentially being logical. Heaven forbid that actually takes over some of the debate we have. There is nothing partisan about making sure that consumers have all the facts about their health care. That is the effort with respect to barring gag clauses. And there is nothing partisan about this ombudsman approach.

I am very hopeful, frankly, that as the Senate learns more about this kind of concept pioneered by the Senator from Rhode Island, Families USA, and others, that we will see some of the good health care plans in this country saying we are going to support this because it makes sense to solve problems early on.

Frankly, if we can win support for the REED proposal early on—I am honored to join in on it—I think this will go a long way to eventually resolving the controversy about litigation because I think we will see good advocacy programs early on, and we can confine then the need for litigation to really only the outrageous, outlandish cases where I think every Member of the Senate would say, goodness, this is an area where you really ought to have a legal remedy. But we would have skewed the whole system toward prevention and early intervention, or answering the questions that the Senator from Rhode Island has properly identified.

I will tell you that in my hometown, where we do have a lot of good managed care, folks want to see this kind of proposal. They want to see what is laid out in the legislation that our colleagues on this side of the aisle are offering, and they want to see us reach a bipartisan agreement.

The Presiding Officer of the Senate and I have had the most competitive elections in the history of the West. We have teamed up together on a whole host of issues in the Senate.

It would seem to me that around the ombudsman program and around barring gag clauses, this is another area where essentially partisan politics ought to stop outside the Chamber. We ought to work together to enact a good ombudsman program to say that this is the best anecdote to frivolous litigation, frankly, that we could possibly find.

I thank the Senator from Rhode Island, with whom I have enjoyed working for well over a decade on senior and consumer issues, and for the chance to work with him on it.

Perhaps by way of wrapping up my question to the Senator from Rhode Island, could he fill us in on progress with other colleagues? I know that Senator COLLINS has been very interested in this issue. She has done good work in her home State of Maine. Perhaps the Senator from Rhode Island could just wrap up by telling us where his proposal stands. I want to assure him and Senator KENNEDY, who has been leading this fight—and I am anxious to work with him. In fact, when I first came to the Senate, just a few weeks after arriving I had a chance to work with the distinguished Senator from Massachusetts on the effort to bar gag clauses. I only wish we had gotten that in place back then several years ago. It is long overdue that we get that protection for consumers as well as the Reed proposal.

Perhaps the Senator from Rhode Island could tell us where the ombudsman proposal stands at this time.

Mr. REED. Very quickly, we have been working, as the Senator knows, closely on the Reed-Wyden-Wellstone proposal, which was formally introduced as separate legislation. It is incorporated in the Democrat Patients' Bill of Rights. I know Senator COLLINS of Maine is very interested in this issue. I think she is also convinced that this is important and significant.

Let me also say that the Senator from Oregon made reference to his experience as a senior advocate. There are, in fact, senior ombudsman programs throughout the United States which we support with the Older Americans Act. These programs have been very effective and are doing precisely what we want to do in the context of managed care.

Again, we just adopted an ombudsman program for military personnel in the TRICARE system. It was noncontroversial. In fact, we have a great deal of expectation and hope that this will be helpful to our military families. We are working together across the aisle. I hope that we can also incorporate this provision in whatever Patients' Bill of Rights legislation that emerges. It is not designed to be a tool of litigation; it is designed to be a tool of conciliation.

On those grounds, I am optimistic and hopeful.

But, once again, let me finally conclude by thanking the Senator from Oregon not only for our colloquy this afternoon but also for his support, not only on this issue but so many others.

Mr. WYDEN. I will be very brief as well.

I think the distinguished Senator from Rhode Island, particularly with Families USA, is on to something that really constitutes a revolution in consumer protection. What we have seen on one issue after another—just a few minutes ago the distinguished Senator from Arizona, Mr. MCCAIN, and Senator DODD of Connecticut, and I were able to get an agreement on the Y2K issue with respect to trying to hold down frivolous lawsuits surrounding Y2K. What the Senator from Rhode Island and Families USA have been able to do is essentially say in the health care system: We are going to do everything we possibly can to limit frivolous lawsuits; we are going to help people when they need it most, when the problem first develops.

I want to assure the Senator from Rhode Island and the distinguished Senator from Massachusetts that I am anxious to work with them on this proposal, because I think this is one of the areas where the parties ought to be able to come together. It may sound quaint, but the ombudsman notion is simply good government. It is preventive kind of medicine.

I thank the Senator for the chance to work with him on it. I will not ask him to yield further. But I am very hopeful that in the days ahead both political parties can see the merit in this idea and have it included.

Mr. REED. Before yielding the floor, let me just say that I, along with my colleague from Oregon, must recognize Families USA and Ron Pollack for the inspiration and thoughtful analysis that helped propel this proposal. It is a good one.

Frankly, we could do very well in this Senate this year if we could protect children through better managed care legislation and give all of our citizens a real voice in our health care decisions through an ombudsman program. This will be a very satisfactory and very successful endeavor for all of us in the Senate.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from New Hampshire.

Mr. GREGG. Mr. President, are we in morning business?

The PRESIDING OFFICER. The time for morning business was concluded at 5 p.m.

Mr. GREGG. Mr. President, I ask unanimous consent that I be allowed to speak for 10 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE

Mr. GREGG. Mr. President, I want to comment on the President's proposal relating to Medicare, and specifically relevant to the drug benefit which has been put forward by the President today and by his staff.

I think the American people have to look at this in the context of the history of this administration's efforts in the area of health care. We know that when this administration came into office, Mrs. Clinton was assigned the task of developing a health care proposal. She came up with what has become known as ''Hillary Care,'' which was essentially a nationalization of the health care system. It was intricate bureaucracy that basically was so interwoven and so complex that it was totally impossible to recognize.

It needs to be noted in evaluating the drug component on this recent proposal on Medicare, the proposal of the

Clinton administration on general health care issues as it came forward under Mrs. Clinton's plan, known as ''Hillary Care,'' was a dramatic invasion of the health care delivery system in this country by the Federal Government. It was essentially a nationalization of the system with huge complexities and huge intricacies. That was followed by a number of other initiatives which were lesser but equally aggressive in their attempts to move to the Federal level control over functions of health care in this country.

Then on the issue of Medicare, a commission was set up. The commission was to be balanced. In fact, the President had a large number of appointments to it, and the Senate and House had a large number of appointments to it. It was chaired by a Democratic Member of the Senate, Senator BREAUX.

That commission was to resolve this matter. It was to come forward with a proposal to address the long-term solvency of Medicare and, within that, the drug benefit for senior citizens. The commission did great work, yeoman's work. They came up with a proposal. More than a majority, a significant majority, of the commission supported the proposal which had in it a drug component, and the President walked away from the proposal, even though the proposal had been supported by a majority of the commission which he was instrumental in setting up and to which he appointed the chairman, who was Senator BREAUX from this body.

The question of his most recent proposal on Medicare, I believe, has to be looked at in that context, and therefore it becomes a question of whether or not the proposal put forward by the President, most recently today, is a serious proposal or is it a political proposal. If it is a serious proposal, why is it not in step with the Breaux commission, and if it is a political proposal, what is its purpose?

Let's look at it quickly. Nobody has had a great deal of time to analyze it, but if you look at it quickly, it appears to be a proposal that is turning on its head the basic purposes of a drug benefit.

The Breaux commission suggested that the purpose of a drug benefit should be to make sure the beneficiary, the person paying the drug costs, was not wiped out by the cost of the drugs. That is a reasonable position. Essentially, the Breaux commission concluded that we should have some way of saying to a senior citizen who ends up with a huge amount of drug costs that if you are hit with a catastrophic drug cost, there is going to be some protection for you and some coverage for you.

This proposal from the President does the opposite. Instead of covering a catastrophic drug event where a senior citizen has to buy a lot of drugs to maintain their health over a period of a year and, thus, runs up huge bills which basically deplete their assets, this proposal has first-dollar coverage. The first-dollar coverage stops when it gets to $2,000, I believe, of drug expenditures, which means that if a senior citizen has a large number of drug expenditures, essentially the senior citizen is still going to be wiped out by those costs.

It makes much more sense to approach it the way the Breaux commission approaches it and the way most people have looked at the issue, which is, you say to a senior citizen or anyone else: Listen, you have to be responsible for the cost up to a certain level, and when you get to that level which would threaten your economic solvency, at that point the Federal Government will come in and assist you in paying the drug costs, which would be catastrophic coverage and makes much more sense than the proposal which has first-dollar coverage, if you are putting forward a plan which has as its purpose the actual correction of the present problems occurring in the health care community relative to drug costs.

The proposal the President puts forward makes no sense substantively on the issue of paying for drug costs, because it does not benefit anybody if they have a catastrophic amount of drug costs. It may make sense, however, politically because it says to a senior citizen, we are going to cover you for first-dollar coverage of your drug costs, which means you can say to all seniors, you no longer have a drug cost for up to $2,000, which means a lot of seniors will be covered, but of course those seniors who are most at risk, who have lots of drug expenditures, who exceed $2,000 in drug expenditures, are thrown out like the baby with the bathwater, but at least politically you pick up the vast majority of seniors who have lower drug costs.

One has to look at that benefit and say that is a more politically driven benefit structure than a benefit structure directed at the problem, which is the huge amount of drug costs on senior citizens and the fact it can wipe out their assets.

One has to look at another issue, which is, we all know a drug benefit is very expensive for the Federal Government, and therefore for the taxpayers, and when we are talking about taxpayers, we are talking about younger taxpayers who are paying to support the senior citizens.

We have a transfer of income from younger working Americans into senior citizens' accounts, and one would expect, therefore, in looking at that, we would be saying: Seniors who are doing well—and a large number of seniors in our society are, fortunately, because we have been able to create an atmosphere where many seniors have a fair amount of income, and, as a matter of fact, as a matter disposable income, people over age 65 have more disposable income than in their working years when they were in their twenties and thirties. For the most part, you could say those people are doing really well.

For example, say, Bill Gates' parents, who probably have a fair amount of stock in Microsoft, may be retired. I do not know if his parents are retired or not. I am using that as an example. Someone who is extremely wealthy who is retired, one would not expect their drug benefits to suddenly be subsidized by somebody who is working in a restaurant, a gas station, or on a computer assembly line in Nashua, NH.

Yet what the President has put forward is a plan that does just that. He put forward a plan where working Americans, Americans who are just trying to make ends meet, where both parents are having to work in order to take care of household expenditures, who are under tremendous financial pressure, are going to have to subsidize the drug benefit of all senior citizens, no matter what their income level.

A high-income senior citizen, somebody who happens to be a member of a famous family that has made millions of dollars, or somebody who is not even a member of a famous family but happens to have a tremendous amount of wealth—Charlton Heston, for example, I suspect he has been successful—that person's drug benefit under Medicare will suddenly become a subsidized event paid for by a working American.

Does that make sense? No; that is upside down. Obviously, if you are going to have a drug benefit for senior citizens, it should really apply to those seniors who need the benefit and who cannot afford it. That happened to be the proposal that came out of the Breaux commission. They suggested people up to 135 percent, I believe, of poverty be allowed to get the drug benefit and have it subsidized and people over 135 percent would not have that event occur. Therefore, people with higher incomes would not end up being subsidized by working Americans who maybe cannot afford to subsidize the drug benefit of senior citizens because they have to take care of their own household expenditures.

Yet this proposal from the administration has not taken the tack of the Breaux commission which says: Let's take care of those seniors who need the assistance, but let the seniors who can afford to pay for their own drugs pay for them. They turned it upside down: Let's take care of all seniors at the expense of working Americans, maybe even Americans who have trouble making ends meet.

That leads one to the question: Why are they doing this? Is this the substantively right thing to do? Is it the politically correct thing to do? Yes, it is, because we all know when it comes to senior citizen accounts, there is tremendous reticence within the senior citizen activist community in this country to have any sort of means testing, which is what this amounts to, or affluence testing, which is where it would lead to. Yet they allow Americans to subsidize extremely wealthy

Americans, not only for the drug benefit as proposed by the President but, unfortunately, as the President did in part B premiums, they are willing to allow that truly inappropriate action to occur for the political benefit of it. Once again, what we are seeing is a political initiative.

Then if you look at the proposal in its outline form, you can see it is going to create an intricate, complex, bureaucratic structure to determine what benefit is covered and is available to be picked up by the Federal Government under the drug benefit cost. There is going to have to be some sort of extremely complex structure. They turned it over to HCFA, which is an agency that has the capacity to develop a complex structure, but there will need to be some sort of national structure set up in order to account for what is and is not covered under the system the President has set up in his proposal.

One gets the feeling we are looking again at the use of the Federal bureaucracy as the agency to manage the day-to-day activities of health care. We know from experience that does not work too well.

This proposal the President has put forward is, on its face, upside down on core basic issues of better health care, whether it happens to be the premium, whether it happens to be the means testing, or whether it happens to be the bureaucracy.

I think the thing that I find most dangerous about this proposal, and the thing I am most concerned about, is the effect on lifestyle of American seniors because it puts us on an extraordinarily slippery slope, in its present structure, which will most likely lead to a diminution of the effort of the American entrepreneurial culture to produce better drugs for seniors.

A great number of American citizens today benefit dramatically from the fact that we have the most vibrant, innovative drug research and development industry in the world. We have an industry which is second to none in producing products that make people's lives better.

But it is an extremely expensive undertaking. It takes 12 years and hundreds of millions of dollars to bring a drug to the market. The only way that these entrepreneurs can undertake that initiative is if they are able to go out in the marketplace and get the capital necessary to take that type of risk to produce those drugs.

When you start having the Federal bureaucracy manage who can and who cannot buy a drug and what drug has to be bought and what drug cannot be bought, as will inevitably be, I suspect, the outcome of this initiative, as it moves into its second- and third-generation event—and was the intention, by the way, of the Hillary health care plan, so we know that we can suspect that is in the back of somebody's mind around here—then your ultimate outcome will be to have a chilling effect, a dramatic dampening effect on the innovative minds of America, on the scientists of America who are producing the new drugs which make people's lives better because those scientists and those innovators are not going to be able to get funds through the capital markets to underwrite their undertakings.

Why? Because if you are a capital investor, as Mr. Greenspan has so often told us, the capital markets are the most efficient markets in the world. Money flows for capital where it gets the return that makes the most sense for those dollars. People are not going to invest in drug research and development if they are not going to get adequate return. They are not going to get adequate return on it if you have a Federal bureaucracy taking over the control of the pricing mechanisms or the appropriate drugs to be purchased—both of which are potential outcomes of any plan put forward by this administration because that, as we have already seen, is a goal that is in the back of the mind of this administration. So although it is not a stated risk, it is, in my opinion, a clear undercurrent of risk as we step into this area of drug benefit for senior citizens.

The ultimate conclusion of this, of course, is that I think the President's proposal is political, not substantive. If the President wanted to substantively pursue a drug proposal, a drug benefit for senior citizens that would work, that had been well vetted and well thought out intelligently, he would have adopted the proposal of his own commission, the Breaux Commission. That was rejected in order to take the path of the political initiative. I think we should be very suspicious before we step on to that path as a Congress.

Mr. President, I appreciate the courtesy of the Chair and yield the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, let me say first Senator DASCHLE and I have labored long and hard to come to an agreement on a unanimous-consent procedure to deal with the Patients' Bill of Rights issue, appropriations bills, and nominations, and it still takes an awful lot of good faith. We have to work together. We have to have some trust. We have to give the benefit of the doubt to the leaders. Also, in the Senate we have to be prepared to deal with action. We are trying to find a way to deal fairly with the appropriations bills and with the Patients' Bill of Rights.

I ask unanimous consent that the majority leader or his designee, introduce the underlying health care bill and it be placed on the calendar by 12 noon on Thursday, July 8, and the bill become the pending business at 1 p.m. on Monday, July 12, 1999, with a vote occurring on final passage at the close of business on Thursday, July 15, and the bill be subject to the following agreement:

That the bill be limited to 3 hours of debate, to be equally divided in the usual form, that all amendments in order to the bill be relevant to the subject of amendment Nos. 702, 703, the introduced bill or health care tax cuts, and all first degree amendments be offered in an alternating fashion with Senator DASCHLE to offer the initial first degree amendment and all first- and second-degree amendments be limited to 100 minutes each, to be equally divided in the usual form. I further ask consent that second-degree amendments be limited to one second-degree amendment per side, per party, with no motions to commit or recommit in order, or any other act with regard to the amendments in order, and that just prior to third reading of the bill, it be in order for the majority leader, or his designee to offer a final amendment, with no second-degree amendments in order.

I further ask consent that following passage of the bill, should the bill, upon passage, contain any revenue blue slip matter, the bill remain at the desk and that when the Senate receives the house companion bill, the Senate proceed to its immediate consideration, all after the enacting clause be stricken, and the text of the Senate bill that was passed be inserted in lieu thereof, the bill as amended be passed, the Senate insist on its amendment and request a conference with the House, all without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I want to announce at this time that the minority leader, Senator DASCHLE, and I have discussed several times how we would proceed with this matter once we have had this period of time for debate and votes on and in relation to the Patients' Bill of Rights.

Senator DASCHLE has given me his assurance that although this agreement will not prohibit Members from offering this issue or an amendment related to this issue again in the session, he does not expect a need to offer this issue again, presuming the normal legislative process is followed.

In other words, if we should complete an action and it goes to conference, if it languishes there or does not come back, this arrangement would not prohibit some amendment from being offered at some subsequent point.

I can fairly say that the minority leader is willing to say this issue will have had due consideration after these 4 days of debate, and at the conclusion of this week we would not feel the need to readdress it.

Finally, I announce to the Senate, following this agreement, the two leaders have jointly agreed to pass three to five of the remaining appropriations bills available prior to the Fourth of July recess. This will take a good bit of cooperation, too.

The top priority of the appropriations bills are likely in the following

order: foreign operations, D.C., Treasury-Postal Service, and the pending agriculture appropriations bill. We will work to see what the prospects are and time to be consumed for Transportation, State-Justice-Commerce, or Interior.

I have already discussed this matter twice this afternoon with the chairman of the committee. I believe he is working with Senator BYRD to try to identify the bills we could most likely move in this remaining time, and how that can be done—time agreements, if necessary—but we will have to work together. I believe we can move at least three, and hopefully four, of these bills.

In light of this agreement, I now ask consent that the pending two amendments to the agricultural appropriations bill be withdrawn.

Mr. DASCHLE. Mr. President, reserving the right to object, and I certainly won't, I want to reserve my comments on the overall agreement until after the majority leader has completed his unanimous consent request, which has one more piece.

Let me say in regard to the comments made by the majority leader about our assurances, as he has indicated, that we would not pursue this matter further this year. He used the right phrase—''if the normal legislative process'' is followed.

Obviously, we expect the normal legislative process to be one which will allow a good debate on an array of amendments, first and second-degrees with limits on time, and that we will have completed an adequate number of those amendments.

This issue, of course, is the Patients' Bill of Rights. The agreement doesn't preclude debate and amendments on other health-related matters unrelated to the Patients' Bill of Rights.

I am confident that if we have a good debate and if we have an opportunity to consider these amendments, there will be no need to pursue this matter further this year. The Senate will have spoken.

I indicated privately in my conversation with Senator LOTT that this certainly is my expectation, and we will decide at the end of that week how well we did. My expectation is the normal legislative process will be followed.

I have no objection.

Mr. KENNEDY. Reserving the right to object, and I do not intend to object, do I understand from the leaders we would have the normal kind of days that we have traditionally had in terms of the workings of the Senate? If the majority leader could give some indication of that.

Mr. LOTT. It is my intent to move forward in the normal fashion that we deal with these legislative days. Of course, we always take into consideration conflicts that one party or the other may have. There will be no intent to have short days. We intend to have long days so we can have adequate discussion.

Let me express my appreciation to Senator NICKLES for the amount of time and effort he has put into all of this. He is very knowledgeable on the substance of the Patients' Bill of Rights issue.

There are many Senators on both sides of the aisle who prefer to do this another way. It has taken restraint on both sides. I know Senator NICKLES still has concerns about it, but he has been willing to work with us to come up with an agreement to move forward. I know that applies to Senator KENNEDY also.

I also have to thank Senator COCHRAN and Senator KOHL, managers of this agriculture appropriations bill, around whose neck this issue has been attached for the last week. They have been very patient and understanding.

I hope tomorrow we will be prepared to move forward aggressively on a number of these appropriations bills—the three I mentioned at the top or agriculture or one of the others.

I will be talking to the ranking member and Senator DASCHLE about the appropriations we can move forward with first.

Mr. KENNEDY. I withdraw my objection.

The PRESIDING OFFICER. Is there objection?

Mr. REED. Reserving the right to object, I do not intend to object, but I want to echo a comment of the Democratic leader. That presumption is that this flexible process will allow a sufficient number of amendments to come to the floor, that it will not be a process where one or two amendments are brought up and then through a series of extended second-degree amendments delayed?

Mr. LOTT. The agreement wouldn't allow for that.

Mr. REED. We are really talking about a procedure where we could fully ventilate all the issues—and there are numerous issues that are inherent in this bill. I hope that is the spirit and the actuality of the agreement.

Mr. LOTT. I think there will be full opportunity to talk about the substance of the issue and the bills pending, and amendments would be offered. I think after 2 or 3 days on this issue, most of the issues that need to be debated—or all of the issues—will have been addressed.

Senator DASCHLE and I will have talked back and forth about that. I think once we have some critical debate and some critical amendments, the Members will think they have had the opportunity to be heard and will have made their points.

So I think there is going to be plenty of time here. It doesn't specify amendments. It doesn't specify a maximum or a minimum. There are some time limitations, which is the orderly way to do business around here, but there is not going to be any effort to have two or three amendments and then forestall everything else. You could not do it under this arrangement.

Mr. REED. I yield the floor.

The PRESIDING OFFICER. Is there objection?

Mr. REED. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Mr. NICKLES. Reserving the right to object, let me clarify something with the majority leader. The majority leader made a request, or we discussed one on Thursday evening, I think, at 6:30. The major difference between this request and the one on Thursday is, No. 1, the limit on debate on the bill is limited to 3 hours and there was not a time limit?

Mr. LOTT. There was not a time limit on the earlier bill in the general debate in the earlier unanimous consent. There is 3 hours in this unanimous consent. Instead of the 2 hours on the first- and second-degree amendments, 2 hours each, there is 100 minutes on each one of them.

Mr. NICKLES. I appreciate that. For further clarification, I understand why the minority leader asked for that, but I will state—I stated it on the floor—it was never anyone's intention on this side, to my knowledge, to filibuster the bill. I do think 3 hours is a very limited time. I do think it is possible, though, you can discuss the bill during amendment time, so I am not going to object.

Then the other major change was a reduction from 120 minutes to 100 minutes. That, of course, is to facilitate a greater number of amendments and that is understandable as well. So I have no objection.

Mr. LOTT. I thank Senator NICKLES again for his cooperation. I do think as we go forward it is very likely some of these amendments will not take the full time. I assume some of them may even be agreed to by both sides. I also think it is possible we might be going along with pretty hot debate and Senators may want a little extra time. Usually, we try to accommodate each other, if there really is a need for it, on both sides of the aisle. I am not advocating it now. I think we could nitpick it to death, but I think we have come about as close as we possibly can.

I do have two other announcements I would like to make.

The PRESIDING OFFICER. Is there objection to the majority leader's request? Without objection, it is so ordered.

NOMINATIONS

Mr. LOTT. As we have discussed, it is my intention to work to clear the Executive Calendar. We now have a number of nominations on the calendar, including a long list of military nominations and the nominee to be Secretary of Treasury. We may even have other nominees coming on the calendar. I understand the Finance Committee reported three more nominations today, including the Under Secretary of Treasury. We have some judicial nominations. We will begin the process tomorrow of hotlining those nominations. We will be moving them along as

we go forward on this process of getting appropriations done.

Again, our purpose is to work together and do the people's business in the next 2½ days, and that will include clearing nominations. Some of them, of course, may hit a snag for one reason or another, but we will certainly work on that.

The other thing is we have talked on both sides of the aisle about how someday we needed to go back and correct a situation that developed a few years ago with regard to rule XVI so that we can preserve the integrity of the appropriations and the authorization process. Senator DASCHLE and I have talked about this. We want to reach a point where he and I together—not when one side or the other seizes the opportunity, but at the earliest opportunity, he and I will stand together to correct what I think was a mistake. And it originated on our side of the aisle. I acknowledge that. I was part of the problem. But I think for the future sanctity of the appropriations process and to make the authorization committees really work as they should, we should have that point of order reinstated. Senator DASCHLE has indicated he would work with me on that. I would like it to be totally a bipartisan effort. I know our ranking member and the chairman of the Appropriations Committee would like to do that, too. So I thank him for his cooperation on this unanimous consent.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I want to publicly commend the majority leader for the effort he has made over the last several days to find a way to resolve this impasse. I believe this is a win-win. I think only through his persistence and willingness to consider a lot of different options were we able to reach this point. I am grateful to him and have, once again, enjoyed the opportunity to resolve what has been a very significant procedural difficulty for us all.

I also want to thank the distinguished senior Senator from Massachusetts for the outstanding job he has done providing us real leadership on this issue, as he does on so many issues relating to health and education.

I also thank the assistant Republican leader as well.

I believe this is a good agreement any way one looks at it. It provides us with the opportunity to have a good debate. It provides us with the opportunity to have a series of amendments. It certainly provides us with the focus that we have been looking for with regard to the Patients' Bill of Rights. This is a very good agreement, agreed to, I think, with the direct involvement of a lot of people. So we are grateful.

The majority leader mentioned a couple of other matters, one having to do with his desire to work full days. He has assured me we will work 9- to 12-hour days that week we come back because he recognizes the importance of giving this issue a full opportunity for debate. I appreciate his commitment in that regard.

I also share his concern about how we might make the appropriations process work better. Democrats were opposed, of course, to the overruling of the Chair at the time it occurred. To take it back would be consistent with the position we took when the vote was taken a few years back. So I do intend to work with him to find a way to resolve this matter. That also, of course, is assuming we will have opportunities—I know we have talked about this—opportunities to have good debates with amendments on authorization bills. This will only work if we have the regular order on authorization bills. We certainly have to be sure that we have an opportunity on those occasions when authorization bills are presented to have a good debate with amendments as we have had now on a couple of bills this year.

Again, I think this is a good agreement. I appreciate the cooperation of everybody but in particular the leadership of the majority leader and Senator KENNEDY and others on our side.

Mr. KENNEDY. Will the Senator yield?

Mr. DASCHLE. I will be happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I join in commending the two leaders for propounding this unanimous consent request. These past days have been hard fought in establishing a procedure which would be fair and permit the opportunity for the Senate to debate fully some of the important measures I think are included in the Patients' Bill of Rights. I think the leaders have outlined a process and the Senate has been willing to accept that procedure. Both leaders do deserve credit.

I want to underscore what both leaders have said; that is, we are going into this whole process on the basis of good faith. I join with the Senator from South Dakota in feeling we can do the business of the Senate on this issue in that time. But it is also preserved, if for some reason there is not the kind of constructive and positive attitude we have heard this evening, that there is going to be the denial of that opportunity, that rights will be reserved for Members to raise these issues at another time. I am hopeful we can follow what has been outlined here and in good faith have a full and fair debate on these issues.

The real fireworks are going to be after the Fourth of July this year. I look forward to engaging in this debate.

I again thank my leader and the majority leader for moving this whole extremely important piece of legislation to the point where it will be center stage in the Senate. I thank the leader for his efforts.

Mr. DASCHLE. I yield the floor.

Mr. LOTT. Mr. President, I would like to make one further announcement. I have been communicating, as I said, with the chairman of the Appropriations Committee. In the wrapup, we will announce that in the morning we will go to one of the appropriations bills, perhaps D.C. or foreign ops. We will need to confer with a lot of different people. But when we get the time agreement, we will go to one of those.

In view of the work that has gone on, I will announce at this time there will be no further rollcall votes tonight, but Members should expect votes to occur in the morning and throughout the day.

Mr. President, one final announcement: We are going to pursue the possibility of laying down one of the appropriations bills tonight so we would have it pending. I want Members to be aware of that, but there still would not be any more recorded votes.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

(The remarks of Mr. STEVENS pertaining to the introduction of S. 1301 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BROWNBACK). The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE AGENDA

Mr. DURBIN. Mr. President, there has been a breakthrough which observers in the galleries and others watching might not be aware of; that is, after 2 weeks of effort on the floor, we now have an understanding that after the Fourth of July recess when we return, we are going to debate the Patients' Bill of Rights.

That is the bill that talks about reforming health insurance in America so that families have a better chance of getting quality health care so that when you visit a doctor, and the doctor makes a medical decision for you or someone you love, it will be less likely that some bureaucrat and insurance company will overrule the doctor.

We want to make certain, as well, that if you have a picnic in the backyard on the Fourth of July, and your little boy climbs up the apple tree and falls out and breaks his arm, you can take him to the closest emergency room without fumbling through your papers to figure out which hospital is under your health insurance plan. That is just basic common sense.

We want to make sure that if a doctor decides that a specialist is needed for your problem that the health insurance company just can't overrule them; that you go ahead and get that specialist and get the best care that doctor recommends.

If a woman would like to keep an OB/GYN as her primary care physician, we don't let the insurance company come in and second-guess her on those sorts of things.

Fundamentally, this bill will also argue that health insurance companies, just like every other company in America, should be held responsible for their decisions.

Each of us is responsible for our decisions in life. If you proceed to drink too much and drive and something terrible happens, you could be held accountable in court.

The same thing is true for businesses that make bad decisions or good decisions. They can be held accountable in court.

There are only two groups that are above the law: Foreign diplomats who can't be brought into court in America, and health insurance companies—companies that make decisions every day that are literally life and death decisions.

We believe with the Democratic version of the Patients' Bill of Rights that these health insurance companies should entertain the possibility that if they make the wrong decision they will be held accountable.

I told this story on the floor before. I think it is one that illustrates exactly what is happening.

Sunday night, I was back in my home State of Illinois and met a cardiologist from Highland Park, IL, who a week before had a woman come into his office complaining of chest pains. This was on a Thursday. He said: I want you in the hospital tomorrow morning, Friday morning, for a catheterization to determine what problem you might have.

She checked with her health insurance company, and they said, no, she cannot go in for that catheterization because that isn't an approved hospital. We have to find a hospital that is approved under your health insurance plan. We will check over the weekend and call you back.

There was no need to call back. She passed away on Sunday over that weekend. And the doctor said to me: What am I supposed to tell that family? This woman came to me for the best advice. I had an appointment made in a hurry for what I considered to be a serious situation, and it was overruled by an insurance company clerk.

That sort of thing happens too often. We believe in the Patients' Bill of Rights to be offered on the Democratic side, and that the patients and families across America deserve better treatment.

The bottom line, of course, is that you are never more vulnerable in your life than when you are sick and go to a doctor, or someone you dearly love is sick and you bring them to a doctor. You really want the best care, and you don't want a decision made on the bottom line of a profit statement of an insurance company to guide decisions. You want the decisions made by the professionals involved.

We spent the last 2 weeks kind of twisted in knots not moving forward very quickly on a lot of other matters because we couldn't agree between the Republican side and the Democratic side on how we might approach this issue. There has been a breakthrough today. I am happy that it has happened. Now we have an agreement that the week following the Fourth of July recess, we will come back and devote the entire week to this debate.

I think of all the things that we have talked about in the 106th Congress—and some of them are very important—there is hardly an issue more important than the peace of mind which American families want when it comes to medical care. They want to have affordable, accessible health insurance. They want to be able to speak to a doctor in terms where they are confident that the real focus of the attention is on the health of the member of the family and not the health of the profit and loss statement of the insurance company. That, unfortunately, has become the case.

It wasn't that many years ago in Washington that we had this big debate. President Clinton brought in health care reform. I am sure you remember it. It was a hotly debated issue. The insurance companies opposed it. There were a lot of efforts to derail it. And they were successful. That health insurance-health care reform was swept aside.

But most Americans would believe that we did something because of all the changes that took place within the last few years. There are more and more Americans under so-called managed care plans and fewer and fewer Americans with health insurance. Fewer employers are offering it. People in rural areas whom I represent in Illinois are finding it increasingly difficult to even find, let alone afford, health insurance.

All of these things have been happening over the last several years in a swirl of activities.

They tell me that last night Jay Leno, on his television show, talked about the fact that Stephen King, after this unfortunate accident and the experience he had in the hospital, was going to write his next horror novel about managed care insurance companies. I hope that is not the case. But it might be. It drew a rise from the audience, as I am sure it would almost everywhere.

You may remember the movie, ''As Good as it Gets,'' with Helen Hunt and Jack Nicholson. I enjoyed it a lot. At one point in the movie—she was raising an asthmatic son—she expressed her frustration in very dramatic words about dealing with health insurance companies. And in the movie theater in which I was sitting in Springfield, IL, people started applauding. That doesn't happen much.

But that kind of spontaneous reaction tells you that the people of this country have been waiting for Congress to catch up with the needs of American families.

I think we can do it. I think this debate this week that we have set aside, if it doesn't get bogged down in a lot of parliamentary hassles—and I don't think it will—could result in an honest debate where the Republican Party puts forward its best proposal for health insurance reform, and the Democrats do the same, and we vote on it.

When it is all said and done, perhaps we will then have a bill that really sets us on a track to help families across America get a break when they deal with these health insurance companies.

Last Saturday I met with a group of farmers in downstate Illinois. I heard an interesting story from one farmer about the problems his wife faced because of her medical condition. These farmers in many ways are the most vulnerable of all. They don't have the benefit of group health insurance, in most instances, nor can they bargain with insurance companies. They find themselves, many times, facing outrageous premiums and arbitrary decisions by the insurance companies.

This farmer had driven about 100 miles to the meeting because he wanted to tell his story about what he and his wife had been through with the health insurance companies. These stories, repeated over and over and over again, suggest to me that it is our responsibility to deal with this.

I hope when this Congress comes to an end, at least this year we can point back to the fact that we were sensitive to the issues that America cared about. There was a time, for example, on the Senate floor when there was a serious question as to whether we would do anything—anything—about the horrible shooting that occurred at Columbine High School in Littleton, CO. Fortunately, a debate was scheduled on the floor. After a week of debate, we passed a gun control bill—a modest bill, I might say, but one that was designed to keep guns out of the hands of kids and criminals.

We sent it to the House of Representatives. Sadly, the National Rifle Association, the gun lobby, used the 2 weeks before it came up for a vote to lobby away, and they were very effective. They watered down the bill until it was a joke. The bill ultimately was even defeated in the House of Representatives.

I haven't given up on that issue, because I think most people across the country—gun owners and not—believe we can do things to keep guns out of the hands of people who shouldn't use them for a variety of reasons. The bill we passed was a very modest bill,

which said, for example, that those who purchased guns at gun shows would be subject to a background check. I don't think that is an outrageous idea.

We passed the Brady law. We said, if you want to buy a gun, we want to know if you have a history of committing a crime, a violent crime, because if you do, we are not going to sell you a gun; or if you have a history of violent illness, mental illness, we won't sell you a gun. That has worked. It has kept guns out of the hands of hundreds of thousands of people. At least it slowed them down, at a minimum, but maybe it stopped them from owning a gun.

It turns out that a substantial portion of firearms are sold outside the law. They are sold at gun shows. We have them all over Illinois, all over the United States. People who own guns and collect them get together and sell them to one another, no questions asked. Because no questions are asked, it has become a supply operation for a lot of criminal elements.

In Illinois, the State police found that 25 percent of the guns used in crime came out of those gun shows. One of the things we put into law in the Senate was that there would be a background check, similar to the Brady law, to find out if a person purchasing at a gun show had, in fact, a criminal background or a history of mental illness.

The National Rifle Association doesn't like that. When they got the bill over in the House, they said, you can't take more than 24 hours to do the check. The gun shows occur on weekends, of course, and the wheels that are spinning forward to check the backgrounds of people may not be as available on weekends. As a consequence, they watered down the bill until it was meaningless.

A second provision we put into law—Senator HERB KOHL of Wisconsin was the author—suggested we not sell guns in America unless they had a trigger lock, a child safety device. Thirteen kids every day in America are killed by guns. Some are gangbangers who shoot away in Washington, DC, in Chicago, IL. Others, though, are kids who go out and get a gun off a shelf from their father's closet, start to play with it, discharge it, and shoot themselves, a brother, sister, or playmate. Thirteen kids a day die that way.

We want to lessen the likelihood of those tragic accidents. Trigger locks, safety devices on guns, do that. That was in our bill. That was sent to the House. That was rejected.

The final point is one that Senator DIANNE FEINSTEIN of California proposed, a proposal that tries to close a loophole in the law. When we passed gun control a few years ago, we said, we are going to prohibit the manufacture of these high-capacity ammunition clips, clips that can literally hold up to 240 bullets. Unfortunately, we left a loophole and didn't stop the importation of these clips from overseas. So we stopped the domestic manufacturing, and they started flooding in from overseas.

Frankly, it raises a serious question: Who needs a gun with a 240-bullet high-capacity ammunition clip? If you need an AK–47 and 240 bullets to shoot a deer, you ought to stick to fishing.

Unfortunately, they are coming into this country for no purpose other than to be used for criminal purposes.

Senator FEINSTEIN was successful. She passed that amendment in the Senate. We sent it to the House. It got nowhere.

Those are the kinds of things we did to try to deal with some of the problems we have identified. Having done those things, and having seen the National Rifle Association do its work in the House, we have a lot more work to be done.

I hope when the debate is concluded at the end of this 106th Congress, we can point with pride to having succeeded in passing import elements in law that improve the quality of life in America, that reduce the likelihood of violence in schools, that reduce the likelihood of guns getting in the hands of criminals, that increase the opportunities for families across America to have good health insurance and be able to trust their doctor's decisions, and several other things that I think are very important as part of the agenda.

One of them has to deal with increasing the minimum wage of $5.15 an hour. Imagine, if you will, trying to raise a family or even take care of yourself for $5.15 an hour. It has been years since we have increased it. It is time we bring that up to a wage that more accurately reflects the cost of living in America. I hope before we leave this year we can address that.

We cannot leave, as well, without addressing the future of Medicare. This has been a banner week for Medicare with the President's announcement that we now have a reestimate of the budget. We believe if the economy continues to grow, as we believe it will, we are going to have an additional surplus. With that surplus we can do some extraordinary things.

I first came to Congress 17 years ago. When I came, we were facing all sorts of red ink and all sorts of deficits. We have been through a lot of tortuous effort to try to reduce. Now we have reached the point where we can honestly see a surplus in our future. I think we can use that surplus to solidify Social Security and Medicare and, most importantly, while we do that, eliminate the publicly held national debt in America. To move from the point where a large portion of our budget is being spent on interest on the debt to the point where virtually none is being spent on interest on our debt is a great legacy to leave our children. I hope we can achieve that on a bipartisan basis.

I yield the floor.

ELECTION OF EHUD BARAK

Mr. EDWARDS. Mr. President, I rise today to acknowledge the election of Ehud Barak to Prime Minister of Israel and his efforts to form a new government. I congratulate him, not only on his most impressive victory, but also for his commitment to reinvigorate the Middle East peace process. As Mr. Barak enters the critical stage in his efforts to forge a coalition government, I wish him luck. And I applaud his initial steps of talking with Egyptian President Mubarak and declaring his intent to form a ''peace administration'' of three negotiating teams, one each for Syria, Lebanon and the Palestinians, reporting directly to him. We must not risk losing momentum toward achieving a lasting peace.

As Israel continues to take risks for peace, it is all the more important that America's commitment toward Israel be unquestioned. Our strong commitment helps Israel take risks and makes it clear to Israel's neighbors that Israel is a permanent reality that must be dealt with directly. Our dedication to Israel must take many shapes. We must continue aid to Israel. We must help Israel militarily. We must actively support the peace process. We must maintain our support for Jerusalem as Israel's capital.

America's support for the peace process, for the security of this region, and for Israel itself must be unwavering. Israel, the only pluralistic democracy in the Middle East, deserves our continued strong support. Helping Israel survive and thrive is the right thing to do. In a particularly volatile part of the world, Israel is strategically important to America's interests. We cannot help but benefit by strengthened economic, political, military and cultural ties with Israel.

I have the greatest respect for Israel, its citizens, and its founders. The creation of the state of Israel is a remarkable story of a great people who overcame the Holocaust, rebuffed repeated foreign hostility, and created an industrialized democracy in a desert. The story of Israel appeals to me because it is a story of faith and it is a story of justice. I respect all who stand up to powerful forces against great odds for a just cause.

No issue is more important to our relationship than aid to Israel. It is one of America's most cost-effective foreign policy investments. The economic and military aid that America provides Israel serves the interests of both countries by promoting peace, security, and trade. Israel recently initiated an agreement with the United States under which the United States will gradually reduce the amount of economic aid in the coming years while ensuring an adequate amount of military assistance. I commend Israel for this initiative, and I believe that the United States should stand by it.

The Middle East's unstable mixture of unconventional weaponry, advanced military technology, political instability, and radical fundamentalism

threatens both Israel's security and America's vital interests in the region and around the world. I am committed to the expansion of the United States-Israel strategic cooperation that was formalized in 1983.

In addition, it is our national interest to help ensure that Israel maintains her qualitative military edge. Furthermore, the Unites States should not sell sophisticated weaponry that could erode that edge to nations hostile toward Israel. And, of course, the United States must do all it can to stop the development or acquisition of nuclear, chemical, and biological weapons by rogue states such as Libya, Iraq and Iran.

True and lasting peace between Israel and her neighbors can be achieved only through direct negotiations between the parties. Nevertheless, the United States has played a critical role with Israel and her neighbors in helping bridge the differences between them. We must continue to invest the time and energy necessary to help continue this very complex series of negotiations.

Israel's capital of Jerusalem is important to Jews, Christian, and Muslims. I commend Israel for allowing all three faiths open access to worship at their holy places. Jerusalem is and ought to remain a united city under Israeli sovereignty.

Israel is the only country where the United States chooses not to locate our embassy in that country's capital city. I support the Jerusalem Embassy Act that recognizes the united city of Jerusalem as Israel's capital and mandates the moving of our embassy from Tel Aviv to Jerusalem.

Finally, I want to discuss Israel's special relationship with my home state of North Carolina. Since 1993, North Carolina and Israel have had one of the most comprehensive official exchange programs in the country. Both North Carolina and Israel have economies that depend on high technology, agriculture, and education. Both states benefit from their ongoing economic, social, and cultural exchanges. I look forward to doing all I can to promote this valuable relationship between Israel and the great state of North Carolina.

Mr. President, I look forward to working with Israel's soon-to-be formed government to pursue our nations' many mutual interests. I wish Mr. Barak and his government the best as he pursues peace, security, and prosperity in the twenty-first century.

ANNOUNCEMENT OF HEARINGS

Mr. MURKOWSKI. Mr. President, for the information of the Senate I would like to announce that S. 1273, the Federal Power Act Amendments of 1999; and S. 1284, the Electric Consumer Choice Act have been added to the hearing to be held before the Committee on Energy and Natural Resources on Tuesday, June 29 at 9:30 a.m. I would also like to announce that the hearing before the Committee on Energy and Natural Resources previously scheduled for July 1, 1999 has been postponed until July 15, 1999 at 9:30 a.m. in SH–216 of the Hart Senate Office Building. The Committee will receive testimony on S. 161, the Power Marketing Administration Reform Act of 1999; S. 282, the Transition to Competition in the Electric Industry Act; S. 516, the Electric Utility Restructuring Empowerment and Competitiveness Act of 1999; S. 1047, the Comprehensive Electricity Competition Act; S. 1273, the Federal Power Act Amendments of 1999; and S. 1284, the Electric Consumer Choice Act. For additional information you may write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

Mr. President, I also announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, July 27, 1999, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to receive testimony on S. 1052, to implement further the Act (Public Law 94–241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes.

Those wishing to testify or who wish to submit written statements should contact the Committee on Energy and Natural Resources, Washington, D.C. For further information, please call James Beirne, Deputy Chief Counsel at (202) 224–2564, or Betty Nevitt, Staff Assistant at (202) 224–0765.

COSPONSORSHIP OF S. 680

Mr. CLELAND. Mr. President, I am happy to announce that I have decided to cosponsor S. 680. This bill, which was introduced by Senators HATCH and BAUCUS, makes the tax credit for research and development permanent so as to encourage investment by companies and external investors in research activities. It has been shown through studies conducted by the General Accounting Office and the Bureau of Labor Statistics that R&D tax credit stimulates domestic R&D spending by U.S. companies. This continued spending on R&D is very important for the U.S. economy as we head into the next century, and I believe this bill serves an important purpose in achieving this goal.

I look forward to cosponsoring this bill and gaining support for it in the days ahead.

THE MUNICIPAL SOLID WASTE INTERSTATE TRANSPORTATION AND LOCAL AUTHORITY ACT OF 1999

Mr. FEINGOLD. Mr. President, on June 10, 1999 I joined as a co-sponsor of legislation introduced by my Midwestern colleagues, the Junior Senator from Ohio, Mr. VOINOVICH, and the Junior Senator from Indiana, Mr. BAYH, S. 872, The Municipal Solid Waste Interstate Transportation and Local Authority Act of 1999. I am pleased to be working with them on this very important issue. I know that they, as former Governors, are intimately aware of the concerns that the growing trash trade poses for the States we represent.

We in the Midwest, especially those of us fortunate enough to be from the Great Lakes States, enjoy a very high quality of life—beautiful scenery, small, neighborly towns, and spectacular natural resources. We hold it as a particular point of pride that we, in many instances, have the luxury of avoiding many environmental problems and we have structured our State and local governments in Wisconsin to try to be sure that we continue to avoid them. However, Mr. President, we in Wisconsin are unable to protect our communities, which have done a good regulatory job, from having to deal with the solid waste mess created by our neighboring communities in other States. Instead, my State has been forced to accept other States' municipal solid waste in ever increasing amounts.

We need to enact legislation to re-empower States to be able to control the flow of waste into state-licensed landfills from out-of-state sources. This legislation would give States the tools to do just that. It gives states, like mine, the power to freeze solid waste imports at the 1993 levels. States that did not accept out of State waste in 1993 would be presumed to prohibit receipt of out-of-State waste until the affected unit of local government approves it. Facilities that already have a host community agreement or permit that accepts out-of-State waste would remain exempt from the ban. States would also be allowed to set a Statewide percentage limit on the amount of waste that new or expanding facilities could accept. The limit can not be lower than 20 percent. Finally, States, under this bill, are also given the ability to deny the creation of either new facilities or the expansion of existing in-State facilities if it is determined that there is no in-State need for the new capacity.

My home State has tried to address this issue repeatedly on its own, without success. On January 25, 1999, a federal appeals court struck down as unconstitutional a 1997 Wisconsin law that prohibits landfills from accepting out-of-State waste from communities that don't recycle in compliance with Wisconsin's law. We are now examining options for limiting out-of-State trash in Wisconsin including: appealing the decision to the United States Supreme Court, which refused to hear an appeal of a similar Wisconsin case in 1995, passing new State legislation, or pursuing the option before us today—seeking specific authority from Congress to regulate trash from other States.

Wisconsin's law bans 15 different recyclables from State landfills. Under the law, communities using Wisconsin landfills must have a recycling program similar to those required of Wisconsin communities under Wisconsin law, regardless of the law in their home State. About 27 Illinois towns rely on southern Wisconsin landfills. Since the law took effect, waste haulers serving those communities have had to find alternative landfills for their clients, incurring higher transportation costs in the process. IL-based Waste Management Inc. and the 1,300-member National Solid Waste Management Association were the entities that challenged Wisconsin's law, arguing that the law violated the Interstate Commerce Clause.

By recycling, Wisconsin residents have reduced the amount of municipal waste heading to landfills. Since the State's previous out-of-State waste law was struck down by the appeals court in 1995, the amount of non-Wisconsin waste in Wisconsin landfills has tripled. When the law was in effect, 7.7 percent of the municipal waste in Wisconsin came from out of State. That has risen to more than 22.9 percent since the law was struck down. Though this legislation will not afford Wisconsin the ability to block garbage containing recyclables from our landfills, it will at least give my State the ability to address the overall volume of waste entering our State.

In 1995, I supported flow control legislation sponsored by the Senator from New Hampshire, Mr. SMITH, and drawn substantially from the work of the former Senator from Indiana, Mr. Coats. I have been shocked that the Senate, which passed that bill by a significant majority vote of 94–6, has not taken up legislation to address this issue since that time, shocked until I examined the relationship between the interests opposing that legislation and political campaigns. According to the Center for Responsive Politics, in the 1998 election cycle, one of the interests that opposes flow control legislation, Waste Management Inc., contributed $422,275 in soft money to the two major political parties—$85,000 to the Democratic Party and $337,275 to the Republican Party. Mr. President, the issue of interstate waste control effects my home State and 23 other States. For years States have been faced with the challenge of ensuring safe responsible management of out-of-State waste, and the need for State control is even more acute today than in was in 1995. Congress is the only body that can give the States the relief they need from being overwhelmed by a tidal wave of trash. We have not acted on a problem that effects nearly half of our States, and citizens are left to try to understand our inaction by following the money trail behind the trash truck.

We need to take prompt action on this matter, and I think this legislation is a good first step. I urge my other colleagues to consider lending this bill their support.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, June 28, 1999, the federal debt stood at $5,600,865,929,234.63 (Five trillion, six hundred billion, eight hundred sixty-five million, nine hundred twenty-nine thousand, two hundred thirty-four dollars and sixty-three cents).

Five years ago, June 28, 1994, the federal debt stood at $4,603,690,000,000 (Four trillion, six hundred three billion, six hundred ninety million).

Ten years ago, June 28, 1989, the federal debt stood at $2,781,451,000,000 (Two trillion, seven hundred eighty-one billion, four hundred fifty-one million).

Fifteen years ago, June 28, 1984, the federal debt stood at $1,506,943,000,000 (One trillion, five hundred six billion, nine hundred forty-three million) which reflects a debt increase of more than $4 trillion—$4,093,922,929,234.63 (Four trillion, ninety-three billion, nine hundred twenty-two million, nine hundred twenty-nine thousand, two hundred thirty-four dollars and sixty-three cents) during the past 15 years.

PERSONAL EXPLANATION

Mr. LIEBERMAN. Mr. President, on June 28, I was unavoidably detained due to inclement weather which prevented my flight from taking off in Hartford, CT. Had I not been delayed, I would have voted ''no'' on all four cloture votes, numbers 184, 185, 186, and 187.

EXPLANATION OF MISSED VOTE

Mr. DODD. Mr. President, on Monday June 28, 1999, I was not present during Senate action on rollcall vote No. 184, a motion to invoke cloture on S. 1233, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000, because my flight was delayed by inclement weather.

Had I been present for the vote, I would have voted ''no.''

CORRECTION TO THE RECORD

In the RECORD of June 24, 1999, on page S7590, the introduction of S. 1280, a bill to terminate the exemption of certain contractors, and other entities from civil penalties for violations of nuclear safety requirements under Atomic Energy Act of 1954, and for other purposes, was incorrectly attributed to Mrs. BOXER. The permanent RECORD will be corrected to reflect the following:

By Mr. BRYAN:

S. 1280. A bill to terminate the exemption of certain contractors and other entities from civil penalties for violations of nuclear safety requirements under the Atomic Energy Act of 1954; to the Committee on Environment and Public Works.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a treaty which was referred to the Committee on Foreign Relations.

REPORT ON THE NATIONAL EMERGENCIES WITH RESPECT TO THE FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO) AND KOSOVO—MESSAGE FROM THE PRESIDENT—PM 43

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c) and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Yugoslavia (Serbia and Montenegro) as declared in Executive Order 12808 on May 30, 1992, and with respect to Kosovo as declared in Executive Order 13088 on June 9, 1998.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 29, 1999.*

ANNUAL REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR 1998—MESSAGE FROM THE PRESIDENT—PM 44

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

In accordance with the Public Broadcasting Act of 1967, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting (CPB) for Fiscal Year 1998 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies for that same year.

Among its many outstanding projects over the past year, CPB has put considerable time and effort into strengthening the teaching and development of America's literacy tradition. Working with educators, writers, and experts from all across the country, CPB has launched a companion website filled with exceptional teaching materials and continues to make possible

the broadcast of some of the Nation's finest literature over our public airwaves. In addition, CPB is also expanding the availability of teacher professional development in the social sciences, humanities, and literature.

As we move into the digital age, I am confident that the Corporation for Public Broadcasting will continue to act as a guiding force. As the projects above illustrate, CPB not only inspires us, it educates and enriches our national culture.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 29, 1999.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3992. A communication from the Secretary of Education, transmitting, a draft of proposed legislation entitled ''College Completion Challenge Grant Act of 1999''; to the Committee on Health, Education, Labor, and Pensions.

EC–3993. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, a draft of proposed legislation relative to the Chattahoochee River National Recreation Area; to the Committee on Energy and Natural Resources.

EC–3994. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Foreign Assistance Act of 1961, the report of a determination authorizing the use in fiscal year 1999 of funds to support the United Nations Assistance Mission to East Timor; to the Committee on Foreign Relations.

EC–3995. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Trade Act of 1974, the report of an extension of Presidential Determination 99–26 relative to the Republic of Belarus; to the Committee on Foreign Relations.

EC–3996. A communication from the Chairman of the Board, National Credit Union Administration, transmitting, pursuant to law, a report relative to schedules of compensation; to the Committee on Banking, Housing, and Urban Affairs.

EC–3997. A communication from the Assistant Secretary, Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Interpretive Bulletin 99–1; Payroll Deduction Programs for Individual Retirement Accounts'' (RIN1210–AA70), received June 23, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3998. A communication from the Acting Chair, Federal Subsistence Board, U.S. Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Subsistence Management Regulations for Public Lands in Alaska, Subparts A, B, C, and D, Redefinition to Include Waters Subject to Subsistence Priority; Correction'' (RIN1018–AD68), received June 23, 1999; to the Committee on Energy and Natural Resources.

EC–3999. A communication from the Acting Chair, Federal Subsistence Board, U.S. Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Subsistence Management Regulations for Public Lands in Alaska, Subpart C and D–1999–2000 Subsistence Taking of Fish and Wildlife Regulations'' (RIN1018–AD69), received June 23, 1999; to the Committee on Energy and Natural Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–227. A joint resolution adopted by the General Assembly of the State of Colorado relative to federal highway taxes and demonstration projects; to the Committee on Environment and Public Works.

SENATE JOINT MEMORIAL 99–003

Whereas, Due to the dynamics of state size, population, and other factors such as federal land ownership and international borders, there is a need for donor states that pay more in federal highway taxes and fees than they receive from the federal government and for donee states that receive more moneys from the federal government than they pay in federal highway taxes and fees; and

Whereas, The existence of such donor and donee states supports the maintenance of a successful nationwide transportation system; and

Whereas, There should be a uniform measure when considering the donor and donee issue, and a ratio derived from the total amount of moneys a state receives divided by the total amount of moneys that the state collects in federal highway taxes and fees is a clear and understandable measure; and

Whereas, Demonstration projects are an ineffective use of federal highway taxes and fees; and

Whereas, All moneys residing in the federal highway trust fund should be returned to the states either for use on the national highway system or nationally uniform highway safety improvement programs or as block grants; and

Whereas, The state block grant program should allow states to make the final decisions that affect the funding of their local highway projects based on the statewide planning process; and

Whereas, Only a reasonable amount of the moneys collected from the federal highway taxes and fees should be retained by the United States Department of Transportation for safety and research purposes; and

Whereas, States with public land holdings should not be penalized for receiving transportation funding through federal land or national park transportation programs, and such funding should not be included in the states' allocation of moneys; and

Whereas, The evasion of federal highway taxes and fees further erodes the ability of the state and the federal government to maintain an efficient nationwide transportation system; now, therefore, be it

Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, the House of Representatives concurring herein:

(1) That, when considering issues related to donor and donee states, the federal government should adopt a ratio derived from the total amount of moneys a state receives in federal highway moneys divided by the total amount of moneys the state collects in federal highway taxes and fees; and

(2) That all demonstration projects should be eliminated; and

(3) That after federal moneys have been expended for the national highway system and safety improvements, a state block grant program should be established for the distribution of remaining federal moneys;

(4) That it is necessary to expand federal and state activities to combat the evasion of federal highway taxes and fees. Be it further

Resolved, That copies of this Joint Memorial be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of Colorado's delegation of the United States Congress.

POM–228. A resolution adopted by the House of the Legislature of the State of Michigan relative to a permanent repository for high-level nuclear waste; to the Committee on Environment and Public Works.

HOUSE RESOLUTION NO. 56

Whereas, Over the past four decades, nuclear power has become a significant source for the nation's production of electricity, Michigan is among the majority of states that derive energy from nuclear plants; and

Whereas, Since the earliest days of nuclear power, the great dilemma associated with this technology is how to deal with the waste material that is produced. This high-level radioactive waste material demands exceptional care in all facets of its storage and disposal, including the transportation of this material; and

Whereas, In 1982, Congress passed the Nuclear Waste Policy Act of 1982. This legislation requires the federal government, through the Department of Energy, to build a facility for the permanent storage of high-level nuclear waste. This act, which was amended in 1987, includes a specific timetable to identify a suitable location and to establish the waste facility. The costs for this undertaking are to be paid from a fee that is assessed on all nuclear energy produced; and

Whereas, In accordance with the federal act, customers of utilities operating nuclear plants in Michigan have contributed, directly and through accumulated interest, some $700 million for the construction and operation of a federal waste facility; and

Whereas, There are serious concerns that the federal government is not complying with the timetables set forth in federal law. Every delay places our country at greater risk, because the large number of temporary sites at nuclear facilities across the country makes us vulnerable to potential problems. The Department of Energy, working with the Nuclear Regulatory Commission, must not fail to meet its obligation as provided by law. There is too much at stake; now, therefore, be it

Resolved by the House of Representatives, That we urge the United States Department of Energy and the Nuclear Regulatory Commission to fulfill their obligation to establish a permanent repository for high-level nuclear waste; and be it further

Resolved, That copies of this resolution be transmitted to the United States Department of Energy, the Nuclear Regulatory Commission, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

Adopted by the House of Representatives, May 5, 1999.

POM–229. A concurrent resolution adopted by the Legislature of the State of Michigan relative to a permanent repository for high-level nuclear waste; to the Committee on Environment and Public Works.

HOUSE CONCURRENT RESOLUTION NO. 29

Whereas, Over the past four decades, nuclear power has become a significant source for the nation's production of electricity, Michigan is among the majority of states that derive energy from nuclear plants; and

Whereas, Since the earliest days of nuclear power, the great dilemma associated with this technology is how to deal with the waste material that is produced. This high-level radioactive waste material demands exceptional care in all facets of its storage and disposal, including the transportation of this material; and

Whereas, In 1982, Congress passed the Nuclear Waste Policy Act of 1982. This legislation requires the federal government, through the Department of Energy, to build a facility for the permanent storage of high-level nuclear waste. This act, which was amended in 1987, includes a specific timetable to identify a suitable location and to establish the waste facility. The costs for this undertaking are to be paid from a fee that is assessed on all nuclear energy produced; and

Whereas, In accordance with the federal act, customers of utilities operating nuclear plants in Michigan have contributed, directly and through accumulated interest, some $700 million for the construction and operation of a federal waste facility; and

Whereas, There are serious concerns that the federal government is not complying with the timetables set forth in federal law. Every delay places our country at greater risk, because the large number of temporary sites at nuclear facilities across the country makes us vulnerable to potential problems. The Department of Energy, working with the Nuclear Regulatory Commission, must not fail to meet its obligation as provided by law. There is too much at stake; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we urge the United States Department of Energy and the Nuclear Regulatory Commission to fulfill their obligation to establish a permanent repository for high-level nuclear waste; and be it further

Resolved, That copies of this resolution be transmitted to the United States Department of Energy, the Nuclear Regulatory Commission, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

Adopted by the House of Representatives, May 5, 1999.

Adopted by the Senate, May 20, 1999.

POM–230. A joint resolution adopted by the Legislature of the State of Montana relative to national forest road closure and obliteration; to the Committee on Energy and Natural Resources.

HOUSE JOINT RESOLUTION 26

Whereas, there are 737 million acres of forested land covering approximately one-third of the United States, a nation that has created the largest legally protected wilderness system in the world, while at the same time sustaining a highly productive and efficient wood products industry; and

Whereas, the federal government owns approximately two-thirds of the land in western Montana and these lands are primarily administered by the U.S. Forest Service; and

Whereas, the management of federal lands has a direct impact on economic and recreational opportunities and the quality of life for thousands of Montana residents; and

Whereas, Congress has declared in the federal Multiple-Use Sustained-Yield Act of 1960 that national forests are established and must be utilized for outdoor recreation, range, timber, watershed, and wildlife and fishery purposes; and

Whereas, the national forest road system represents a significant capital infrastructure investment and a valuable existing forest asset for forest managers and the public, providing access for a multitude of recreational opportunities, for emergency response efforts, and for resource management, protection, and improvement activities; and

Whereas, the federal government continues to close roads to public access by motorized vehicles and, in early 1998, the forest service proposed and is now planning to implement an 18-month moratorium on all new road building in roadless areas pending a review of its road management policies; and

Whereas, one stated purpose of the moratorium is to close or obliterate existing roads, thus creating additional defacto roadless areas contrary to the interests of Montana's citizens; and

Whereas, the scheduled destruction of nearly 2,000 miles of roads in the 10 national forests in Montana can have significant environmental, economic, and cultural impacts upon the fabric of many Montana communities and its citizens; and

Whereas, 650 miles of forest system roads in the Flathead National Forest alone have been scheduled for obliteration and 200 miles have already been destroyed; and

Whereas, destruction or obliteration of existing forest system roads can cause short-term and long-term increased discharges of sediment to streams, adversely affecting certain sensitive or endangered fish species and resulting in further restrictions on other multiple-use activities. Now, therefore, be it

Resolved by the Senate and the House of Representatives of the State of Montana:

(1) That the 56th Montana Legislature opposes the current administration's policy on national forest road closure and obliteration and urges the immediate suspension of road closure and obliteration activities.

(2) That existing roads are a valuable and necessary capital investment in public lands that should not be lost or destroyed.

(3) That forest plans specifying multiple-use management for timber harvest, outdoor recreation, range, watershed, and fish and wildlife values should be given priority as the appropriate and necessary management guidance to the forest service. Be it further

Resolved, That copies of this resolution be sent by the Secretary of State to the Montana Congressional Delegation, the Secretary of the federal Department of Interior, the Secretary of the federal Department of Agriculture, the Director of the United States Forest Service, the Director of the United States Fish and Wildlife Service, the President of the United States Senate, the Speaker of the United States House of Representatives, and the President and Vice President of the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER (for himself, Mr. LIEBERMAN, Ms. COLLINS, and Mr. LEVIN):

S. 1297. A bill to make improvements in the independent counsel statute; to the Committee on Governmental Affairs.

By Mr. WARNER:

S. 1298. A bill to provide for professional liability insurance coverage for Federal employees, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROCKEFELLER (for himself, Mr. NICKLES, Mr. ROBB, Mr. HATCH, and Mr. MACK):

S. 1299. A bill to amend the Internal Revenue Code of 1986 to provide corporate alternative minimum tax reform; to the Committee on Finance.

By Mr. HARKIN:

S. 1300. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to prevent the wearing away of an employee's accrued benefit under a defined plan by the adoption of a plan amendment reducing future accruals under the plan; to the Committee on Finance.

By Mr. STEVENS (for himself, Mr. LOTT, Mr. HOLLINGS, and Mr. DORGAN):

S. 1301. A bill to provide reasonable and non-discriminatory access to buildings owned or used by the Federal government for the provision of competitive telecommunications services by telecommunications carriers; to the Committee on Commerce, Science, and Transportation.

By Mr. GRAMS (for himself, Mr. DOMENICI, and Mr. THOMAS):

S. 1302. A bill to correct the DSH Allotments for Minnesota, New Mexico, and Wyoming under the medicaid program for fiscal years 2000, 2001, and 2002; to the Committee on Finance.

By Mr. MURKOWSKI (for himself, Mr. BREAUX, Mr. GORTON, Mr. COCHRAN, Mr. HUTCHINSON, Ms. COLLINS, Mrs. LINCOLN, Mr. SHELBY, Ms. SNOWE, Mrs. MURRAY, Mr. SESSIONS, Mr. SMITH of Oregon, Mrs. HUTCHISON, Mr. GRAMS, and Ms. LANDRIEU):

S. 1303. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WARNER:

S. 1298. A bill to provide for professional liability insurance coverage for Federal employees, and for other purposes; to the Committee on Governmental Affairs.

THE FEDERAL EMPLOYEES EQUITY ACT OF 1999

Mr. WARNER. Mr. President, I rise today to introduce the Federal Employees Equity Act of 1999.

My legislation expands a provision included in the omnibus appropriations bill for fiscal year 1997 (P.L. 104–208) to allow federal agencies to contribute to the costs of professional liability insurance for their senior executives, managers and law enforcement officials. While this important benefit contained in the Omnibus Appropriation bill was indeed enacted, it has not been made available on as wide a basis to federal employees as we had hoped.

The Federal Employees Equity Act would ensure that federal agencies reimburse one-half the premiums for Professional Liability Insurance for employees covered by this bill. Federal managers, supervisors, and law enforcement officials should not have to fear the excessive costs of legal representation when unwarranted allegations are made against them for investigations of these allegations are conducted.

I was a strong supporter of the provision in 1996 because federal officials often found themselves to be the target of unfounded allegations of wrongdoing. Sometimes allegations were

made by citizens, against whom federal officials were enforcing the law and by employees who had performance or conduct problems. Although many allegations have proven to be specious, these federal officials were often subject to lengthy investigations and had to pay for their own legal representation when their agencies could not provide it.

The affected federal managers, supervisors, and law enforcement officials are generally prohibited from being represented by unions. For employees who are in bargaining units represented by unions, Congress allows federal agencies to subsidize the time and expenses of union representatives when they are needed by such employees, whether or not they are dues paying members of the union.

Because these federal officials are denied union representation, they have found it necessary to purchase professional liability insurance in order to protect themselves when allegations are made against them to the inspector general of their agency, to the Office of Special Counsel, or to the EEO office. The insurance provides coverage for legal representation for the employees when they are accused, and will pay judgements against the employee up to a maximum dollar amount if the employee is found to have made a mistake while carrying out his official duties. Currently, these managers must hire their own lawyers in order to defend their reputation and careers when they are the subject of a grievance, regardless of whether the complaint has merit.

The current law has had some success and has been implemented by several federal departments including: Departments of Agriculture, Education, Interior, Labor, and such agencies as the Social Security Administration, Small Business Administration, General Services Administration, Securities and Exchange Commission, National Aeronautics and Space Administration, the Office of the Inspector General at the Department of Housing and Urban Development, the National Science Foundation, the Merit Systems Protections Board, the Office of the Inspector General at the Office of Public Health and Science, and the Substance Abuse and Mental Health Services Administration at Department of Health and Human Services.

Regrettably, other departments such as Treasury, Justice, Defense, Commerce, Transportation, Veterans Affairs, and agencies such as the Equal Employment Opportunity Commission, and the Office of Personnel Management have not seen fit to do so.

The professional associations of these officials (the Senior Executives Association, the Professional Managers Association, the FBI Agents Association, the Federal Criminal Investigators Association, the Federal Law Enforcement Officers Association, the National Association of Assistance U.S. Attorneys, and the National Treasury Employees Union) have endorsed the concept for legislation to require federal agencies to reimburse half the cost of premiums for professional liability insurance.

The intent of this measure is simply to ''level the playing field'' so that supervisors and managers are treated equally by various federal agencies and have access to protections similar to those which are already provided for rank and file federal employees.

I request your support for these federal officials and for this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1298

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

SECTION 1. PROFESSIONAL LIABILITY INSURANCE.

(a) SHORT TITLE.—This Act may be cited as the ''Federal Employees Equity Act of 1999''.

(b) IN GENERAL.—Section 636(a) of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–363; 5 U.S.C. prec. 5941 note) is amended in the first sentence by striking ''may'' and inserting ''shall''.

(c) LAW ENFORCEMENT OFFICERS.—Section 636(c)(2) of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009-364; 5 U.S.C. prec. 5941 note) is amended to read as follows:

''(2) the term 'law enforcement officer' means an employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including—

''(A) any law enforcement officer under section 8331(20) or 8401(17) of title 5, United States Code;

''(B) any special agent under section 206 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4823);

''(C) any customs officer as defined under section 5(e)(1) of the Act of February 13, 1911 (19 U.S.C. 267);

''(D) any revenue officer or revenue agent of the Internal Revenue Service; or

''(E) any Assistant United States Attorney appointed under section 542 of title 28, United States Code.''.

(d) EFFECTIVE DATE.—The amendments made by this Act shall take effect on the later of—

(1) October 1, 1999; or

(2) the date of enactment of this Act.

By Mr. ROCKEFELLER (for himself, Mr. NICKLES, Mr. ROBB, Mr. HATCH, and Mr. MACK).

S. 1299. A bill to amend the Internal Revenue Code of 1986 to provide corporate alternative minimum tax reform; to the Committee on Finance.

ALTERNATIVE MINIMUM TAX REFORM ACT OF 1999

Mr. ROCKEFELLER. Mr. President, I rise today to introduce the ''Alternative Minimum Tax Reform Act of 1999'' with a bipartisan group of my colleagues on the Senate Finance Committee, Senators NICKLES, ROBB, HATCH and MACK. This bill is designed to improve the way the corporate alternative minimum tax works for capital intensive and commodity based companies. It is relatively modest in scope and I hope it will be part of any discussion we have about how we might deliver appropriate tax relief. Even though this bill does not change the fundamentals of the corporate AMT, it would eliminate some of the unfairness of current law by allowing companies with long term AMT credits to recover those credits faster. I think this bill should be part of the Finance Committee's discussions about constructive ways to provide corporate tax relief.

The alternative minimum tax imposes a significant long term tax burden on capital intensive industries —it is not a minimum tax, but is, in fact, a maximum tax which requires companies to calculate their taxes two different ways and pay the higher of the two calculations. It hits our manufacturing sector hard because these businesses are most likely to have to make large investments in plants and equipment. Manufacturing businesses that make commodity products often have slim profit margins and must contend with fierce international competition. The coal and steel industry are perfect examples of these types of industries. Other businesses with tight profit margins such as start up companies are also negatively affected by AMT.

Today, a taxpayer's AMT may be reduced by foreign tax credits and net operating losses, but they are limited to 90% of the alternative minimum tax. Under present law, if a taxpayer pays alternative minimum tax in any year, the amount of that payment is treated as an alternative minimum credit for future years. This was intended to ensure that companies did not wind up paying more under the AMT than was owed under the regular income tax. However, under current law, AMT credits may be used to reduce regular tax but not alternative minimum tax. No carryback of credits is permitted.

The provisions of the ''Alternative Minimum Tax Reform Act of 1999'' would allow a corporation with AMT credits that are unused after three or more years to reduce its tentative minimum tax by a maximum of 50% using those credits. The portion which would be allowed would the lesser of the aggregate amount of the taxpayer's AMT credits that are at least three years old; or 50% of the taxpayer's alternative minimum tax. The taxpayer would use its oldest AMT credits first under both current law that allows a company to use its AMT credits, and under the provisions of this bill. The bill would enhance a company's ability to use AMT credits to reduce its regular tax. Finally, the bill would allow a taxpayer with AMT net operating losses in the current and two previous years to carry back AMT net operating losses up to 10 years to offset AMT paid in previous years. First-in, and first-

out ordering would apply. This provision would help companies in the toughest financial shape.

The ''Alternative Minimum Tax Reform Act of 1999'' is designed to help prevent companies from being trapped permanently into AMT status. Recovering more AMT credits sooner will help ease the position of many companies who are now stuck with excess and unusable AMT credits. Too many companies have paid AMT for years and see no possibility of using their AMT credits without this reform. Moreover, a great many U.S. companies have had to deal with sharply decreasing commodity prices due to the collapse of markets in Asia and around the world over the last few years. Without some assistance it will be very hard for American companies to continue to modernize and remain competitive. Their position of accumulating excess AMT credits hurts their cash flow and their bottomline profitability.

The Alternative Minimum Tax Reform Act of 1999 is something reasonable we can do to help companies that are the backbone of our manufacturing base. I look forward to discussing this issue with my colleagues and to a score of how much this proposal would cost from the Joint Tax Committee to inform our discussions.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1299

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 ''Alternative Minimum Tax Reform Act of 1999.''.

SEC. 2. LONG-TERM UNUSED CREDITS ALLOWED AGAINST MINIMUM TAX.

(a) IN GENERAL.—Subsection (c) of section 53 of the Internal Revenue Code of 1986 (relating to limitation) is amended by adding at the end the following:

''(2) SPECIAL RULE FOR CORPORATIONS WITH LONG-TERM UNUSED CREDITS.—

''(A) IN GENERAL.—If a corporation to which section 56(g) applies has a long-term unused minimum tax credit for a taxable year, the credit allowable under subsection (a) for the taxable year shall not exceed the greater of—

''(i) the limitation determined under paragraph (1) for the taxable year, or

''(ii) the least of the following for the taxable year:

''(I) The sum of the tax imposed by section 55 and the regular tax reduced by the sum of the credits allowed under subparts A, B, D, E, and F of this part.

''(II) The long-term unused minimum tax credit.

''(III) The sum of—

''(aa) the excess (if any) of the amount under paragraph (1)(A) over the amount under paragraph (1)(B), plus

''(bb) 50 percent of the tentative minimum tax (determined under section 55(b)(1)(B)).

''(B) LONG-TERM UNUSED MINIMUM TAX CREDIT.—For purposes of this paragraph—

''(i) IN GENERAL.—The long-term unused minimum tax credit for any taxable year is the portion of the minimum tax credit determined under subsection (b) attributable to the adjusted net minimum tax for taxable years beginning after 1986 and ending before the 3rd taxable year immediately preceding the taxable year for which the determination is being made.

''(ii) FIRST-IN, FIRST-OUT ORDERING RULE.—For purposes of clause (i), credits shall be treated as allowed under subsection (a) on a first-in, first-out basis.''.

(b) CONFORMING AMENDMENTS.—Section 53(c) of such Code is amended—

(1) by striking ''The'' and inserting the following:

''(1) IN GENERAL.—The''; and

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

SEC. 3. 10-YEAR CARRYBACK OF CERTAIN NET OPERATING LOSSES.

Section 56(d) of the Internal Revenue Code of 1986 (relating to definition of alternative tax net operating loss deduction) is amended by adding at the end the following:

''(3) SPECIAL RULE.—In the case of a corporation to which section 56(g) applies which has a net operating loss under this part for 3 or more consecutive taxable years which includes a taxable year beginning after the date of enactment of this paragraph, the loss for each such year shall be a net operating loss carryback for purposes of this part to each of the 10 years preceding the taxable year of such loss.''.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1998.

Mr. NICKLES. Mr. President, today I join my colleague from West Virginia, Senator ROCKEFELLER, to introduce legislation to reform the alternative minimum tax, or AMT.

Congress created the AMT in 1986 to prevent businesses from using tax loopholes, such as the investment tax credit or safe harbor leasing, to pay little or no tax. The use of these tax preferences sometimes resulted in companies reporting healthy ''book'' income to their shareholders but little taxable income to the government.

Therefore, to create a perception of fairness, Congress created the AMT. The AMT requires taxpayers to calculate their taxes once under regular tax rules, and again under AMT rules which deny accelerated depreciation, net operating losses, foreign tax credits, and other deductions and credits. The taxpayer then pays the higher amount, and the difference between their AMT tax and their regular tax is ''credited' to offset future regular tax liability if it eventually falls below their AMT tax liability.

Unfortunately, the AMT has had a negative, unanticipated impact on many U.S. businesses. As it is currently structured, the AMT is a complicated, parallel tax code which places a particularly heavy burden on capital intensive companies. Corporations must now plan for and comply with two tax codes instead of one. Further, the AMT's elimination of important cost-recovery tax incentives increases the cost of investment and makes U.S. businesses uncompetitive with foreign companies.

Mr. President, I am proud to say that several AMT reforms I began pushing in 1995 were eventually enacted in 1997. The Taxpayer Relief Act of 1997 exempted small corporations from the AMT, and conformed the depreciation cost-recovery periods for AMT and the regular corporate tax. The depreciation provisions in particular will relieve much of the AMT's negative impact on capital-intensive businesses.

However, even with these changes, some businesses continue to be chronic AMT taxpayers, a situation that was not contemplated when the AMT was created. These companies continue to pay AMT year after year, accumulating millions in unused AMT credits. These credits are a tax on future, unearned revenues which may never materialize, and because of the time-value of money their value to the taxpayer decreases every year.

The legislation Senator ROCKEFELLER and I are introducing today helps AMT taxpayers recover their AMT credits in a more reasonable time frame than under current law. Our bill would allow businesses with AMT credits which are three years old or older to offset up to 50 percent of their current-year tentative minimum tax. This provision will help chronic AMT taxpayers dig their way out of the AMT and allow them to recoup at least a portion of these ''accelerated tax payments'' in a reasonable time-frame.

Mr. President, our legislation does not repeal the AMT, and it will not allow taxpayers to ''zero out'' their tax liability. This bill specifically addresses the problems faced by companies that are buried in AMT credits they might otherwise never be able to utilize. I encourage the Senate Finance Committee to consider our bill when drafting this year's tax reconciliation legislation.

By Mr. HARKIN:

S. 1300. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to prevent the wearing away of an employee's accrued benefit under a defined plan by the adoption of a plan amendment reducing future accruals under the plan; to the Committee on Finance.

OLDER WORKERS PENSION PROTECTION ACT OF 1999

Mr. HARKIN. Mr. President, older workers across America have been paying into pension plans throughout their working years, anticipating the secure retirement which is their due. And now, as more Americans than ever before in history approach retirement, we are seeing a disturbing trend by employers to cut their pension benefits.

Many companies are changing to so-called ''cash balance'' plans which often saves them millions of dollars in pension costs each year by taking a substantial cut out of employee pensions. This practice allows employers to unfairly profit at the expense of retirees.

Employees generally receive three types of benefits for working: direct wages, health benefits and pensions.

Two of those are long-term benefits which usually grow in value as workers become older. Pensions are paid entirely after a worker leaves. Reducing an employee's pension years after it is earned should be no more legal than denying a worker wages after work has been done.

In fact, our laws do prohibit employers from directly reducing an employee's pension accrued benefit. Unfortunately, however, these protections are being sidestepped and workers' pensions are being indirectly reduced through the creation of cash balance pension plans.

Under traditional defined benefit plans, a worker's pension is based on their length of employment and their average pay during their last years of service. Their pension is based on a preset formula using those key factors rather than the amount in their pension account. Under the typical cash balance plan, a worker's pension is based on the sum placed in the employee's account. That sum is based on their wages or salary year to year.

When a worker shifts from a traditional to a cash balance plan, the employer calculates the value of the benefits they have accrued under the old plan. The result for many older workers who have accrued significant sums in their pension that are higher than it would have been under the new cash balance plan. In that case, under many of these cash balance plans the employer simply stops contributing to the value of their pension till the value reaches the level provided for under the new plan. And this can go on for significant periods—five years and sometimes more. Pension experts call this ''wear away'' others call it a ''plateau.''

This is not right. It is not fair. In fact, I believe it is a type of age discrimination. After all, a new employee, usually younger, would effectively be receiving greater pay for the same work: money put into their pension plan. And, there are some who believe this practice violates the spirit and perhaps the letter of existing law in that regard.

What does this mean to real people?

Two Chase Manhattan banking executives hired an actuary to calculate their future pensions after Chase Manhattan's predecessor, Chemical Bank, converted to a cash balance plan. The actuary estimated their future pensions had fallen 45 percent. John Healy, one of the executives, says ''I would have had to work about ten more years before I broke even.''

Ispat Inland, Inc, an East Chicago steel company, converted to a cash balance plan January 1. Paul Schroeder, a 44-year-old engineer who has worked for Ispat for 19 years, calculated it could take him as long as 13 years to acquire additional benefits.

Why are companies changing to these cash balance plans? They have lots of stated reasons: ease of administration, certainty in how much is needed to pay for the pension plan and that the plan is beneficial to those workers who move from company to company (with similar pension plans). But, the big reason is the companies save millions of dollars. They save it because the pensions provided for with almost all cash balance plans are, on average far less generous, and they immediately reduce their need to pay anything into a pension plan at all for a while, sometimes for years, because of this wear away or plateau feature.

At one conference of consulting actuaries, Joseph M. Edmonds told companies:

. . . it is easy to install a cash balance plan in place of a traditional defined benefit plan and cover up cutbacks in future benefit accruals. For example, you might change from a final average pay formula to a career average pay formula. The employee is very excited about this because he now has an annual account balance instead of an obscure future monthly benefit. The employee does not realize the implications of the loss of future benefits in the final pay plan. Another example of a reduction in future accruals could be in the elimination of early retirement subsidies.

Because traditional pension plans become significantly more valuable in the last years before retirement, the switch to cash balance plans also can reduce older workers' incentive to stay until they reach their normal retirement age.

I support Senator MOYNIHAN'S legislation that requires that individuals receive clear individualized notice of what a conversion to a cash balance plan would do to their specific pension. There is no question that shining the light on this dark practice can reduce the chance that it will occur. I certainly agree with his view that those notices should not be generalized where obfuscation is easier and employees will pay less attention to the result.

I also believe that more must be done. For that reason, I am introducing the Older Workers Pension Protection Act of 1999 which prohibits the practice of ''wear away.'' It provides that a company cannot discriminate against longtime workers by not putting aside money into their pension account without any consideration for the long term payments made to the employee's pension for earlier work performed. Under my bill, there would be no wear away, no plateau in which a worker would be receiving no increases in pension benefits while working when other employees received benefits. The new payments would have to at least equal the payments made under the revised pension plan without any regard to how much a worker had accrued in pension benefits under the old plan.

Some suggest that if such a requirement were put in place, companies could and would opt out of providing any pension at all. I do not believe that would happen. Companies with defined benefit plans do not have them because they are required to do so. They do it because of negotiated contracts or because the company has decided that it is an important part of the benefits for employees to acquire and maintain a productive workforce. Many suggest that the simple disclosure alone might prevent a reduction in payment benefits.

Much is made about the gains of younger workers when companies switch to cash benefit plans. There is greater portability. But, none of the experts I've consulted believes that is a dominant motivation of the companies for proposing these changes in pension law. And, the changes I am proposing would not reduce the benefits for younger workers.

I urge my colleagues to take a fresh look at the spirit of the current law that prevents a reduction in accrued pension benefits. I believe it is only fair to extend that law with its current spirit by simply requiring that any company which changes to a cash balance or similar pension plan treats all workers fairly and not penalize older employees whose hard work has earned them benefits under the earlier pension plan.

Mr. President, Ellen Schultz at the Wall Street Journal has done an excellent series of articles on this issue. I ask unanimous consent that a copy of those articles appear in the RECORD at this point. I am also including the text of a piece of this same subject done by NPR. If my colleagues have not seen these articles I commend them to their attention. I believe that once you've read them, you'll agree with me that we must take action to protect the pensions of older workers.

[From the Wall Street Journal, Dec. 4, 1998]

EMPLOYERS WIN BIG WITH A PENSION SHIFT; EMPLOYEES OFTEN LOSE

(By Ellen E. Schultz and Elizabeth MacDonald)

Largely out of sight, an ingenious change in the way big companies structure their pension plans is saving them millions of dollars, with barely a peep of resistance. Unless they happen to have a Jim Bruggeman on their staff.

Sifting through his bills and junk mail one day last year, Mr. Bruggeman found the sort of notice most people look at but don't spend a lot of time on: His company was making some pension-plan changes.

The company, Central & South West Corp., was replacing its traditional plan with a new variety it said was easier to understand and better for today's more-mobile work force. A brochure sent to workers stressed that ''the changes being made are good for both you and the company.''

Alone among Central & South West's 7,000 employees, Mr. Bruggeman, a 49-year-old engineer in the Dallas utility's Tulsa, Okla., office, set out to discover exactly how the new system, known as a cash-balance plan, worked. During a year-long quest to master the assumptions, formulas and calculations behind it, Mr. Bruggeman found himself at odds with his superiors, and labeled a troublemaker. In the end, though, he figured out something about the new pension system that few other employees have noticed: For many of them, it is far from a good deal.

But it clearly was, as the brochure noted, good for the company. A peek at a CSW regulatory filing in March 1998, after the new plan took effect, shows that the company saved $20 million in pension costs last year

alone. Other government filings revealed that whereas the year before, CSW had to set aside $30 million to fund its pension obligations, after it made the mid-1997 switch it didn't have to pay a dime to fund the pension plan.

PENSION LIGHT

The switch to cash-balance pension plans—details later—is the biggest development in the pension world in years, so big that some consultants call it revolutionary. Certainly, many call it lucrative; one says such a pension plan ought to be thought of as a profit center. Not since companies dipped into pension funds in the 1980s to finance leveraged buyouts, have corporate treasurers been so abuzz over a pension technique.

But its little-noticed dark side—one that many companies don't make very clear to employees, to say the least—is that a lot of older workers will find their pensions cut, in some cases deeply.

So far, only the most financially sophisticated employees have figured this out, because the formulas are so complex. Even the Labor Department and the Internal Revenue Service have trouble with them. So thousands of employees, while acutely aware of how the stock market affects their retirement next eggs, are oblivious to the effect of this change. (See related article on page C1.)

One might get the impression, from the rise of 401(k) retirement plans funded jointly by employer and employee, that pensions are a dead species. In fact, nearly all large employers still have pension plans, because pulling the plug would be too costly; the company would have to pay out all accrued benefits at once. Meanwhile, companies face growing obligations as the millions of baby boomers move into their peak pension-earning years.

Now, however, employers have discovered a substitute for terminating the pension plan; a restructuring that often makes it unnecessary ever to feed the plan again.

PITFALLS FOR EMPLOYERS

But this financially appealing move has its risks. The IRS has never given its blessing to some of the maneuvers involved. If employers don't win a lobbying battle currently being waged for exemptions from certain pension rules, some of these plans could be in for a costly fix.

In addition, the way employers are handling the transition could result in employee-relations backlashes as more and more older workers eventually figure out they are paying the price for the transformation of traditional pension plans.

In those traditional plans, most of the benefits build up in an employee's later years. Typical formulas multiply years of service by the average salary in the final years, when pay usually is highest. As a result, as much as half of a person's pension is earned in the last five years on the job.

With the new plans, everyone gets the same steady annual credit toward an eventual pension, adding to his or her pension-account ''cash balance.'' Employers contribute a percentage of an employee's pay, typically 4%. The balance earns an interest credit, usually around 5%. And it is portable when the employee leaves.

For the young, 4% of pay each year is more than what they were accruing under the old plan. But for those nearing retirement, the amount is far less. So an older employee who is switched in to a cash-balance system can find his or her eventual pension reduced by 20% or 50% or, in rare cases, even more.

This is one way companies save money with the switch. The other is a bit more complicated. Companies can also benefit from the way they invest the assets in the cash-balance accounts.

If the employer promised to credit 5% interest to employees' account balances, it can keep whatever it earned above that amount. The company can use these earnings to finance other benefits, to pay for a work-force reduction, or—crucially—to cover future years' contributions. This is why the switch makes pension plans self-funding for many companies.

Although employers can do this with regular pensions, the savings are grater and easier to measure in cash-balance plans. The savings often transform an underfunded pension plan into one that is fully funded. ''Cash-balance plans have a positive effect on a company's profitability,'' says Joseph Davi, a benefits consultant at Towers Perrin in Stamford, Conn. They ''could be considered a profit center.''

MOTIVE FOR THE MOVE

Employers, however, are almost universally reticent about how they benefit. ''Cost savings were not the reason the company switched to a cash-balance plan,'' says Paul Douty, the compensation director at Mr. Bruggeman's employer, CSW. Sure, the move resulted in substantial cost savings, he says, but the company's goal was to become more competitive and adapt to changing times. Besides, he notes, the $20 million in pension-plan savings last year were partly offset by a $3 million rise in costs in the 401(k); the company let employees contribute more and increased its matching contributions.

There is another reason some employers like cash-balances plans: By redistributing pension assets from older to younger workers, they turn pension rights—which many young employees ignore since their pension is so far in the future—into appealing benefits today. At the same time, older workers lose a financial incentive to stay on the job, since their later years no longer can balloon the pension.

Some pension professionals think companies should be more candid. ''If what you want to do is get rid of older workers, don't mask it as an improvement to the pension plan,'' says Michael Pikelny, an employee-benefits specialist at Hartmarx Corp., an apparel maker in Chicago that decided not to install a cash-balance plan.

UNDER A MICROSCOPE

Most employees aren't equipped to question what employers tell them. But Mr. Bruggeman was. He had a background in finance, his hobby was actuarial science, he had taken graduate-level courses in statistics and probability, and he knew CSW's old pension plan inside and out. So when the company announce it was converting to a cash-balance plan last year, he began asking it for the documents and assumptions he needed to compare the old pension to the new one.

With each new bit of data, he gained another insight. First, he figured out that future pension accruals had been reduced by at least 30% for most employees. CSW got rid of early-retirement and other subsidies and reduced the rates at which employees would accrue pensions in the future.

Employees wouldn't necessarily conclude this from the brochures the human resources department handed out. Like most employers that switch to cash-balances plans, CSW assured employees that the overall level of retirement benefits would remain unchanged. But a close reading of the brochure revealed that this result depended on employees' putting more into their 401(k) plans, gradually making up for the reduction in pensions.

At a question-and-answer session on the new plan before it was adopted, Mr. Bruggeman spoke up and told co-workers how their pensions were being reduced. The next day, he says, his supervisors in Tulsa came to his office and told him that CSW management in Dallas was concerned that his remarks would ''cause a class-action suit'' or ''uprising,'' and said he shouldn't talk to any other employees. He says the supervisor, Peter Kissman, informed him that if he continued to challenge the new pension plan, CSW officials would think he wasn't a team player, and his job could be in jeopardy.

Asked about this, Mr. Kissman says: ''In my department I would not tolerate employee harassment. I believe the company feels the same way. Past that, I really can't speak to this issue. It's being investigated by the company.''

A FEW SWEETENERS

Employers, aware that switching to cash-balance plans can slam older workers, often offer features to soften the blow. They may agree to contribute somewhat more than the standard 4% of pay for older employees, or they may provide a ''grandfather clause.'' CSW offered both options, saying employees 50 or older with 10 years of service could stay in the old plan if they wished. Mr. Bruggeman, a 25-year veteran, was just shy of 49. He calculated that people in his situation would see their pensions fall 50% under the new plan, depending on when they retired.

Mr. Bruggeman told company officials that the plan wasn't fair to some long-term employees. Subsequently, he says, in his November 1997 performance evaluation, his supervisor's only criticism was that he ''spends too much time thinking about the pension plan.'' A CSW official says the company can't discuss personnel matters.

What bothered Mr. Bruggeman even more was his discovery of one of the least-known features of cash-balance plans: Once enrolled in them, some employees don't earn any more toward their pension for several years.

The reasons are convoluted, but in a nutshell: Most employees believe that opening balance in their new pension account equals the credits they've earned so far under the old plan. But in fact, the balance often is lower.

When employers convert to a cash-balance plan, they calculate a present-day, lump-sum value for the benefit each employee has already earned. In Mr. Bruggeman's case, this was $352,000—something he discovered only after obtaining information from the company and making the calculations himself. Yet Mr. Bruggeman's opening account in the cash-balance plan was just $296,000, because the company figured it using different actuarial and other assumptions.

This is generally legal, despite a federal law that bars companies from cutting already-earned pensions. If Mr. Bruggeman quit, he would get the full $352,000, so the law isn't violated. But if he stays, it will take several years of pay credits and interest before his balance gets back up to $352,000.

''WEARAWAY''

Mr. Douty says this happened to fewer than 2% of workers at CSW. But at some companies that switch to cash-balance plans, far more are affected. At AT&T Corp., which adopted a cash-balance plan this year, many older workers will have to work three to eight years before their balance catches up and they start building up their pension pot again. ''Wearaway,'' this is called. Only if an employee knows what figures to ask for can he or she make a precise comparison of old and new benefits.

Indeed, the difficulty of making comparisons has sometimes been portrayed as an advantage of switching to cash-balance plans. A partner at the consulting firm that invented the plans in the 1980s told a client in

a 1989 letter: ''One feature which might come in handy is that it is difficult for employees to compare prior pension benefit formulas to the account balance approach.''

Asked to comment, the author of that line, Robert S. Byrne of Kwasha Lipton (now a unit of PricewaterhouseCoopers), says, ''Dwelling on old vs. new benefits is probably not something that's a good way to go forward.''

At one company, employees did know how to make comparisons. When Deloitte & Touche started putting a cash-balance plan in place last year, some older actuaries rebelled. The firm eventually allowed all who had already been on the staff when the cash-balance plan was adopted to stick with the old benefit if they wished.

STRUGGLE AT CHASE

At Chase Manhattan Corp., two executives in the private-banking division hired an actuary and calculated that their future pensions had fallen 45% as a result of a conversion to a cash-balance plan by Chase predecessor Chemical Bank. ''I would have had to work about 10 more years before I broke even and got a payout equal to my old pension,'' says one of the executives, John Healy, now 61.

He and colleague Nathan Davi say that after seven years of their complaints, Chase agreed to give each a pension lump sum of about $487,000, which was roughly $72,000 more than what they would have received under the new cash-balance plan. Although a Chase official initially said the bank had ''never given any settlement to any employee over the bank's pension plans,'' when told about correspondence about the Healy-Davi case, Chase said that a review had determined that about 1,000 employees could be eligible for additional benefits. ''We amended the plan so that it would cover all similarly situated employees,'' a spokesman said.

How many quiet arrangements have been reached is unknown. But employees are currently pressing class-action suits against Georgia-Pacific Corp. and Cummins Engine Co.'s Onan Corp. subsidiary, alleging that cash-balance plans illegally reduce pensions. (Both defendants are fighting the suits.) Judges have recently dismissed similar suits against Bell Atlantic Corp. and BankBoston N.A.

CONCERN AT THE IRS

Not aware of any of this ferment, Mr. Bruggeman in August 1998 filed his multiple-spreadsheet analysis of the CSW cash-balance plan with the IRS and the Labor Department, asking them for a review. Soon after, he says, a manager in CSW's benefits department called him in and ''wanted to know what it would take for me to drop all this.'' The answer wasn't to be ''grandfathered'' and exempted from the new plan. ''I told him all I want is for the company to . . . be fair to employees,'' he says, ''It's the principle of the thing.''

The manager couldn't be reached for comment, but a CSW official says the company takes complaints ''very seriously and they're thoroughly investigated. In every part of this type of investigation an employee is interviewed by a company representative, and in every initial interview the employee is asked for suggestions on what might be a preferred solution.''

Even without Mr. Bruggeman's input, the IRS has a lot of cash-balance data on its plate. The agency is swamped with paperwork from hundreds of new plans seeking its approval, and applications are piling up. The delay is due in part to concern at the IRS that such plans may violate various pension laws, according to a person familiar with the situation. Meanwhile, the consulting firms that create the plans for companies are lobbying for exemptions from certain pension rules.

They say they aren't worried. That's because ''companies who now have these plans are sufficiently powerful, sufficiently big and have enough clout that they could get Congress to bend the law . . . to protect their plans,'' says Judith Mazo, a Washington-based senior vice president for consulting firm Segal Co. Regulators, meanwhile, are playing catch-up. Bottom line, Ms. Mazo says: ''The plans are too big to fail.''

[From ''Morning Edition,'' Feb. 1, 1999]

PROS AND CONS OF CASH BALANCE PLANS FOR RETIREMENT SAVINGS

BOB EDWARDS, host. This is NPR's ''Morning Edition.'' I'm Bob Edwards.

A new type of pension program is becoming popular with the nation's top employers. The program is called the cash balance plan. It's an innovative and complicated type of retirement account suitable for today's modern work force, especially many young mobile employees. And that's the problem. Critics warn cash balance plans benefit the young at the expense of older, longtime workers. NPR's Elaine Korry reports.

ELAINE KORRY reporting. The traditional pension plan so widespread a generation ago essentially promised long-term employees a secure monthly income when they reached retirement age. Eric Lofgren (ph), head of the benefits consulting group (ph) at Watson Wyatt (ph), says that type of pension made sense when people worked at the same job for decades. But, he says, great changes in the workplace have made those plans obsolete.

Mr. ERIC LOFGREN (Benefits Consulting Group, Watson Wyatt). The traditional plan does a very good job for about one person out of 20. But for the rest of us who have changed jobs a couple times in our career, the traditional plan really doesn't deliver, because it rewards long career with one employer and that just isn't the situation for most people.

KORRY. The response of many large employers—so far about 300 of them—has been to quietly switch to a new plan that turns the traditional pension on its head. Lofgren, who helps companies formulate these new cash balance plans, says they spread the wealth around so more employees prosper, perhaps 19 out of 20. But that's not the only reason companies are lining up to make the switch. Edgar Pouk (ph), a New York pension law attorney, says that the real winners in these plan conversions are the employers.

Mr. EDGAR POUK (Pension Law Attorney). They stand to gain by the change, and so they're trying to sell it, and they sell it by emphasizing the advantages of the conversion for younger workers, but not explaining the drawbacks, and serious drawbacks, for older workers.

KORRY. In fact, says Pouk, switching to a cash balance plan can cost older employees tens of thousands of dollars, a loss they may never figure out. This stuff is so technical, many pension experts don't understand it, let alone the average employee. In simple terms, here's what happens: Pension regulations permit companies to use two different interest rates when calculating the value of the old pension vs. the opening balance of the new one. Employers usually choose the formula that favors them, even though it leaves older workers worse off. A pension balance of, say, $100,000 under the old plan might be worth only $70,000 when converted to a cash balance plan. Right there, the older worker is down 30 grand.

It gets worse. For some accounting purposes, the employer can treat the $70,000 as if it were 100 grand. Then the employer can freeze the account until the employee works the five to 10 years it can take to make up the difference. Edgar Pouk says the contributions the company doesn't have to make during that time add up quickly.

Mr. POUK. You're talking about tens of thousands of dollars for each worker. You multiply that by thousands of workers and the employer saves millions of dollars.

KORRY. Often older workers don't know what happened. Some employers, however, are careful to point out the differences. Then older workers have a choice. They can recoup their losses, but only by quitting, in which case they would receive a lump-sum payment equal to their old balance. So cash balance plans may be an inducement for older workers to leave. Olivia Mitchell (ph), head of the Pension Research Council at the Wharton School, says recent changes in labor and law have given older workers many more job protections than before, so employers are resorting to creative ways to ease their older worker force out.

Ms. OLIVIA MITCHELL (Pension Research Council, Wharton School). They may be downsizing, they may be looking for a different type of employee, perhaps with different skills, and so they're taking the cash balance plan as one of many human resource policies to essentially restructure the work force. So it's seen as a tool toward that end.

KORRY. Companies that convert to cash balance plans can level the playing field so that all employees benefit. Some companies will guarantee their older workers a higher rate of return or allow them to keep the old plan until they retire. But those are voluntary measures that eat up the cost savings. For now, regulators have not caught up with the growing momentum toward the new plans. But according to attorney Edgar Pouk, employers who don't protect their older workers are running the risk of landing in court.

Mr. POUK. When you have a number of years where the older worker receives no additional benefits that a plan is illegal per se, because federal law prohibits zero accruals for any year of participation.

KORRY. So far, the Internal Revenue Service has not given its blessing to cash balance plans. Employers have mounted an intense lobbying effort to win a safe harbor within pension law. On the other side, employees at a few large companies have lawsuits pending against the conversions, and some congressional leaders have expressed concern. Staffers on the Senate Finance Committee are considering legislation that would at least require employers to spell out what a pension conversion would mean for older workers. Elaine Korry, NPR News, San Francisco.

By Mr. STEVENS (for himself, Mr. LOTT, Mr. HOLLINGS, and Mr. DORGAN):

S. 1301. A bill to provide reasonable and non-discriminatory access to buildings owned or used by the Federal government for the provision of competitive telecommunications services by telecommunications carriers; to the Committee on Commerce, Science, and Transportation.

COMPETITIVE ACCESS TO FEDERAL BUILDINGS ACT

Mr. STEVENS. Mr. President, today I introduce, along with Senators LOTT, HOLLINGS, and DORGAN, a bill to ensure that the Federal Government stands behind its pledge to foster true competition in the provision of local telecommunications services.

While competition in the local telecommunications sector is growing, new

entrants using terrestrial fixed wireless or satellite services lack of the significant advantages of incumbent local exchange carriers when it comes to gaining access to many buildings. This is particularly true when it comes to access to rooftops and to the internal risers and conduits linking the rooftop to the basement, where the access point to the internal phone wiring is usually located.

In some instances these wireless local carriers are welcomed by building owners and landlords with open arms; however, more often than not they meet resistance, are rejected, or just plain ignored. I believe the Federal Government should do more to ensure a level playing field for these new entrants to compete on.

Our bill is designed to spur competition and to hopefully save taxpayer dollars. We focus in this legislation only upon buildings owned by the Federal Government or where the Federal Government is a lessee.

The inspiration of this bill comes from States which have moved to encourage access by competitors. Connecticut and Texas have both enacted measures to promote nondiscriminatory access by telecommunications carriers to rooftops, risers, conduits, utility spaces, and points of entry and demarcation in order to promote the competitive provision of telecommunications and information services.

This bill takes a similar approach to that enacted by the States, and requires that nondiscriminatory access be provided to all telecommunications carriers seeking to provide service to federally-owned buildings and buildings in which Federal agencies are tenants. The National Telecommunications and Information Administration of the Department of Commerce, the NTIA, which is the Agency that coordinates telecommunications policy for Federal agencies, is tasked with implementing this requirement.

Building owners can easily meet the requirements of this bill. They can either certify that they are already bound to provide nondiscriminatory access under State law or they can commit in writing that they will provide such access as a matter of contract.

This bill does not mandate that every building must use the services of these new competitors. What it does say is that the Federal Government should lead by example.

This bill does not mandate a takings. Owners and operators can charge a nondiscriminatory fee for the rooftop and conduit space these technologies use to provide local service—which I am encouraged to say is quite small.

Owners and operators may impose reasonable requirements to protect the safety of the tenants and the condition of the property.

Any damage caused as a result of installing these services will be borne by the telecommunications carrier.

The carriers must pay for the entire cost of installing, operating, maintaining, and removing any facilities they provide.

The bill will not adversely impact the ability of Federal agencies to obtain office space. Federal agency heads may waive the requirements of this bill if enforcement of the bill would result in the agency being unable to obtain suitable space in a geographic area.

The President may also waive the nondiscriminatory access provisions for any building if they are determined to be contrary to the interests of national security.

I look forward to working with NTIA, the General Services Administration, and private building owners who have a leasing relationship with the Federal Government to carry out the purpose of this bill.

My goal is to ensure that the Federal Government sets a good example. I hope it will become the standard in the private sector. Businesses should demand that building owners provide every opportunity for competitive choice in telecommunications providers.

Access to Federal buildings or a building that is housing Federal workers should be encouraged. This bill is a further step in implementing the promise of the Telecommunications Act which Congress enacted.

It will help ensure that telecommunications providers can compete fairly on the basis of the cost and quality of the services provided.

I ask unanimous consent that the text of the bill be printed in the RECORD.

S. 1301

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Competitive Access to Federal Buildings Act''.

SEC. 2. FINDINGS

The Congress finds that—

(1) non-discriminatory access to, and use of, the rooftops, risers, telephone cabinets, conduits, points of entry or demarcation for internal wiring, and all utility spaces in or on federal buildings and commercial property is essential to the competitive provision of telecommunications services and information services;

(2) incumbent telecommunications carriers often enjoy access to such buildings and property through historic rights of way that were developed before the advent of new means of providing such services, in particular the provision of such services using terrestrial fixed wireless or satellite services that enter a building through equipment located on rooftops;

(3) the National Telecommunications and Information Administration is the Federal agency tasked with developing policies for the efficient and competitive use of emerging technologies that combine spectrum use with the convergence of communications and computer technologies for the utilization of telecommunications services and information services by federal agencies;

(4) that several States, for example Connecticut and Texas, have already enacted measures to promote non-discriminatory access by telecommunications carriers to rooftops, risers, conduits, utility spaces, and points of entry and demarcation in order to promote the competitive provision of telecommunications services and information services; and

(5) that the Federal government should encourage States to develop similar policies by establishing as federal policy requirements to promote non-discriminatory access to Federal buildings and commercial property used by agencies of the Federal government so that taxpayers receive the benefits and cost savings from the competitive provision of telecommunications services and information services by telecommunications carriers.

SEC. 3. ACCESS TO BUILDINGS FOR COMPETITIVE TELECOMMUNICATIONS SERVICES

The National Telecommunications and Information Administration Organization Act (Title I of Public Law 102–538; 47 U.S.C. 901 et seq.) is amended—

(1) in section 103(b)(2) (47 U.S.C. 902(b)(2)) by adding at the end the following new subparagraph:

''(U) The authority to implement policies for buildings and other structures owned or used by agencies of the Federal government in order to provide for non-discriminatory access to such buildings and structures for the provision of telecommunications services or information services by telecommunications carriers, and to advise the Commission on the development of policies for nondiscriminatory access by such carriers to commercial property in general for the provision of such services.''; and

(2) in section 105 (47 U.S.C. 904) by adding at the end the following new subsection:

''(f) PROHIBITION ON DISCRIMINATORY ACCESS.—

''(1) IN GENERAL.—No Federal agency shall enter into a contract with the owner or operator of any commercial property for the rental or lease of all or some portion of such property unless the owner or operator permits non-discriminatory access to, and use of, the rooftops, risers, telephone cabinets, conduits, points of entry or demarcation for internal wiring, easements, rights of way, and all utility spaces in or on such commercial property, for the provision of telecommunications services or information services by any telecommunications carrier that has obtained, where required, a Federal or state certificate of public convenience and necessity for the provision of such services, and which seeks to provide or provides such services to tenants (including, but not limited to, the Federal agency for which such rental or lease is made) of such property. Such owner or operator may—

''(A) charge a reasonable and nondiscriminatory fee (which shall be based on the commercial rental value of the space actually used by the telecommunications carrier) for such access and use;

''(B) impose reasonable and non-discriminatory requirements necessary to protect the safety and condition of the property, and the safety and convenience of tenants and other persons (including hours when entry and work may be conducted on the property);

''(C) require the telecommunications carrier to indemnify the owner or operator for damage caused by the installation, maintenance, or removal of any facilities of such carrier; and

''(D) require the telecommunications carrier to bear the entire cost of installing, operating, maintaining, and removing any facilities of such carrier.

''(2) STATE LAW OR CONTRACTUAL OBLIGATION REQUIRED.—No Federal agency shall enter into a contract with the owner or operator of any commercial property for the rental or lease of all or some portion of such property unless the owner or operator submits to such agency a notarized statement

that such owner or operator is obligated under State law, or is obligated or will undertake an obligation through a contractual commitment with each telecommunication carrier providing or seeking to provide service, to resolve any disputes between such telecommunication carriers and such owner or operator that may arise regarding access to the commercial property or the provision of competitive telecommunications services or information services to tenants of such property. To meet the requirements of this paragraph such State process or contractual commitment must—

''(A) provide an effective means for resolution of disputes within 30 days (unless otherwise required by State law or agreed by the parties involved), either through arbitration or order of a State agency or through binding arbitration;

''(B) permit the telecommunications carrier to initiate service or continue service while any dispute is pending;

''(C) provide that any fee charged for access to, or use of, building space (including conduits, risers, and utility closets), easements or rights of way, or rooftops to provide telecommunications service or information service be reasonable and applied in a non-discriminatory manner to all providers of such service, including the incumbent local exchange carrier; and

''(D) provide that requirements with respect to the condition of the property are limited to those necessary to ensure that the value of the property is not diminished by the installation, maintenance, or removal of the facilities of the telecommunications carrier, and do not require the telecommunications carrier to improve the condition of the property in order to obtain access or use.

''(3) EFFECTIVE DATE.—Paragraphs (1) and (2) shall take effect six months after the date of enactment of this subsection for all lease or rental agreements entered into or renewed by any Federal agency after such date.

''(4) WAIVER PERMITTED.—The requirements of paragraphs (1) or (2) may be waived on a case by case basis—

''(A) by the head of the agency seeking space in a commercial property upon a determination, which shall be made in writing and be available to the public upon request, that such requirements would result in the affected agency being unable, in that particular case, to obtain any space suitable for the needs of that agency in that general geographic area; or

''(B) by the President upon a finding that waiver of such requirements is necessary to obtain space for the affected agency in that particular case, and that enforcement of such requirements in that particular case would be contrary to the interests of national security.

Any determination under subparagraph (A) may be appealed by any affected telecommunications carrier to the Assistant Secretary, who shall review the agency determination and issue a decision upholding or revoking the agency determination within 30 days of an appeal being filed. The burden shall be on the agency head to demonstrate through the written determination that all reasonable efforts had been made to find suitable alternative space for the agency's needs before the waiver determination was made. The Assistant Secretary shall revoke any agency determination made without all reasonable efforts being made. The decision of the Assistant Secretary shall be binding on the agency whose waiver determination was appealed.

''(5) Limitations.—

''(A) Nothing in this subsection shall waive or modify any requirements or restrictions imposed by any Federal, state, or local agency with authority under other law to impose such restrictions or requirements on the provision of telecommunications services or the facilities used to provide such services.

''(B) Refusal by an owner to provide access to a telecommunications carrier seeking to provide telecommunications services or information services to a commercial property due to a demonstrated lack of available space at a commercial property on a rooftop or in a riser, telephone cabinet, conduit, point of entry or demarcation for internal wiring, or utility space due to existing occupation of such space by two or more telecommunications carriers providing service to that commercial property shall not be a violation of paragraphs (1)(B) or (2)(D) if the owner has made reasonable efforts to permit access by such telecommunications carrier to any space that is available.

''(6) DEFINITIONS.—For the purposes of this subsection the term—

''(A) 'Federal agency' shall mean any executive agency or any establishment in the legislative or judicial branch of the Government;

''(B) 'commercial property' shall include any buildings or other structures offered, in whole or in part, for rent or lease to any Federal agency;

''(C) 'incumbent local exchange carrier' shall have the same meaning given such term in section 251(h) of the Communications Act of 1934 (47 U.S.C. 251(h)); and

''(D) 'information service,' 'telecommunications carrier,' and 'telecommunications service' shall have the same meaning given such terms, respectively, in section 3 of the Communications Act of 1934 (47 U.S.C. 153).''.

SEC. 4. APPLICATION TO PUBLIC BUILDINGS.

Within six months after the date of enactment of this Act the Secretary of Commerce, acting through the Assistant Secretary of Commerce for Telecommunications and Information, shall promulgate final rules, after notice and opportunity for public comment, to apply the requirements of section 105(f) of the National Telecommunications and Information Administration Organization Act, as added by this Act, to all buildings and other structures owned or operated by any Federal agency. In promulgating such rules the Assistant Secretary may, at the direction of the President, exempt any buildings or structures owned or operated by a Federal agency if the application of such requirements would be contrary to the interests of national security. The Assistant Secretary shall coordinate the promulgation of the rules required by this section with the Administrator of the General Services Administration and the heads of any establishments in the legislative and judicial branches of government which are responsible for buildings and other structures owned or operated by such establishments. Such rules may include any requirements for identification, background checks, or other matters necessary to ensure access by telecommunications carriers under this section does not compromise the safety and security of agency operations in government owned or operated buildings or structures. For the purposes of this section, the term ''Federal agency'' shall have the same meaning given such term in section 105(f)(6) of the National Telecommunications and Information Administration Organization Act, as added by this Act.

By Mr. MURKOWSKI (for himself, Mr. BREAUX, Mr. GORTON, Mr. COCHRAN, Mr. HUTCHINSON, Ms. COLLINS, Mrs. LINCOLN, Mr. SHELBY, Ms. SNOWE, Mrs. MURRAY, Mr. SESSIONS, Mr. SMITH of Oregon, Mrs. HUTCHISON, Mr. GRAMS, and Ms. LANDRIEU):

S. 1303. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities; to the Committee on Finance.

THE REFORESTATION TAX ACT OF 1999

Mr. MURKOWSKI. Mr. President, on June 17, I introduced bipartisan legislation (1240) providing capital gains for the forest products industry and lifting the existing cap on the reforestation tax credit and amortization provisions of the tax Code.

Unfortunately, because of a clerical error, the section of the bill that lifted the cap on the tax credit and the amortization provisions of the Code was inadvertently omitted from the bill. Today I am reintroducing the bill as it was originally intended to be drafted.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1303

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 ''Reforestation Tax Act of 1999''.

SEC. 2. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to treatment of capital gains) is amended by adding at the end the following new section:

''SEC. 1203. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

''(a) IN GENERAL.—At the election of any taxpayer who has qualified timber gain for any taxable year, there shall be allowed as a deduction from gross income an amount equal to the qualified percentage of such gain.

''(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means gain from the disposition of timber which the taxpayer has owned for more than 1 year.

''(c) QUALIFIED PERCENTAGE.—For purposes of this section, the term 'qualified percentage' means the percentage (not exceeding 50 percent) determined by multiplying—

''(1) 3 percent, by

''(2) the number of years in the holding period of the taxpayer with respect to the timber.

''(d) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under subsection (a) shall be computed by excluding the portion of (if any) the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.''

(b) COORDINATION WITH MAXIMUM RATES OF TAX ON NET CAPITAL GAINS.—

(1) Section 1(h) of such Code (relating to maximum capital gains rate) is amended by adding at the end the following new paragraph:

''(14) QUALIFIED TIMBER GAIN.—For purposes of this section, net capital gain shall be determined without regard to qualified timber gain (as defined in section 1203) with respect to which an election is in effect under section 1203.''

(2) Subsection (a) of section 1201 of such Code (relating to the alternative tax for corporations) is amended by inserting at the end the following new sentence:

''For purposes of this section, net capital gain shall be determined without regard to qualified timber gain (as defined in section 1203) with respect to which an election is in effect under section 1203.''

(c) ALLOWANCE OF DEDUCTION IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 of such Code (relating to definition of adjusted gross income) is amended by inserting after paragraph (17) the following new paragraph:

''(18) PARTIAL INFLATION ADJUSTMENT FOR TIMBER.—The deduction allowed by section 1203.''

(d) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 172(d)(2) of such Code is amended to read as follows:

''(B) the exclusion under section 1202 and the deduction under section 1203 shall not be allowed.''

(2) The last sentence of section 453A(c)(3) of such Code is amended by striking ''(whichever is appropriate)'' and inserting ''or the deduction under section 1203 (whichever is appropriate)''.

(3) Section 641(c)(2)(C) of such Code is amended by inserting after clause (iii) the following new clause:

''(iv) The deduction under section 1203.''

(4) The first sentence of section 642(c)(4) of such Code is amended to read as follows: ''To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain described in section 1202(a) or qualified timber gain (as defined in section 1203(b)), proper adjustment shall be made for any exclusion allowable under section 1202, and any deduction allowable under section 1203, to the estate or trust.''

(5) The last sentence of section 643(a)(3) of such Code is amended to read as follows: ''The exclusion under section 1202 and the deduction under section 1203 shall not be taken into account.''

(6) The last sentence of section 643(a)(6)(C) of such Code is amended by inserting ''(i)'' before ''there shall'' and by inserting before the period '', and (ii) the deduction under section 1203 (relating to partial inflation adjustment for timber) shall not be taken into account''.

(7) Paragraph (4) of section 691(c) of such Code is amended by inserting ''1203,'' after ''1202,''.

(8) The second sentence of paragraph (2) of section 871(a) of such Code is amended by striking ''section 1202'' and inserting ''sections 1202 and 1203''.

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 1203. Partial inflation adjustment for timber.''

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 1998.

SEC. 3. AMORTIZATION OF REFORESTATION EXPENDITURES AND REFORESTATION TAX CREDIT.

(a) DECREASE IN AMORTIZATION PERIOD.—

(1) IN GENERAL.—Section 194(a) of the Internal Revenue Code of 1986 is amended by striking ''84 months'' and inserting ''60 months''.

(2) CONFORMING AMENDMENT.—Section 194(a) of such Code is amended by striking ''84-month period'' and inserting ''60-month period''.

(b) REMOVAL OF CAP ON AMORTIZABLE BASIS.—

(1) Section 194 of the Internal Revenue Code of 1986 is amended by striking subsection (b) and by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(2) Subsection (b) of section 194 of such Code (as redesignated by paragraph (1)) is amended by striking paragraph (4).

(3) Paragraph (1) of section 48(b) of such Code is amended by striking ''(after the application of section 194(b)(1))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to additions to capital account made after December 31, 1998.

ADDITIONAL COSPONSORS

S. 348

At the request of Ms. SNOWE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 348, a bill to authorize and facilitate a program to enhance training, research and development, energy conservation and efficiency, and consumer education in the oilheat industry for the benefit of oilheat consumers and the public, and for other purposes.

S. 386

At the request of Mr. GORTON, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 386, a bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt bond financing of certain electric facilities.

S. 566

At the request of Mr. LUGAR, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Texas (Mr. GRAMM) were added as cosponsors of S. 566, a bill to amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

S. 664

At the request of Mr. CHAFEE, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 680

At the request of Mr. CLELAND, his name was added as a cosponsor of S. 680, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 761

At the request of Mr. ABRAHAM, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Minnesota (Mr. GRAMS) were added as cosponsors of S. 761, a bill to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes.

S. 765

At the request of Ms. COLLINS, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 765, a bill to ensure the efficient allocation of telephone numbers.

S. 796

At the request of Mr. WELLSTONE, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 796, a bill to provide for full parity with respect to health insurance coverage for certain severe biologically-based mental illnesses and to prohibit limits on the number of mental illness-related hospital days and outpatient visits that are covered for all mental illnesses.

S. 894

At the request of Mr. CLELAND, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 894, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 916

At the request of Mr. GRAMS, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 916, a bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision.

S. 921

At the request of Mr. ABRAHAM, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of S. 921, a bill to facilitate and promote electronic commerce in securities transactions involving broker-dealers, transfer agents and investment advisers.

S. 978

At the request of Mr. WARNER, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 978, a bill to specify that the legal public holiday known as Washington's Birthday be called by that name.

S. 1074

At the request of Mr. TORRICELLI, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1074, a bill to amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals with amyotrophic lateral sclerosis (ALS), and to provide medicare coverage of drugs and biologicals used for the treatment of ALS or for the alleviation of symptoms relating to ALS.

S. 1088

At the request of Mr. KYL, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 1088, a bill to authorize the Secretary of Agriculture to convey certain administrative sites in national forests in the State of Arizona, to convey certain

land to the City of Sedona, Arizona for a wastewater treatment facility, and for other purposes.

S. 1118

At the request of Mr. MCCAIN, his name was added as a cosponsor of S. 1118, a bill to amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans to provide for the gradual elimination of the program.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order Ratitae that are raised for use as human food.

S. 1185

At the request of Mr. ABRAHAM, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 1185, a bill to provide small business certain protections from litigation excesses and to limit the product liability of non-manufacturer product sellers.

S. 1266

At the request of Mr. GORTON, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1266, a bill to allow a State to combine certain funds to improve the academic achievement of all its students.

S. 1268

At the request of Mr. HARKIN, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 1268, a bill to amend the Public Health Service Act to provide support for the modernization and construction of biomedical and behavioral research facilities and laboratory instrumentation.

S. 1269

At the request of Mr. MCCONNELL, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 1269, a bill to provide that the Federal Government and States shall be subject to the same procedures and substantive laws that would apply to persons on whose behalf certain civil actions may be brought, and for other purposes.

S. 1272

At the request of Mr. NICKLES, the names of the Senator from North Carolina (Mr. HELMS) and the Senator from Minnesota (Mr. GRAMS) were added as cosponsors of S. 1272, a bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

SENATE JOINT RESOLUTION 21

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of Senate Joint Resolution 21, a joint resolution to designate September 29, 1999, as ''Veterans of Foreign Wars of the United States Day.''

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. DODD, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of Senate Concurrent Resolution 22, a concurrent resolution expressing the sense of the Congress with respect to promoting coverage of individuals under long-term care insurance.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of Senate Concurrent Resolution 34, a concurrent resolution relating to the observance of ''In Memory'' Day.

SENATE RESOLUTION 91

At the request of Mr. SANTORUM, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of Senate Resolution 91, a resolution expressing the sense of the Senate that Jim Thorpe should be recognized as the ''Athlete of the Century''.

SENATE RESOLUTION 95

At the request of Mr. THURMOND, the names of the Senator from North Carolina (Mr. HELMS), the Senator from Illinois (Mr. FITZGERALD), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of Senate Resolution 95, a resolution designating August 16, 1999, as ''National Airborne Day.''

SENATE RESOLUTION 98

At the request of Mr. DOMENICI, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of Senate Resolution 98, a resolution designating the week beginning October 17, 1999, and the week beginning October 15, 2000, as ''National Character Counts Week.''

SENATE RESOLUTION 109

At the request of Mr. BROWNBACK, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of Senate Resolution 109, a resolution relating to the activities of the National Islamic Front government in Sudan.

SENATE RESOLUTION 111

At the request of Mr. GRAHAM, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of Senate Resolution 111, a resolution designating June 6, 1999, as ''National Child's Day.''

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 29, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on S. 161, the Power Marketing Administration Reform Act of 1999; S. 282, the Transition to Competition in the Electric Industry Act; S. 516, the Electric Utility Restructuring Empowerment and Competitiveness Act of 1999; S. 1047, the Comprehensive Electricity Competition Act; S. 1273, a bill to amend the Federal Power Act to facilitate the transition to more competitive and efficient electric power markets, and for other purposes; and S. 1284, a bill to amend the Federal Power Act to ensure that no State may establish, maintain or enforce on behalf of any electric utility an exclusive right to sell electric energy or otherwise unduly discriminate against any customer who seeks to purchase electric energy in interstate commerce from any supplier.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a business meeting to mark up (1) S. 1100, a bill to amend the Endangered Species Act of 1973 to provide that the designation of critical habitat for endangered and threatened species be required as part of the development of recovery plans for those species; (2) Nomination of Timothy Fields, Jr., nominated by the President to be Assistant Administrator, Office of Solid Waste, Environmental Protection Agency; and (3) Committee Budget Resolution. The meeting is scheduled for Tuesday, June 29, 10:00 a.m., Hearing Room (SD–406).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Tuesday, June 29, 1999 beginning at 10:00 a.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on ''ESEA: Arts Education and Magnet Schools'' during the session of the Senate on Tuesday, July 29, 1999, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FOREST AND PUBLIC LAND MANAGEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Forests & Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 29, for purposes of conducting a hearing which is scheduled to begin at 2:30 p.m. the purpose of this oversight hearing is to receive testimony on fire preparedness on Federal lands.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, June 29, 1999, at 2:30 P.M. on NOAA, U.S. Fire Administration, and Earthquake Hazards Reduction Program reauthorization

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO RABBI MOSHE SHERER

● Mr. KENNEDY. Mr. President, it is a privilege to join in this tribute to Rabbi Moshe Sherer. To all of us who knew him and worked with him, Rabbi Sherer was a great friend, a great leader, and a great champion of democracy and freedom.

Rabbi Sherer was an inspiration to all of us, especially in his work on immigration and religious freedom. He worked skillfully and tirelessly to free prisoners of conscience in the former Soviet Union, to reunite divided families, and to protect freedom of religion across the globe.

Even in the darkest hours of communism, Rabbi Sherer was an eloquent advocate for the right of the oppressed to leave the Soviet Union. He had an enduring belief that the freedom to emigrate to escape persecution is one of the most basic and fundamental human rights.

As the President of Agudath Israel of America for over three decades, Rabbi Sherer was instrumental in developing that organization into a powerful force for justice in our nation and across the world. He inspired us all with his generous spirit of tolerance, his extraordinary knowledge and understanding, and his deep commitment to human rights and religious freedom.

We are fortunate to have worked with Rabbi Sherer, and we mourn his loss. His brilliant legacy will continue to be an inspiration for future generations. We miss his leadership and we miss his friendship.●

JUVENILE CRIME IN AMERICA

● Mr. GRAMS. Mr. President, I rise today to express my support for the recent passage by the Senate of S. 254, the ''Violent and Repeat Offender Accountability and Rehabilitation Act of 1999.''

One of the most complex issues facing our society is how communities confront the troubling trends in violent crime committed by young people. In particular, the recent tragedy in Littleton, Colorado underscores that all elements of our society, including parents, faith-based organizations, local officials, educators, students, and law enforcement officials should be encouraged to work together to develop innovative and effective solutions to reducing and preventing violent acts committed by our nation's youth.

In 1997, young people under the age of eighteen represented 17 percent of all violent arrests; 50 percent of all arson arrests; 37 percent of burglary arrests; and 14 percent of murder arrests. Overall in 1997, law enforcement agencies made approximately 2.8 million arrests of persons under the age of eighteen. These sobering statistics indicate the need to combat youth violence in America to ensure that the young offenders of today do not become the career criminals of tomorrow.

For these reasons, I am pleased to have voted for passage of S. 254, the ''Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act.'' I believe that many of the provisions within this legislation will hold violent juvenile offenders accountable for their actions and also integrate many young offenders back into their communities. We should all recognize that federal legislation is not a ''silver bullet'' solution to the problem of youth violence, and that our response to this epidemic is only one aspect of nationwide efforts to reduce and prevent violent juvenile crime.

Among its most significant provisions, this bipartisan legislation will provide assistance to Minnesota and other states to help develop local programs that hold young criminal offenders accountable for their actions, including such reforms as drug testing offenders upon arrest; implementing graduated sanction programs for repeat offenders; and building detention facilities for juvenile offenders. Equally important, states will also be empowered to prevent juvenile delinquency through initiatives such as one-on-one mentoring programs aimed toward at-risk juveniles and providing treatment for juveniles who suffer from substance abuse.

Mr. President, this measure also addresses an area of increasing concern to communities in my home state of Minnesota—gang violence. Today, there are more than 12,000 gang members in Minnesota, the nation's tenth-highest level of gang participation.

Throughout Minnesota, many communities have developed programs to stop the spread of gang activity, including the ''South Metro Gang and Youth Violence Project'' sponsored by Carver, Dakota and Scott counties. Among its achievements, this project has developed a computerized database to identify gang members, established a telephone hotline for graffiti removal, and formed the ''South Metro Gang Task Force,'' through which law enforcement agencies meet monthly to share information regarding gang activity in their jurisdictions. Through education, training and other community initiatives, this program has begun to tackle the threat of gang and youth violence.

In my view, the federal government can supplement local anti-gang initiatives by vigorously enforcing federal laws designed to combat interstate gang crime. The anti-gang provisions within S. 254 will also help to deter gang involvement by imposing stiff penalties on anyone who recruits a minor to become a member of a criminal street gang, or who uses a minor to distribute illegal drugs or participate in crimes of violence—common activities of gangs. By imposing enhanced penalties on those who wear body armor during crimes and prohibiting violent felons from owning body armor, we will also help to protect the lives of law enforcement officers who put their lives on the line each day protecting our communities from the threat of gang violence.

As someone who has always supported the important role of local communities in developing anti-crime strategies, I am pleased that the Senate modified this legislation to encourage the active role of State Advisory Groups (SAGs) as part of the juvenile justice system. I am hopeful that the conference report to this legislation will preserve the same level of responsibility for SAGs as provided under current law.

In my home state, the Minnesota Juvenile Justice Advisory Committee (JJAC) is composed of twenty-two individuals appointed by the Governor, including local prosecutors, students, police chiefs, judges, and state agency personnel, representative of communities throughout Minnesota. In 1998, JJAC awarded more than $1 million in federal funds to community-based organizations, schools, Indian reservations, and local law enforcement agencies to help develop effective and innovative juvenile offender programs. Statewide, more than 40,000 youth and their families were served by local programs identified and evaluated by JJAC last year. I ask that a list of the Minnesota Juvenile Justice Advisory Committee membership and a letter to me from the JJAC Vice-Chair be included as part of the RECORD following my remarks.

Mr. President, over the last several months, I have given careful thought to the aspects of our society that may contribute to incidents of juvenile crime, including the influence of the entertainment industry upon young people. My concerns are underscored by a recent e-mail I received from Andrew Backenstross, a young Minnesotan and Boy Scout who is working on his Citizenship in the Nation merit badge in the community of White Bear Lake.

Andrew wrote, ''All my teachers say that school should be a safe place to go and study. But Colorado and other places show us how exposed we are and that it could happen to us. Public schools need to be able to discipline or remove anyone who is not a threat or will not meet standards. Metal detectors, searches and police walking the halls is not the answer. That was not needed when my Dad went to school. People thought differently. We have to ask, what has changed? Maybe we are being conditioned for violence.

''My parents have taught me about standards, acceptable behavior and respect for myself and others. Maybe more help could be given to parents to be parents. Maybe if they didn't have to give so much of their income away in taxes they could afford to stay home and be parents.''

In response to the concerns expressed by young people such as Andrew, and thousands of parents, I am pleased that the Senate bill encourages the entertainment industry to voluntarily establish guidelines to reduce violence in motion pictures, television programming, video games, and music lyrics. The bill also encourages Internet Service Providers (ISPs) to provide filtering software to consumers that could block juvenile access to unsuitable material. These provisions will provide parents with the tools needed to reduce their children's exposure to the culture of violence.

Mr. President, there were several amendments offered to this legislation that would impose additional restrictions upon lawful Americans, without contributing to a reduction in juvenile crime. Throughout the debate over these proposals, I urged the Senate to promote greater enforcement of our existing firearms laws before passing new gun control measures that would infringe upon the constitutional rights of law-abiding citizens. I am very concerned that prosecutions of those who violate federal firearms laws have been far less zealous than what the American people deserve and expect.

According to the Executive Office of the United States Attorney, there were only eight prosecutions in 1998 of those who violated the federal prohibition on possessing a firearm in a school zone. From 1996 through 1998, there was only one prosecution of felons who have been denied the purchase of firearms after being subjected to a background check. These statistics underscore the reality that passing new, expansive gun control laws will not prevent violent crime or the illegal use of firearms.

As an alternative to far-reaching gun control proposals, I supported an amendment that encouraged the enforcement of existing gun laws, the rights of law-abiding citizens, and keeping firearms from children and criminals. This proposal provided $50 million to hire additional federal prosecutors to prosecute those who violate our gun laws; a prospective ban on juveniles convicted of violent offenses from ever owning a firearm; and enhanced penalties for juveniles who illegally bring a gun or ammunition to school with the intent of possessing or using the firearm to commit a violent crime.

Additionally, this proposal requires all firearms transactions at gun shows to be subject to the National Instant Check System (NICS) without subjecting law-abiding purchasers to unnecessary fees or record-keeping requirements. Importantly, this provision preserves legitimate business transactions at gun shows while also addressing the public safety concerns of millions of Americans. In my view, this proposal was more reasonable than a more-restrictive proposal by Senator LAUTENBERG that was later passed by the Senate.

Mr. President, I believe the Senate passage of this bill is an important contribution to the national response to youth violence. The 106th Congress should seize the opportunity to pass meaningful and balanced legislation that will encourage local solutions to the complex problem of juvenile crime.●

RETIREMENT OF SISTER JANE FRANCIS BRADY

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to Sister Jane Francis Brady, who is retiring after 30 years at St. Joseph's Hospital and Medical Center in Paterson, New Jersey. For 27 of those years, Sister Jane served as the hospital's President and Chief Executive Officer. This not only is a well-deserved public tribute, but also a very personal tribute. Paterson is my hometown, and St. Joseph's Hospital has been an institution both literally and figuratively for generations of Paterson families, including my own. To thousands of people in New Jersey and the region, she is ''Sister Jane'' and the hospital is ''St. Joe's.'' They are a union that has put quality and hope into so many lives.

For many people in the Paterson area, Sister Jane has been the soul, the spirit and the face of healthcare. I have been privileged to work with her on a number of projects that have expanded St. Joe's to meet the continually growing needs of the surrounding community. Under Sister Jane's stewardship, St. Joseph's Hospital has become a focus of wellness care and training—the source for preventive, primary and emergency health services, and for more general education and counseling.

Sister Jane's curriculum vitae is stellar. She has held the highest advisory positions on healthcare, serving as Vice-Chair of the New Jersey Commission on Legal and Ethical Problems in the Delivery of Health Care; on New Jersey's Health Care Administration Board; on the SEEDCO Board of Trustees of New York; on the Leadership Task Force on Health Policy Reform of the Catholic Health Association of the United States; and on the Board of Trustees of the Catholic Health Association of the U.S.

She has been recognized for her contributions by numerous organizations, receiving, among others, the Paterson Community Service Award; the Citation of Merit from the NJ Association of Nonprofit Homes for the Aging; the Paterson Community Support Fund Humanitarian Award; ''Woman of the Year'' awards from the American Legion, the Paterson Boys and Girls Club, the NJ State Organization of Cystic Fibrosis, the American Cancer Society, and Passaic County Community College; the Felician College Founders Day Award; the Paterson Historic Preservation Commission's Heritage Award; and the Palestinian Heritage Foundation Humanitarian Award.

Sister Jane's retirement presents a huge challenge. We have the legacy of her intellect and passion; we have the solid foundation of her three decades of guidance; we have her enduring vision; but we will need an extraordinary talent to fill the void she leaves.

The best tribute we can give, the tribute we owe to Sister Jane, is the promise and commitment to find the best way to give the best healthcare to the most people. That was what she did. That was her gift of faith and strength.●

SESQUICENTENNIAL OF McDONALD COUNTY

● Mr. BOND. Mr. President, this weekend will be doubly special for the residents of McDonald County in my home state of Missouri. On March 3, 1849, McDonald county was established by the State Legislature and named after Revolutionary War hero Alexander McDonald. Not only will this weekend mark the 223rd anniversary of the founding of our country, but it is also the formal celebration of the 150th anniversary of the founding of McDonald County.

McDonald County has a distinguished history, including a gold rush in the last century. McDonald County was also the site for the filming of a 1938 movie about Jesse James starring Tyrone Power, Randolph Scott, and Henry Fonda. More recently, every Christmas the Post Office in the city of Noel receives thousands of cards to receive the stamp of ''The Christmas City.'' McDonald County is also a major economic force in the state of Missouri, ranking first in agricultural sales, due to their $50 million poultry industry.

I join the citizens of McDonald County in celebrating this milestone in their history. I take great pride in recognizing this historic event and wish McDonald County prosperity in the next 150 years that is even greater than the last. Mr. President, I ask that my colleagues in the Senate join me in recognizing the sesquicentennial of McDonald County.●

PHYSICIAN-ASSISTED SUICIDE

● Mr. WYDEN. Mr. President, today I have informed the minority leader that I will object to any unanimous consent request to proceed to S. 1272 or any legislation containing provisions that would override Oregon's physician assisted suicide law. I have notified the bill's sponsor and the committee chairman and ranking member to which it was referred.●

MILITARY CHANGE OF COMMANDS

● Mr. ALLARD. Mr. President, in the June edition of Leatherneck magazine, the Commandant of the Marine Corps, General Charles Krulak, quotes his father as saying: ''The American people believe that Marines are downright good for the country.'' I agree with The Commandant's father. And I am pleased General Krulak also holds that well founded opinion. The United States Marine Corps is collectively good for this country, and the services of individual marines such as General Krulak are a big part of that positive contribution made by the Corps.

Unfortunately, the title of the article in which General Krulak quoted his father was ''A farewell to the Corps.'' General Krulak will be retiring after four years from his position as Commandant at the end of this month. I would like to thank him for his service and efforts on behalf of his Corps and his nation.

Although I have been on the Armed Services Committee a short six months, I have had several good experiences with the Commandant.

I think the most notable was in May of this year, when a large group of my constituents were taking a tour of the Pentagon, and the Commandant invited them into his office. He said then that he usually tries to do something similar—bring tourists into his personal office—everyday. I do not think Krulak was fully aware of what he was getting himself into, but all fifty or so crowded their way into his office, and listened while he spoke about the Corps, the moving of his office down from the 'barbed wire surrounded hill of the Naval Annex' to the corridors of the Pentagon, and the Corps' efforts and ability to turn young men and women into marines.

Let me tell you, they were impressed. They were impressed with his position, they were impressed with his efforts, they were impressed with his commitment, and they were impressed with the man.

I have also had correspondence with General Krulak relating to our work on S.4, and for the process of preparing the defense authorization. He consistently strikes me as a man who is well aware of the challenges his position holds, and works to meet them. He has been straightforward and dependable. Hearing testimony from him at committee hearings is always a pleasure. He does not rattle off bland platitudes. I felt that I could always rely on his opinion to be the truest possible interpretation of the situation, and one that held the best interests of the country at the foremost.

Let me end by repeating: General Krulak has been fundamentally good for this country. I wish him well in whatever new course he sets for himself.

Also, I would like to welcome General James Jones into his role as the 32nd Commandant of the Marine Corps. I have met with him only very briefly, but I look forward to working with him. I am sure he will follow in the able footsteps of all the past United States Marines Corps Commandants, and serve the Marines and America admirably.●

MEDAL OF HONOR RECIPIENTS

● Mr. LUGAR. Mr. President, over the Memorial Day weekend, a series of events and memorial services were held in Indianapolis honoring our nation's Medal of Honor winners. Nearly 100 of all of the living Medal of Honor recipients came to Indiana to participate in the ceremonies as honored guests. In addition to paying tribute to these heroes and celebrating their remarkable accomplishments with a healthy dose of Hoosier hospitality, a new memorial to the Medal of Honor winners was dedicated. This memorial is only one of its kind in the nation. All of this was made possible by countless numbers of volunteers who worked tirelessly to carry out this program that was initiated and undertaken by IPALCO Enterprises of Indianapolis.

Following this remarkable weekend. I received a letter from Major General Robert G. Moorhead, USA (Ret.), who through his words captured the sentiments of many of my State who were a part of these historic and moving events.

At this time, Mr. President, I ask that an excerpt from General Moorhead's letter be printed in the RECORD.

The excerpt follows.

As the last days of the 20th century continue to unfold, Memorial Day weekend in the capital of Indiana was one to remember. Nearly 100 Medal of Honor recipients were guests for a series of stirring tributes. These included a solemn Memorial Service; the dedication of the only memorial to recipients of the Medal of Honor; grand marshals in the IPALCO 500 Festival Parade; an outdoor concert by the Indianapolis Symphony Orchestra; and a parade lap around the famed Indianapolis Motor Speedway oval prior to the start of the race.

As the 20th century draws to a close, many wonder if the nation has lost sight of the sacrifices which have been made to preserve freedom. After this Memorial Day weekend in Indianapolis, my heart remains swollen with pride in our land and my fellow citizens. The reception given these ordinary men who did extraordinary things can never be equaled.

I am especially proud of the untold hundreds of volunteers who gave of their time and talent to make these events possible. Memorial Day Weekend 1999 did much to convince me that our nation's freedom loving spirit is alive and well. It also underscored the true meaning of ''Hoosier Hospitality.''

Sincerely,

MG ROBERT G. MOORHEAD,
USA Ret.●

WE THE PEOPLE FINALS

● Mr. ENZI. Mr. President, I rise to recognize the outstanding achievement of the students of Central High School from Cheyenne, Wyoming in the national finals of We The People . . . The Citizen and the Constitution program. They recently made a trip to the Nation's Capital to participate in a mock congressional hearing where they played the role of constitutional experts testifying before a panel of judges. Their fellow students at Central High, their families and friends, along with the people of Cheyenne and the entire state of Wyoming are very proud of these students who spent long hours studying the Constitution and the related court cases to be able to answer detailed and complex questions about the Constitution that would normally be considered by the Supreme Court.

Guided by their teacher, Donald Morris, these students took on the difficult task of competing against 1,250 other students from across the nation. They worked together for a whole semester to master the ins and outs of the Constitution and the Supreme Court cases that set important precedents. In doing so they learned a great deal about the value of friendship and the importance of teamwork. I hope that more schools in Wyoming and around the nation take advantage of the We The People program.

When I was a Boy Scout back in Sheridan, Wyoming, I earned my Citizenship in the Nation merit badge by creating a series of charts showing the system of checks and balances contained in the Constitution. Although it did not occur to me at the time, I am sure part of me was inspired and wanted to get more involved in government and our democratic process. Now I am a part of that system that relies so heavily on the Charters of Freedom that were crafted with such diligence by our Founding Fathers. I hope that a love of the Constitution, the law and our nation's history will similarly inspire all our young people to become more involved in their government and by so doing take hold of the reins on their future.

I would like to take this opportunity to recognize these students by name. They are David Angel, Kristen Barton, Beth Brabson, Michelle Brain, Mary Connaghan, Mariah Martin, Andrea Mau, Alison McGuire, Rachel Michael, Joanna Morris, Leigh Nelson, Tiffany Price, Lydia Renneisen, Shannon Scritchfield, Erica Tonso and Katie Zaback. They are truly remarkable young adults and I extend my heartiest congratulations to them, to their teachers and principal, and their families on their remarkable success.●

REMARKS OF FORMER SENATOR HANK BROWN

● Mr. ALLARD. Mr. President, most of my colleagues in this body, I'm sure, remember my predecessor, Hank Brown. He represented me for 10 years as the Congressman from Colorado's 4th district, and I had the further privilege of working with him during my 6 years in the House. Since he retired from this body in 1996, I have relied on

his knowledge and experience. As you might know, Senator BROWN is now President Brown, the head of the University of Northern Colorado, in Greeley, the Senator's hometown.

Recently, President Brown spoke at the Colorado Prayer Luncheon in Denver. He spoke on God's love, and our role in this world. His thoughts are, as always, particularly insightful and relevant.

I ask to have these inspirational words printed in the CONGRESSIONAL RECORD.

The remarks follow.

REMARKS OF HANK BROWN, COLORADO PRAYER LUNCHEON

Ladies and Gentlemen, today is a day of renewal. It is a renewal of our commitment to our Maker as well as a renewal of our commitment to each other. The fact that so many different faiths join together in this luncheon is a sign of our commitment to each other's religious freedom.

The incomprehensible tragedy at Columbine is on all of our minds. It will reshape our lives as well as the families of the victims. Its impact will be with us for many years.

Next month it will be 46 years since my brother died in a gun accident. He was only 16—not much younger than the children who were murdered at Columbine. The other day my mother said to me that not a day goes by that she doesn't think of him and miss him. I suspect that the parents and loved ones of the victims at Columbine will be the same. The memory of those children will be with them every day for the rest of their lives.

How do we explain it? How do you reconcile the tragedy in your own mind?

We believe our God is good, we believe our God, is love, we believe our God is all-powerful and capable of controlling everything. How could something this evil be allowed to happen? It's not a new question. It's been with mankind throughout history.

A few thousand years ago, a fellow by the name of Job had the same questions. He was devout, religious and pious. He was committed to carrying on the work of his Lord, yet great tragedies were visited upon him. He lost his home. He lost his fortune. He lost his health. He even lost his beloved children. But he didn't lose his faith. And throughout it, he asked ''Why?'' Was he being tested? Was he being punished? I'm not sure we know. His friends came and talked to him, and they suggested that he must be being punished, that he must have done something wrong. And yet, of course Job hadn't. He hadn't been evil; he hadn't sinned. He'd kept the faith. The attitude of his friends perhaps is parallel to the way many of us think. It is natural to think that if we are good, if we follow the rules, if we observe the mandates, good things will happen to us. And yes, if we sin, we'll be punished. And yet, Job hadn't sinned. I don't pretend to know the answer. But I want to speculate with you this afternoon, and I want to suggest that part of the answer lies in God's purpose for our lives in this world.

What if this earthly existence is not intended to be a paradise? What if our Maker's real kingdom is not of this world? What if the purpose of our earthly existence is to train us, to prepare us, to test us—not for this world, but for the next? What if the commandments of Moses and the admonition to love each other is not a checklist for prosperity in this world, but guidance for how we'll behave when we truly accept grace? Not a way to earn grace, but what we'll do if we accept it. What if those commandments are the best advice in history on how to live a joyous life and find happiness on earth? It's a different thought, isn't it? If it's so, then our earthly existence may not be about earning our way to heaven or even enjoying a perfect life on earth. It may be about learning and preparing for the next life.

Parents face every day, something of the challenge that our Lord must experience. How do you prepare children for life? We love our children more than life itself. Do we do their homework for them? Perhaps some of you have faced that question. If you don't help them with their homework, they may fail and they may not have the chances you hope for them. But the story doesn't end there. If you do it for them, what do they learn? How do they learn that they have to prepare in advance for the next time? How have you helped them learn a lesson for life?

Growing up, I couldn't understand my mother. How could she be so tough? She never once bought the stories I brought home about how everyone did it, how it must be OK because everyone else got by with it. In fact, she was never even tempted by them. I recall a series of incidents of her forcing me to confess my sins—once to a storeowner a few blocks from here where I'd taken some gum, once to my grandmother, once at school. Those forced confessions resulted in unbelievable embarrassment. How could she do such a thing? If I wanted something, her answer was, ''I'll help you find a job.'' I worked 20–40 hours a week while I was in high school, and, in the summers I had one or two full-time jobs, depending on the summer. My parents were divorced. She worked full-time. She didn't have a lot of time to supervise me. But her strength was to keep me busy, and she kept me so busy I almost stayed out of trouble. As I look back, I wonder whether I have been near as good a parent as she was.

I will never forget the Clarence Thomas hearings, and I suspect some of you may have that feeling as well. One of the instances I recall was a question posed by a senator—a person of great integrity—who had very strong doubts about Clarence Thomas' judicial philosophy. When his turn came to ask questions, the senator said, ''Clarence Thomas, I see two Clarence Thomas's, not just one. I see one that seems so kind, generous, thoughtful and warm. And then I see one that is mean, cruel and hard. Which one are you?'' Justice Thomas responded immediately. He said, ''There is only one Clarence Thomas. And I am him. I used to wonder how my uncle could pretend to care for me so much and be so hard on me. It wasn't until later that I learned that he was the one who loved me the most.''

I wonder if our Lord has in mind to prepare us for a life to come. Could tragedies and trials in this life prepare us for the next? It's a question worth asking. The year my brother died, I was 13. My grandfather gave me a book, It was written by Woodrow Wilson. It was a wonderful little book called ''When a Man Comes To Himself.'' It had as strong an influence on me as any book I've read. Wilson, as you know, was an idealist. In the book he talks about what the real joys in life are. He observes that the real pay one gets from a job is not the paycheck at the end of the month, although that's important. The real joy comes from what you do. A bricklayer or carpenter can drive through town and see the homes they've built providing shelter and warmth for families. Others can look at the work they've done and see how it impacts lives and changes the people they know. Wilson's thesis was that you are what you do with your life. You've seen those ads where they say you are what you eat. I sincerely hope that's not true. His thesis was that you are the role you play among your fellows. If that's true, ask what your life amounts to. Wilson's thought was that we are the sum total of how we help each other and the role we play amongst others. Perhaps that's a good guide for us to evaluate what we do in life. It's also a pretty good guide to examine whether you've found the real joy in life.

I don't know the answer to Job's question. Like you, I am troubled by the events and the currents of evil in the world. I, like you, suspect that our responsibility is to do what we can to make sure the tragedy never happens again. I'm not sure there's a surefire formula to prevent disasters. But I do believe that the freedom God gives us to live our lives and make our choices surely must be designed to prepare us for another world and help us understand that we have a role in making this world better. If we learn from this, and all of us go forth determined to make a difference from this moment on, the tragedy, in one way, will have served to make our world a better one.

Thank you.●

GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS—MOTION TO PROCEED

Mr. NICKLES. I ask unanimous consent the Senate now turn to Calendar No. 89, S. 557, regarding the budget process to which the so-called lockbox issue is pending as an amendment.

Mr. DURBIN. Mr. President, I object.

CLOTURE MOTION

Mr. NICKLES. In light of the objection, I now move to proceed to Senate bill 557, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 89, S. 557, a bill to provide guidance for the designation of emergencies as a part of the budget process:

Trent Lott, Spencer Abraham, Jim Inhofe, Kay Bailey Hutchison, Pete Domenici, Paul Coverdell, Wayne Allard, Jesse Helms, Larry E. Craig, Mike Crapo, Chuck Hagel, Mike DeWine, Michael B. Enzi, Judd Gregg, Tim Hutchinson, and Craig Thomas.

Mr. NICKLES. Mr. President, for the information of all Senators, I regret the objection from our Democrat colleagues to allow the Senate to proceed to the very vital issue of the Social Security lockbox issue. With the objection in place, I had no other alternative than to file a cloture motion on the motion to proceed. This cloture vote will occur on Thursday, 1 hour after the Senate convenes, unless changed by unanimous consent. All Senators will be notified as to the exact time of the cloture vote.

CALL OF THE ROLL

In the meantime, I ask consent that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. NICKLES. I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion is withdrawn.

REMOVAL OF INJUNCTION OF SECRECY TREATY DOCUMENT NO. 106–3

Mr. NICKLES. I ask unanimous consent to proceed as if in executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on June 29, 1999, by the President of the United States:

1. Tax Convention with Venezuela (Treaty Document No. 106–3);

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention Between the Government of the United States of America and the Government of the Republic of Venezuela for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, together with a Protocol, signed at Caracas on January 25, 1999. Also transmitted is the report of the Department of State concerning the Convention.

This Convention, which is similar to tax treaties between the United States and other developing nations, provides maximum rates of tax to be applied to various types of income and protection from double taxation of income. The Convention also provides for resolution of disputes and sets forth rules making its benefits unavailable to residents that are engaged in treaty shopping.

I recommend that the Senate give early and favorable consideration to this Convention and that the Senate give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 29, 1999.*

ORDERS FOR WEDNESDAY, JUNE 30, 1999

Mr. NICKLES. I ask unanimous consent that when the Senate complete its business today, it stand in adjournment until 9:30 a.m. on Wednesday, June 30. I further ask that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and that the Senate then begin consideration of S. 1234, the foreign operations appropriations legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. NICKLES. For the information of all Senators, Wednesday the Senate will convene at 9:30 and will begin consideration of the foreign operations appropriations bill. Amendments to that bill are expected, and therefore votes are to be expected throughout the day.

Due to the agreement reached regarding health care reform, it is hoped the Senate can complete action on a number of appropriations bills prior to the Fourth of July recess.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. NICKLES. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:30 p.m., adjourned until Wednesday, June 30, 1999, at 9:30 a.m.

EXTENSIONS OF REMARKS

HOOVER DAM MISCELLANEOUS SALES ACT

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. STUMP. Mr. Speaker, on behalf of my distinguished colleague from Nevada, Mr. GIBBONS, I am pleased to introduce the Hoover Dam Miscellaneous Sales Act.

Mr. Speaker, each year more than one million tourists travel to the Hoover Dam on the Arizona/Nevada border. Of the one million tourists who yearly visit this man-made treasure, a third venture from foreign countries. The demand for maps, publications, memorabilia, photographs and videos on the Hoover Dam, its history, and the Colorado River has significantly increased over the years. Most of these products can be produced by the Bureau of Reclamation. The Bureau, however, has not been given the authority to sell Hoover Dam products.

Mr. Speaker, this proposed legislation provides the authority to the Secretary of the Interior to produce and sell products relating to the Hoover Dam. The bill allows the funds derived from the sale of these products to be used towards the repayment of the Hoover Dam Visitor Center. Currently, purchasers of Hoover Dam power in Arizona, California and Nevada are paying for the construction of the Hoover Dam Visitor Center. Funds will also be applied to the payment of operation and maintenance costs, as well as costs associated with the delivery of guided tours at the Hoover Dam and its power plant.

Mr. Speaker, this legislation will not only enhance a visitor's experience at the Hoover Dam, but it will provide a new funding source for the many costs associated with the Hoover Dam and the Hoover Dam Visitor Center.

PREPARING OUR CHILDREN FOR THE FUTURE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILMAN. Mr. Speaker, I invite my colleagues to recognize the outstanding achievements of the Mechanicstown School, an elementary school in my congressional district. I especially congratulate School Principal Antoinette M. Belfiglio. Mechanicstown is a microsociety magnet school. With the help of local businesses, the students and faculty of the school are working together to form a working community that is run by students under faculty supervision. This community within the school will use the skills learned in their classrooms and apply them to workplace and real world settings.

I invite my colleagues to join me in honoring these outstanding members of our community. This example of local businesses taking an interest in the welfare of their children is exemplary. The dedication of our faculty and staff is meritorious.

Approximately 50 businesses in the local community have joined together in support of this program in the Mechanicstown Elementary School. There is a careful screening of each venture by a planning board, which evaluates the possibility of the business's survival in the school. This is done with the aid of Sim Town, a computer program.

After a permit is issued by the planning board, the business moves in and employees are placed by the school's employment agency. The children interested in a position are required to go through an application process much like the procedure that they would encounter in the average workplace.

Faculty members work with the students to run the business. The students take the classroom into the ''real'' world, using the skills taught to them in school and applying them in business situations. Programs such as the stationary stores, post offices, and the school supply store enhance the children's English, Math, and public relations skills. The children working in the environmental center, the pet store, and the science laboratory apply their knowledge from science and Math classes. There are video and computer based businesses in the school as well. These are extremely important for a child's survival in today's technology based workplace. Children become comfortable with computers and video equipment when they are young. This will give them an advantage when they emerge into the workforce.

This program is advantageous for our children. The skills learned from hands-on experiences will exhibit to children how to apply their classroom lessons. There is a definite benefit in having the children working with the faculty. They learn how to interact not only with their peers, but with their elders as well.

Another program that has been implemented in the Mechanicstown Middle School is the Morning Program that enables the entire school to meet together before the classes begin every day. During this time the students share various skills in the areas of music, dancing, and literature. Occasionally guests are asked to make presentations to the students. This is also an opportunity for the students to be recognized for their achievements both academically and also in the local community outside of school.

Out of the entire country, Mechanicstown has recently been chosen to be featured in a Japanese educational documentary. The Japanese company is honoring one school per country for their amazing feats in the educational curriculum, programs, activities, and classes. This is a great honor that has been bestowed upon our district's school.

Mechanicstown School should be highly commended for its innovative learning programs. Their dedication to our youth's future is invaluable. Mechanicstown is a stellar example of our schools working to meet the educational needs of our children. I thank our local businesses, the faculty, and the children of Mechanicstown Elementary School for their innovative programs, their persistence and hard work. I am confident that they will continue in their outstanding efforts.

ALFRED AND AGNES LAWRENCE CELEBRATE THEIR 50TH WEDDING ANNIVERSARY

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mrs. MCCARTHY of New York. Mr. Speaker, I rise today to pay tribute to Alfred and Agnes Lawrence from Rockville Centre, Long Island as they celebrated their 50th Wedding Anniversary on May 1, 1999. Their life's journey began in Sheepshead Bay, Brooklyn where they were both born and raised. They met as teenagers and soon became each other's sweetheart.

During World War II, Alfred proudly wore his country's uniform and served in the United States Navy as a SEABEE in the South Pacific on Okinawa island. And since Agnes was stateside, she contributed her part to help the war effort. A year after the war, on May 1, 1949, Alfred and Agnes exchanged wedding vows.

The Lawrences joined millions of other post-World War II couples by starting a family—seven children. The family Lawrence first lived in Brooklyn but soon moved to Rockville Centre, Long Island to raise their children. Throughout the years, the Lawrences experienced the joys of work, play, education, graduation, and marriage of their children.

The happy couple celebrated their Golden Wedding Anniversary at a retirement home in Spring Hill, Florida where Alfred is an active SEABEE veteran and Agnes is a HoneyBee. They are now blessed with twenty-one grandchildren and two great-grandchildren. A long and fruitful journey life has given them.

Mr. Speaker, I offer my congratulations and best wishes to Alfred and Agnes Lawrence on their 50th Wedding Anniversary.

IN HONOR OF THE LATE CAPTAIN VINCENT G. FOWLER

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. FORBES. Mr. Speaker, I rise today to honor one of New York's bravest, a valiant and a true hero, Captain Vincent G. Fowler, a 21-year veteran of the New York City Fire Department who was recently killed in the line of duty at the age of 47.

Ask any member of the Community and I am sure they will agree that firefighters are

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

truly courageous individuals. But there are those within the profession whose level of commitment challenges even that standard. Captain Fowler was one of these individuals.

Today, and every day, firefighters risk injury and death for the welfare of the community. It takes the tireless efforts of valiant men like Vincent Fowler to avert tragedy. Like many firefighters in our communities, Fowler understood the power of teamwork and its capability to save lives. His fearless leadership is a shining example to all of us.

During the course of his career, Vincent Fowler received three commendations for bravery, and had recently been appointed to the position of captain.

Fowler was a Holbrook, Long Island, Native, Captain Vincent Fowler was surrounded by loved ones who know all too well the dangers lurking at fire scenes. His father, also named Vincent, is a retired battalion chief, and his two brothers are also city firefighters. His family has dedicated itself to serving New York in one of the most dangerous jobs one can imagine. Consequently, the notion of a career in firefighting seemed natural for Vincent.

Mr. Speaker, Fowler embodies the type of role model who, as a leader, did not hesitate to put the safety of his team members above his own. He was in the basement of a burning house tying to determine where the blaze started when part of the first floor collapsed. He was severely injured, but orders his team to get out, knowing his fate had been sealed.

Colleagues, Captain Fowler is a courageous leader who will be sorely missed.

CRISIS IN KOSOVO (ITEM NO. 13) REMARKS BY BENJAMIN SLAY OF PLANECON, INC.

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. KUCINICH. Mr. Speaker, on June 24, 1999, I joined with Representative CYNTHIA A. MCKINNEY, Representative BARBARA LEE, and Representative JOHN CONYERS in hosting the sixth in a series of Congressional Teach-In sessions on the Crisis in Kosovo. If a lasting peace is to be achieved in the region, it is essential that we cultivate a consciousness of peace and actively search for creative solutions. We must construct a foundation for peace through negotiation, mediation, and diplomacy.

Part of the dynamic of peace is a willingness to engage in meaningful dialogue, to listen to one another openly and to share our views in a constructive manner. I hope that these Teach-In sessions will contribute to this process by providing a forum for Members of Congress and the public to explore options for a peaceful resolution. We will hear from a variety of speakers on different sides of the Kosovo situation. I will be introducing into the CONGRESSIONAL RECORD transcripts of their remarks and essays that shed light on the many dimensions of the crisis.

This presentation is by Benjamin Slay, a senior economist at PlanEcon, Inc., a Washington-based economics consulting firm specializing in Russia, Eastern Europe and the Balkans. His work on the Balkans includes developing PlanEcon's macroeconomics model for the economy of Bosnia-Herzogovina, and serving as a consultant to a 1995 Aspen Institute project on economic development after the Dayton accord Dr. Slay received his Ph.D. from Indiana University in 1989. He has held faculty positions at Middlebury College, Bates College, George Mason University, and the State Department's National Foreign Affairs Training Center.

THE BALKAN ECONOMIES: THE IMPACT ON KOSOVO[1]

(Dr. Ben Slay[2])

HOW BAD IS THE DAMAGE?

Economic developments in the Balkans since late March have been dominated by the Kosovo conflict. Yugoslavia's already fragile economy has been devasted by the NATO bombing. The exodus from Kosovo has burdened neighboring economies with hundreds of thousands of refugees. Transit routes have been closed, tourism and trade have fallen off, and investment projects have been put on hold or cancelled.

Footnotes appear at end of article

Estimates of the Kosovo war's economic costs vary widely, with figures ranging from $20 billion to $100 billion. The latter figure is nonsensical as aggregate GDP in region does not come close to this sum. Moreover, the region's economic problems can not be blamed solely, or even largely on the war. The fighting has instead provided a convenient excuse for politicians and seeking to divert attention from the deeper structural and policy problems that have constrained growth throughout the region. Only Hungary, Albania, and Bosnia continue to grow strongly: the other Balkan economies are either in or headed toward sharp slowdowns caused by weak export demand or the failure to pursue ambitious domestic reforms. For this latter group, the war only added to pre-existing difficulties.

In assessing the damage directly attributable to the war, the region's economies can be placed into five categories:

The direct hit: Yugoslavia. The Yugoslav economy is in catastrophic shape. Infrastructure, particularly bridges, railroads, and the telecommunications network were all damaged or destroyed by the bombing. NATO also inflicted serious damage on the decrepit, albeit functioning, Serb industrial base, with oil refineries, heavy machinery plants, and tobacco factories especially hard hit. Kosovo is completely devastated: a major reconstruction effort will be necessary just to house returning refugees. This is the second economic disaster to hit Yugoslavia in this decade: the economic sanctions and hyperinflation of the early 1990s had already practically halved economic output.

The Milosevic regime has done almost nothing to help. The economy is a largely unrestuctured kleptocracy, where leading economic actors engage in rent-seeking activities made possible by regulations drawn up for their benefit by the Milosevic regime. After a recovery phase lasting until 1997, economic growth had already tapered off substantially in 1998 before the outbreak of the Kosovo conflict. By early 1999 the economy was clearly headed for a sharp correction. With large-scale Western aid tied to Milosevic's fate, Yugoslavia's second crack at recovery looks just as unpromising as the first. Serbs will be digging themselves out from under the ruble of the Milosevic ear for years, if not decades, to come.

The front-line states: Albania and Macedonia. These two states absorbed the full shock of the refugee influx. While Albania took in almost twice as many refugees as Macedonia (450,000 compared to 250,000), Macedonia suffered greater economic dislocation. Whereas Albania exported almost nothing to Yugoslavia, half of Macedonia's exports went to or through Belgrade. Macedonia is also more concerned over lost tourism and foreign investment this year. By contrast, since over 60 percent of its GDP originates in the agricultural sector (which has a large subsistence component), Albania tends to be more insulated against external shocks than the rest of the region. We therefore estimate that the conflict will only reduce Albania's GDP growth by 2–3 percent this year. It will, however, knock 7–8 percentage points off Macedonia's GDP growth, thereby pushing Macedonia into recession.

Collateral damage: Bosnia-Herzegovina. Bosnia's Serb half is closely integrated with the Yugoslav economy and as a result suffered heavily from the war: exports from the Republika Srpska went almost entirely to Yugoslavia and have since March dropped to almost nothing. Bosnia also accepted 70,000 refugees (both Albanian and Serb), further swelling the numbers of refugees in the country. While we see Bosnian growth slowing this year from 21 percent, this must be viewed in the context of Bosnia's post-war recovery process. Annual growth rates above 20 percent are unsustainable as Bosnia's recovery matures; and problems like falling Croat demand for Bosnian exports are also driving growth down. A new tariff regime with Yugoslavia, and Yugoslav payment difficulties, were already cutting into first-quarter Bosnian exports and growth. For these reasons only half of the 7-percentage point slowdown can be directly attributable to the war. The main engine for Bosnia's growth continues to be the massive international assistance program.

Shell-shocked: Bulgaria and Croatia. Bulgaria and Croatia bore almost none of the refugee burden (each took in about 5,000 refugees), and both countries conduct only a small share of their trade with Yugoslavia (about 2 percent of total exports for Bulgaria, 0.4 percent for Croatia). Bulgaria and Croatia nonetheless find themselves in a precarious position in the aftermath of the crisis. The war cut into exports from both; for Bulgaria this involved the extra costs of rerouting transit trade; for Croatia it affected trade with Bosnia and destinations further south. Reductions in tourist revenues and foreign investment are a greater concern, as these inflows reduce current account deficits and boost tax revenues. Still, both economies were already suffering from their own difficulties before the bombing began: Bulgaria's exports and growth were down sharply due to slow industrial restructuring; while Croatia's economy slowed in the last quarter of 1998 and remained weak up to the outbreak of the war. In both countries the war will cost about 1–2 percent of GDP growth this year, as the growth slowdown is attributable primarily to domestic factors.

The near misses: Hungary, Romania, and Slovenia. Of the Balkan countries crying wolf, Romania is crying the loudest. Romania suffered only marginally from the Kosovo war; and even these losses may have been more than covered by IMF assistance. Romanian losses were largely confined to the 1.3 percent of exports heading to Yugoslavia, and to Danube shipping. Most of Romania's economic problems are domestic in nature. Slovenia is not even trying use the Kosovo crisis as cover for its slowdown in growth. With two-thirds of its exports heading to the

[1] This text is adapted from Chris Kushlis and Ben Slay, ''Overview'', in PlanEcon Review and Outlook for Eastern Europe, June 1999, PlanEcon Inc., Washington D.C.

[2] Senior Economist, PlanEcon, Inc., 1111 14th Street N.W., Suite 801, Washington, D.C., 20005–5603. Phone: (202) 898–0471. Fax: (202) 898–0445. E-mail: bslay@planecon.com

EU, Slovenia is less vulnerable than most to trouble in the Balkans; however, it is vulnerable to weak European demand. Likewise, Slovenia's exports to Croatia began to fall before the bombing started, due to Croatia's internal economic weakness. The war has apparently cut into spring tourism, but this should have only a marginal effect on Slovenia's tiny and very manageable current account deficit. The Hungarian economy continues to grow despite the problems on its southern border. In addition to a possible loss of tourism revenues, the main concern for Hungary is the possible effect on its burgeoning current account deficit of lower exports to the Balkans and reductions in its transit surplus as water, trucking, and rail traffic through Serbia has halted. Although these effects pose an element of downside risk to the economy, we expect their impact to be marginal.

A NEW ERA FOR THE BALKANS?

With an end to the conflict at hand, the international community appears to be focused on stabilizing the Balkans for the foreseeable future. Ideally, this commitment includes a strong military presence, substantial reconstruction aid, and firmer promises for integration into the EU. It should be matched by a rededication on the part of regional governments to the policy reforms needed for sustainable medium-term economic growth.

The first order of business will be post-conflict assistance for Kosovo. As Kosovars leave refugee camps in Albania and Macedonia to return to Kosovo, Western governments and international agencies are facing the immediate problems of providing humanitarian assistance to these returning refugees. To some extent, programs for refugees should not be much more expensive than the assistance delivered to the Albanian and Macedonian refugee camps, since, food, shelter, clothing, medical care, and security should be provided for the refugees irrespective of location. However, NATO will have to create the logistical systems needed to move these supplies from current refugee camps to Kosovo proper, probably without assistance from the Yugoslav authorities or Yugoslav transport systems. This will mean a road construction program connecting Albania to Kosovo and rebuilding bridges and roads in Kosovo. Interim refugee camps may also have to be created in Kosovo until housing is rebuilt. However, as long as Kosovars feel physically secure, these camps could be kept small and in close proximity to the former villages.

The second stage involves the reconstruction of Kosovo. As refugees return to Kosovo, assistance programs will need to concentrate on moving them to permanent shelters as soon as possible. International aid agencies have had substantial experience in resettling refugee populations. The accepted wisdom appears to be that building materials, seeds, tools and implements, and other such items should be provided *gratis*, while refugees themselves can be relied upon to rebuild their homes and begin farming or businesses again.

In the third stage, assistance will be channeled to economic development. If all goes smoothly, after several months, the Kosovo economy will begin to normalize, and policymakers will have to think about helping this economy develop for the long term. This development can be partly financed by remittances. Indeed, the Kosovo economy during the past two decades has been a rentier economy, as Kosovars working abroad have repatriated funds. Still, most of the funds for economic development will have to come from governments and international agencies; the initial emphasis is likely to be on creating an infrastructure to foster local businesses.

The first priority should be to establish decent transport links through countries other than Serbia. This will involve creating all-weather road links to Albania as well as upgrading road crossings into Macedonia. Policy makers may also wish to set up credit programs for small businesses. Because Kosovo remains heavily agricultural, aid can be useful targeted at improving agricultural techniques and supplying better quality agricultural inputs such as seeds and plant protection agents. Subsidies to restart larger Kosovar enterprises will probably be wasted, unless advance work has determined which companies are likely to be economically viable. Kosovo is unlikely to be a center of large-scale industrial activity under any scenario. It is likely to remain dependent on agriculture, worker remittances, and a few larger plants and mines, such as the lignite mines near Pristina. Aid programs will need to be carefully monitored so that they do not attempt to support activities that in the long run are not financially viable. In any case, external assistance for Kosovo is likely to be a poor substitute for economic reform and international economic integration, both within the Balkans and with the EU.

Prospects for sustained growth in the Balkans will continue to hinge on security issues. Serbia, with its key location and recent history at the heart of the Yugoslav wars of succession, is still central to this equation. As long as President Slobodan Milosevic remains in power, Yugoslavia will remain an isolated economic backwater, cut off from international assistance and a potential source of renewed regional crises. If Milosevic stays in power, the West will wish to maintain a strong security presence in the Balkans for many years, particularly in Bosnia and Kosovo. If Milosevic goes, Yugoslavia could play a constructive role in regional reconstruction and stability. The Western security presence could be reduced, while trade and other linkages would revive more rapidly.

The post-1995 Bosnian experience highlights the possibilities and limits of major internationally financed reconstruction efforts for Kosovo. Infrastructure repair, although expensive, has proceeded at a fair pace in Bosnia, as roads, bridges, and telecom networks are now almost completely rebuilt. However, the goals of reconstruction and reconciliation have been partly frustrated by the creation of a culture of dependency upon international donors. Local politicians have stalled structural reforms, and privatization is only now getting underway. Progress in reintegrating Bosnian Serbs, Croats, and Muslims, as well as in attracting private capital flows and investment, has been minimal. The ultimate success of international assistance is determined by whether private flows and domestic investment are able to take up the slack after the assistance comes to an end. The Bosnian experience does not suggest optimism on this count.

AMNESTY INTERNATIONAL REPORTS INDIA DETAINING THOUSANDS OF POLITICAL PRISONERS WITHOUT CHARGE

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. CONDIT. Mr. Speaker, the June 25 issue of Indian Abroad reports that Amnesty International issued a report in which it said that India is holding thousands of political prisoners without charge or trial. Amnesty International's report was issued on June 16.

The article said that ''torture and ill-treatment continued to be widespread and hundreds of people were reported to have died in custody.'' Amnesty International reported that ''conditions in many prisons amounted to cruel, inhuman, or degrading treatment.'' It reported that ''disappearances'' continue to occur and hundreds of extrajudicial killings were reported. In other words, nothing has changed.

Mr. Speaker, do these sound like the actions of a democracy? Indian claims to be ''the world's largest democracy'' even while it continues these repressive, tyrannical policies. This report shows that India is not democratic. It is merely the tyranny of the majority exercised on the minorities. That is why there are 17 freedom movements within its borders.

This comes at a time when India is engaged in combat to wipe out the freedom fighters in Kashmir, a conflict in which it has fired shells containing chemical weapons. India brought nuclear weapons to South Asia; now it is introducing chemical weapons.

America was founded on the principle of liberty. We must act to help bring the blessings of liberty to the people of South Asia. We can begin by declaring our support for national self-determination in Kashmir, Khalistan, Nagaland, and the other nations occupied by India. I am proud to have sponsored a resolution in the last Congress calling for an internationally-supervised plebiscite in Punjab, Khalistan on the question of independence. We should also cut off American aid to this government as long as it practices the kind of tyranny that Amnesty International reported, and we should impose reasonable economic sanctions. It is our responsibility to defend freedom wherever we can.

Mr. Speaker, I would like to introduce the India Abroad article into the RECORD for the information of my colleagues. I urge my colleagues to read it.

[From the India Abroad June 25, 1999]

HUMAN RIGHTS

AMNESTY SAYS THOUSANDS ARE DETAINED WITHOUT TRIAL

(From News Dispatches)

LONDON—Thousands of political prisoners, including prisoners of conscience, were detained without charge or trial in India, Amnesty International said in its annual report, released on June 16.

Torture and ill-treatment continued to be widespread, and hundreds of people were reported to have died in custody, the London-based human rights oganization added.

''Conditions in many prisons amounted to cruel, inhuman or degrading treatment,'' it said, adding that ''disappearances'' also continued and hundreds of extrajudicial executions were reported. At least 35 people were sentenced to death but no executions were reported, the report said.

The London-based human rights watchdog said armed groups were also to blame. These groups committed grave human rights abuses including torture, hostage-taking and killing of civilians, it said.

Overall, the report lamented that 1998, which marked the 50th anniversary of the Universal Declaration of Human Rights, was marred by a worldwide catalogue of abuses.

But Amnesty secretary general Pierre Sane also pointed to two landmark events—

the establishment of a permanent International Criminal Court and the arrest in October of former Chilean President Augusto Pinochet—which could help make human rights violators answerable.

Amnesty also singled out the United States as the only country known to have executed juvenile offenders in 1998.

INTRODUCTION OF THE CRITICAL CARE SPECTRUM ACT

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. INSLEE. Mr. Speaker, I rise today to introduce the Critical Care Spectrum Act, which will benefit victims of heart failure and strokes by ensuring appropriate broadcast spectrum for medical telemetry devices. I have been working closely with hospitals, medical equipment manufacturers, health care providers, broadcasters, patients and other users of the broadcast spectrum to achieve the legislation introduced today. I am especially grateful for the guidance and assistance I have received.

Medical telemetry devices have allowed greater care for victims of heart failure and strokes. These devices send a signal, using part of the allocated broadcast spectrum, from a monitoring device attached to a patient to a central receiving point where the data can be viewed by medical personnel. Doctors and health care workers tell me that these devices are essential to the delivery of quality health care because they provide instant information about a patient and can warn doctors before medical problems become too severe to treat.

In recent years, the broadcast spectrum has become crowded with wireless communications, satellite broadcast transmissions, and the growing number of radio and television stations. As a result of the Telecommunications Act of 1996, the spectrum has become even more cluttered, due to the requirement for television stations to change to digital broadcasts. While stations make plans to move to the new digital spectrum, they retain their analog broadcasts, and take up more of the spectrum than they require. The increasing number of broadcast channels has given consumers a variety of programming choices to choose from, but has also posed an indirect threat to medical telemetry devices, some of which use the same broadcast spectrum.

Last year in Dallas, when a television station switched on to a digital broadcast, it knocked out the telemetry devices in Baylor University Medical Center. We were lucky that no significant injuries occurred, and the television station in Dallas should be commended for taking the station off the air as soon as they were made aware of the problem. This event served as a wake up call to medical telemetry device manufacturers and broadcasters alike. The Federal Communications Commission (FCC) issued advisories to stations that were planning to switch over to a digital broadcast. The advisories have been very helpful, and broadcasters have been working with local health care facilities to make sure the Dallas situation does not happen again.

In my home state, I recently learned about the precautions that were taken when KOMO–TV, Channel 4, switched over to a digital broadcast. KOMO was in constant communication with all health care facilities in the broadcast area, and had technical representatives on hand in each of the facilities to make sure that no medical telemetry devices were impacted. KOMO, KING–TV and KCTS in Seattle have all switched to digital broadcasts. They have shown exceptional leadership and community concern with regard to this issue, and I am grateful not only for their concern, but for their assistance through the Washington State Broadcasters Association with the introduction of this legislation.

We can't expect this success to continue without defining which areas of the spectrum should be reserved for medical telemetry devices. As more and more stations flip the switch and go digital, the spectrum gets more and more crowded.

Medical telemetry manufacturers have been aggressive in solving this problem too. Spacelabs Medical, located in my Congressional District in Redmond, Washington, has been working closely with the American Hospital Association, the FCC and the Joint Working Group on Telemedicine to reach a solution to this problem. I look forward to working with all parties on a resolution to this issue.

Lastly, I would like to acknowledge the assistance of the following groups who have been so helpful in crafting this legislation. They include Spacelabs Medical, the American Hospital Association, the Washington Hospital Association, Evergreen Hospital, Harborview Medical Center, the Joint Working Group on Telemedicine, Hewlett-Packard, the Washington Association of Broadcasters, Western Wireless, AT&T Wireless, PhRMA, American Home Products and countless others.

I urge my colleagues to join me by cosponsoring the Critical Care Spectrum Act of 1999.

INTRODUCTION OF H. CON. RES. 144 URGING THE RELEASE FROM THE FEDERAL REPUBLIC OF YUGOSLAVIA OF THREE DETAINED EMPLOYEES OF CARE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILMAN. Mr. Speaker, I have today introduced H. Con. Res. 144. The purpose of this resolution is to call attention to the case of three humanitarian workers unjustly imprisoned by the Federal Republic of Yugoslavia. Branko Jelen, Steve Pratt and Peter Wallace were employed in Yugoslavia by CARE International, the world famous relief and development organization, providing food, medicines and fuel to refugees in Serbia and Kosovo. In late March and early April, these three men were detained and later accused of operating an ''espionage ring.'' In a closed military court, their original indictments were dismissed only to be replaced by a new but similar charge of passing on information to a foreign organization. Their crime: providing CARE offices with ''situation reports'' based on experiences and openly available information. This standard procedure ensures that the organization's headquarters remains posted on the progress, prospects, and perils of their many humanitarian missions. The three are currently serving sentences of up to 12 years in Serbia. As this resolution clearly states, ''the three men are innocent, committed no crime, and are being held prisoner unjustly.''

The contribution made by organizations like CARE is of great importance to international humanitarian efforts around the globe. Although they work in unstable and often dangerous areas, these aid agencies must be confident in their ability to operate safely. It is for this reason that the threat of groundless charges and indefensible incarcerations is so dangerous to relief operations. Many world leaders, including U.N. Secretary General Kofi Annan and South African President Nelson Mandela, have already sought the release of these three men. This measure urges the Government of the United States to undertake strenuous efforts to secure their freedom and as asserted in the resolution, ''calls on the Government of the Federal Republic of Yugoslavia . . . to give these workers their freedom without further delay.'' I want to thank my colleague from Alabama, Mr. CALLAHAN, the chairman of the Foreign Operations Subcommittee, for joining me on this effort. As members who work closely with the international NGO community, we are keenly aware of the contribution people like these gentlemen make to ending suffering around the world. I encourage the House of Representatives to declare our support for organizations such as CARE and our intolerance of the unjust imprisonment suffered by these three humanitarian workers by unanimously supporting H. Con. Res. 144.

REMARKS OF SECRETARY CUOMO

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. PELOSI. Mr. Speaker, Secretary of Housing and Urban Development Andrew Cuomo recently spoke to the National Italian American Foundation as part of its Congressional Lunch Series. Andrew Cuomo is a model for those who would serve the nation, and while he comes from a distinguished family, he has already made his own indelible mark on our society.

His remarks were filled with humor and passion about family and culture, discrimination and opportunity, and the economic success so many communities are enjoying today. Andrew Cuomo also spoke eloquently about helping all Americans share in that success, so that our nation can truly be its best. It is with great pleasure that I ask for this transcript of Secretary Cuomo's remarks to NIAF to be entered into the CONGRESSIONAL RECORD.

REMARKS BY HUD SECRETARY ANDREW CUOMO TO THE NATIONAL ITALIAN AMERICAN FOUNDATION (NIAF), JUNE 15, 1999

It is a pleasure to be with NIAF once again. They are a great organization telling the truth about the Italian-Americans. The President just released our new State of the Cities report. I think it frames a few issues, that—as this is a policy forum—would be a good stepping off point.

The State of the Cities report says basically two things. It says first there is a great apparent success story that is this nation, and one that we should celebrate because it is true: this is the strongest economy in history. It breaks all sorts of records. The

President relishes that fact, the Vice President relishes that fact, the Congress relishes that fact and we all should, because it is true.

But it is not at the same time the only reality. There is another reality for people and places that are left behind in the new economy. Their reality of failure is as stark as the other reality of success, and it is also more painful as a reality.

So you have a time where you have this great economic success. Eighteen million new jobs, lowest peace time unemployment since I was born 41 years ago, crime down, poverty down, welfare down—that is one story of America.

But there is also another story. A story of those places that are left behind where three out of five people aren't even in the stock market—so they don't celebrate when you go to 10,000 or 11,000.

Yes, you have more millionaires than ever before, but you also have the greatest income inequality in over 20 years. You have the highest homeownership rate in history—66.7 percent—but you also have 600,000 homeless Americans, at the same time that you have the highest home ownership rate. So you have two very accurate realities, both stark in their own way—both a story of success and a story of failure.

The paradox, however, is in many ways antithetical to what we believe in as a nation and what is in the long term health of this nation. You cannot survive, you cannot flourish with those disparities, with those polarities. It is especially true in the cities, as the report goes on to point out.

The numbers are staggering. Most of the cities are doing well and I do not mean cities like New York, Los Angeles, Chicago. I mean cities quite large, if you look at the 900 cities in the nation. Most of them are doing very well—about one-third of them are either smaller, poorer, or have higher unemployment.

The strong cities, the cities that have done well in the transition to the new economy, are doing very, very well. The cities that have been trailing are falling farther and farther behind.

You can see the story in the numbers, or you can just go down here to Anacostia in Washington, D.C. and drive through Anacostia and you will see the story. Or you can drive through parts of the South Bronx or through parts of Watts in LA and you will see the same story.

Or go visit a public housing project. Pass by Cabrini-Green in Chicago and the situation is as bad as it has ever been. Talk about the Dow Jones index and they won't know what you are talking about. And if you look at the conditions and you feel the pain in the hallways you see how hollow our success truly is. The statistics tell one story, the lives tell a different story.

Well, what do we do about it? This is not an overly complicated problem. We don't need to do any fancy studies to determine what to do. We just need to look at what we were taught originally.

For me, the model was my grandfather Andrea Cuomo—I was named for him, Andrew—Andrea Cuomo, a little man, 5 ft. 6, 155 pounds dripping wet with change in his pockets, but he knew what needed to be done. The very concepts that he talked about—and I can hear his voice today, God Bless him—are still the concepts that we have to strive for. He would talk about this land as a land of justice, justice was so important to him. He would talk about this as a land of opportunity. Opportunity for all, opportunity for all, he would keep saying.

We have to get back to those core principles and make them happen because they are not yet a reality. We need ''opportunity for all'' translated into what we are talking about in this town. You need economic development measures that get jobs back to cities. 84 percent of all new jobs over the past two years were created in suburbs—84 percent. The cities are losing the jobs. As you lose the jobs you will lose the people and you can not sustain it.

Opportunity for all. Everybody should work, but that means there has to be a job there. It is hollow rhetoric to opine that welfare was no good and we really have made people work.

One problem: Where are the jobs? Where is the training? Where is the day care? Where is the transportation? If you look at what the economy is doing, it is pulling the jobs from the people and places who need it most. We can correct that, we know we can correct it. We do it very well—we have economic development incentives, we can use the tax code, we can use grants, we can get the jobs back to where we need them. We have to do it.

We have to fix the education system. Why? Because the education system was the insurer of opportunity for all. The public education system was the great equalizer, it said you can come from anywhere but you go to our public education system and if you work hard you can wind up being Mario Cuomo or Colin Powell or Bill Clinton—all from the public education system.

We are losing that. When people get up and give speeches and say there is a crisis in education in this nation they forget the second part, there is not a crisis in education in this nation. If you are rich you get the best education on the planet in this country. If you are poor and cannot afford a private school or you are from a poorer school district, then you get a substandard education and you never catch up.

The education system in this country is moving to two education systems—one for the rich side of town, one for the poor side of town. Go into the richer suburban school districts in the first grade, they'll show you that they put the child on the Internet in the first grade. You go to the same town, the poor school, they don't even have a basketball net. In first grade they will put them at computers with Pentium Processors—but in poor schools the most sophisticated piece of electronic equipment is the metal detector that they walk through on their way to the classroom.

That is not opportunity for all. We are 19th out of 21 in 12th grade math and science. The countries we beat were Cyprus and South Africa. That is not a formula for long-term global economic dominance.

We need health care because that's opportunity for all. Healthcare: you have 43 million uninsured, 11 million children uninsured. We need housing because that is part of providing the platform for people to do for themselves.

With a strong economy, a cruel irony: we actually have the greatest need for affordable housing in the nation's history. 5.3 million Americans need affordable housing.

What's happening, interestingly, is that the strong economy is driving up the rents. In San Francisco, the economy is so strong the rents are going so high those people who are on the bottom end or on fixed-incomes can't pay the rent. We know how to solve it—subsidize the rent, which is what you did for so many years, build affordable housing. We just have to want to do it.

Opportunity for all, provide a safe community. We are doing that with a cops program—lowest crime rate, both property and violence, since 1973. You can do more as soon as we solve this insanity over the gun legislation in this town that's going on now—which I don't understand.

Some people say ''well you don't understand it because you are a New Yorker, you are from the northeast, you don't understand the value of guns.'' No, no, I am an educated New Yorker, I have gone hunting up in Maurice Hinchey's district, bird hunting, quail hunting. I did pretty well. And I know this—that if you need an assault weapon to hunt, if your aim is that bad, you should just take up another sport.

And I know that children don't need hand guns to hunt and I know the saying which they love to use in rebuttal: ''gun's don't kill people, people kill people.'' No—people with guns kill people, and if we had intelligent legislation to handle guns we would be doing even more.

My grandfather would talk about this land of justice, which for him meant that being an Italian American didn't count against you, that the premise of the country was everybody could come—Jews, Italians, Irish, Blacks, Whites it didn't matter. You came and then you did the best you could and under the ''opportunity for all'' agenda they would work with you to make it happen.

We still have not reached that. We really haven't. One of the things we do at the Department is Fair Housing. I can't tell you how many cases we see, every day, coast to coast, where discrimination is still alive and well—as ugly, as vulgar as it has ever been.

Last year the case in Jasper, Texas where they took an African American man, they chained him to the back of a pickup truck, and they dragged him until he was decapitated. That's America 1999, not 1969. At the cusp of a new millennium with all this economic power, they're still killing people for the color of their skin.

We had a case, a Portuguese woman moved into Missouri. First week, they planted a seven-foot cross on her lawn and burned it. Why? Because she was Portuguese—they thought she was African American—and that was their way of saying ''we don't want you here.'' A cemetery in New Jersey. On Rosh Hashana they knocked down all the tombstones in a Jewish cemetery.

Discrimination is very much alive and well, and for Italians it's alive and well. Mario Cuomo was thinking about running for national office. At one time we did a few polls: Six percent name recognition of Mario Cuomo. Only 6 percent had heard of his name nationally. Nine percent thought he had connections to the Mafia.

Discrimination is alive and well, and my grandfather would talk about the voice of liberty, the voice of liberty, that this country was the voice of liberty. What we did in Kosovo, thank God, was express and communicate the voice of liberty. What we are doing in China—which we should do more of—what we are doing in South Africa—is to keep that voice of liberty strong.

Those are the avenues, the agendas, that I think that we have to approach to resolve the dual realities that we are seeing in this nation. Understand the realities, expose them—don't run from them—and then approach them.

And I also believe this: That now is the time to do these things. We have a great economic success—let's use it to invest. If we are not going to do these things now, then when are we going to do them?

They say the time to fix the hole in the roof is when the sun is shining. Well, now is when the sun is shining. If we don't take these dividends and invest now in Anacostia, when are we going to do it? If we don't now take up the fight for affordable housing now, when are we going to do it? If we don't take up the fight now for healthcare, when are we going to do it? If not now, when?

I'll tell you when—never. Because all of the excuses are gone. If this Congress, if this administration doesn't push progressive government it will never happen—because you

won't get a better moment than this moment.

All the things yelled about for all those years—all the obstacles are stripped away. How many years did we hear about the deficit: ''well we can't do it, we have deficit''. The deficit—the great inheritance of the Reagan administration. Well, the deficit is gone. God bless President Clinton, you have a balanced budget, you are talking about a surplus.

''Well, the government can't do anything.'' Well, the government's reinvented. Confidence in government is at its highest point in 40 years. If we don't do it now when will we do it? If we don't do it now, we will never do it.

And that, my friends, is a sin, because we have so much more to do, because the promise that this nation made to my grandfather and your grandfather is not yet fulfilled. They believed—they believed so much so that they came from all over the globe to this country. They got in little boats, they went across great oceans to lands they didn't even know—they didn't know how to speak the language—but the promise was so powerful.

Opportunity for all, justice, brotherhood, discrimination against none. We'll help you make it, you will lift us all. And we will work with you to make it as a community.

We are not there yet, but we can be. Now is not the time to be complacent. Now is not the time to pat each other on the back and say ''boy oh boy you see how that Dow Jones is doing.''

Now is the time to lock arms and go forward even stronger and harder than before and use this moment. We can do better. We are cheating ourselves if we say, this is all we can do. We are cheating ourselves if we are saying this is the best we can be, we've done it, this is America at its best.

This is not America at its best. This is not America at its best. We can do more.

Langston Hughes wrote a beautiful poem. I just want to read you a couple of paragraphs from it:

Let America be America Again.
Let America be the dream the dreamers dreamed—
Let it be that great strong land of love
Where opportunity is real, and life is free,
Equality is in the air we breathe.
I am the poor white, fooled and pushed apart,
I am the Negro bearing slavery's scars.
I am the red man driven from the land.
I am the immigrant clutching the hope I seek—
I am the worker sold to the machine.
I am the people, worried, hungry, mean—
Hungry yet today, despite the dream.
I am the man who never got ahead.
A dream—
Still beckoning to me!
O, let America be America—
The land that never has been yet—
And yet must be.

That is our charge—together we can do it.

SUPPORTING H.R. 2018, THE CHILD CUSTODY PROTECTION ACT OF 1999

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. DOYLE. Mr. Speaker, I rise today in support of H.R. 2018, the Child Custody Protection Act. This important legislation reaffirms the vital role of parents in our families, and seeks to promote and encourage communication between teens and their parents or guardians.

Today in many states, it is legal for a child under the age of 18 to make the monumental decision to end a life by getting an abortion without consulting with their parents. It is unfortunate that some minors who find themselves confronted with an overwhelming situation such as an unplanned pregnancy would not consult the very people they should turn to for guidance and support in a time of personal crisis . . . their parents.

My home state of Pennsylvania already has legal statutes which require knowledge of at least one of the minor's parents before obtaining an abortion. The Child Custody Protection Act will re-establish the rights of parents nationwide, by requiring that a parent must accompany a minor child if they choose to undergo abortion procedure. The Child Custody Act would not interfere or take the place of existing state laws like those in Pennsylvania, but it would make it a Federal offense to transport a minor across a state line for an abortion, unless the child was transported by a parent. It is my hope that enactment of this bill will not only foster a greater level of communication between family members on this most serious subject, but will prove to be instrumental in reducing the number of abortions and encourage the consideration of viable options such as adoption.

Mr. Speaker, I strongly encourage every Representative of this body to join with me in support of the Child Custody Act, as 130 of my cosponsors have, and vote for passage of this important child protection and parent's rights legislation.

CONGRATULATING THE WATERS FAMILY ON 50 YEARS OF MARRIAGE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. CONYERS. Mr. Speaker, Dr. Maurice Waters, recently a Professor of Political Science at Wayne State University in Detroit, and his wife, Dr. Elinor Waters, former Director of Oakland University's Continuum Center in Rochester, MI, are a most extraordinary couple. This past Saturday, they celebrated their 50th Wedding Anniversary and given their activities and vigor, it is conceivable that they are just now hitting their stride. They may epitomize the adage of a rolling stone gathering no moss.

I have known Maury Waters and his family for a number of years. He presently has Professor Emeritus status at Wayne State and has moved from the Detroit area to Chevy Chase. During his nearly 40 years at Wayne State, he not only taught political science as an assistant and then as a tenured Professor—specializing in International Relations—but he managed to author five books, eleven major articles and book chapters and dozens of conference papers. While in Detroit, he was a board member and chairman of the Center for Peace and Conflict, which is affiliated with Wayne. He also taught at the University of Wisconsin, at Antioch College in Ohio and at the University of the West Indies, in Kingston, Jamaica. Dr. Waters was also a Foreign Policy Associate under the Rockefeller Foundation as a Research Scholar at the United Nations.

Beyond teaching at Oakland University and directing its Continuum Center, Elly Waters has also authored numerous books and professional articles and is a nationally acclaimed expert in the field of counseling older people and adult career development. She worked at the Merrill-Palmer Institute in Detroit, at the Fels Institute in Yellow Springs, OH, and the Industrial Relations Center of the University of Chicago and the Michigan Civil Rights Commission. Dr. Waters has also served on numerous national boards including the American Counseling Association and the National Board for Certified Counselors and was President of the Association for Adult Development and Aging.

After ''retiring'' for a few years and moving to the Washington, DC area, they could have rested on their laurels and taken it easy, but that is not their style. Elly continues as a training consultant, serving on national boards and accepting speaking assignments. Maury pursued his interest in the United Nations and is now a member of the board of the United Nations Association of the National Capital Area. Then, as the Clinton Impeachment proceedings began to take place, Maury approached me to express serious concerns about certain constitutional and precedential implications of where the House was going. He then said he would assist me on Capitol Hill with this historical matter. His advice proved so valuable that I coaxed him out of his ostensive retirement and hired him as a parttime Senior Advisor.

In addition to their full and active professional careers, Maury and Elly had three children, George, Rob, and Judy. They are also blessed with two grandchildren: Caitlin, who lives here in the D.C. area, and Joshua, in California. Maury and Elly have become bicoastal grandparents, traveling frequently. Mr. Speaker, perhaps the lesson to be learned from the Doctors Waters is that intellectual and professional activity, supported by a loving family, can keep two people young and contribute to a long and fruitful marriage such as this one that has succeeded for half a century. My congratulations to them both.

A BILL TO CLARIFY THAT ADVANCE PRICING AGREEMENTS BETWEEN TAXPAYERS AND THE INTERNAL REVENUE SERVICE ARE CONFIDENTIAL RETURN INFORMATION

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HOUGHTON. Mr. Speaker, today I am joined by my colleagues, Messrs. SAM JOHNSON from Texas and SANDER LEVIN from Michigan, and Ms. JENNIFER DUNN from Washington, in introducing our bill which would protect, as confidential tax information, advance pricing agreements (APAs) and the information in the background file. This information would be protected under Section 6103 of the Internal Revenue Code and treated as an exception to the public inspection provisions provided in Section 6110 of the Code.

The APA program began in 1991. From all reports it has been successful. The program has provided a mechanism to resolve transfer pricing issues (i.e. the appropriate arm's length price for sales, services, licenses and other transactions between related parties) of multinational companies for not only prior years, but also for specified years in the future. It saves time and money for the government as well as for taxpayers. It also reduces protracted and costly litigation. The program involves not only taxpayers and the IRS, but also where certain double taxation treaties are applicable, foreign taxing authorities as well.

From the beginning of the program, taxpayers, as well foreign governments, have relied on assurances that the information received or generated by the IRS would be protected under the confidentiality requirements of Section 6103. Such assurances were based on published IRS information. As a result, multinational companies were willing to disclose sensitive pricing information, trade secrets, and other data in the interests of efficiently determining the proper and agreed-upon transfer pricing methodology and agreement.

Earlier this year, the IRS notified taxpayers that, contrary to its long-standing policy, the APAs are subject to disclosure under Section 6110—which requires disclosure of any IRS ''written determination''. This change by the IRS came in response to a lawsuit brought by a commercial publisher of tax information. Although the lawsuit is not settled, the IRS is proceeding with redaction and release of the APAs issued since 1991. The release is scheduled for October, 1999.

We do not find it difficult to believe that tax return information, as well as pricing, trade secrets and other sensitive data which were provided and used in completing an APA, remain confidential under Section 6103, and excluded from the provisions of Section 6110. Otherwise, we do not believe taxpayers will continue to support the program. Clearly it is essential under our tax system to provide as much useful tax guidance to the public as possible, while maintaining the confidentiality and identity of the taxpayers involved. Thus, the bill would provide for an annual report by the Secretary of the Treasury. This report would include statistical information on the issuance of APAs and renewed APAs. In addition, the report would set forth general summaries of the methodologies used in the APAs, together with hypothetical examples. Such a report should serve the interests of providing additional guidance to taxpayers regarding the approach used by taxpayers and the IRS in reaching agreements on transfer pricing.

We invite our colleagues to join us in supporting this important legislation affecting the confidentiality of taxpayer information.

WINNERS OF THE ''SET A GOOD EXAMPLE'' COMPETITION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. ORTIZ. Mr. Speaker, I rise today to commend two very special groups of students in South Texas from two extraordinary schools: Landrum Elementary School in San Benito, Texas, and Oliviera Middle School in Brownsville, Texas.

Competing with over 10,600 schools from all across the nation, this group of students from Texas entered and won honors in the ''Set A Good Example'' competition, a contest sponsored by the Concerned Businessmen's Association of America. The ''Set A Good Example'' campaign rewards students for their concern and participation in programs that highlight the dangers and detrimental effects of crime, violence, and illegal drugs.

The Oliviera Middle School and Landrum Elementary School groups formulated and created projects emphasizing good moral guidelines. Their projects celebrated common sense and understanding the importance of being honest, trustworthy, competent, honorable and industrious. The project also condemned violence, murder, and illicit drug use. At a time when our young people face the adverse challenges of crime and violence, I applaud their efforts that highlight personal moral integrity and commitment to social action.

I am very proud of these students, but I know they did not do this alone. I commend their parents, their teachers, their friends and their school staff for supporting and encouraging them in this proud undertaking. At a time when our national conversation has centered on underlying causes of youth violence in the aftermath of several high-profile school shootings, I am proud to offer these young people as examples for others.

Mr. Speaker, I ask my colleagues to join me today in applauding these students from Oliviera Middle School and Landrum Elementary School. They strive for the moral integrity that all Americans, young and old, should emulate.

HONORING THE NEW HAVEN COMMISSION ON EQUAL OPPORTUNITY FOR 35 YEARS OF SERVICE

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. DELAURO. Mr. Speaker, it gives me great pleasure to rise today to congratulate the New Haven Commission on Equal Opportunity on its 35th Anniversary. I wish I could be there today as the community gathers to celebrate this wonderful occasion.

The New Haven Commission on Equal Opportunity is the oldest municipal civil rights agency in the United States. In 1964, after attending the U.S. Conference of Mayors hosted by President Kennedy, former Mayor Richard Lee returned to New Haven with a commitment to combat discrimination in all forms and a determination to make the city of New Haven a national model of equality. Together with the New Haven Board of Aldermen, he established the New Haven Commission on Equal Opportunity.

For more than three decades, the Commission has been on the front lines of the battle to extend equal opportunity to all. In recent years, the Commission has developed a citywide plan to combat sexual harassment in the workplace, as well as a unique tracking system to ensure contract compliance in all city construction projects. In fighting to protect the rights of women, minorities, and workers, the New Haven Commission on Equal Opportunity is faithful to Mayor Lee's original vision and is a vital force in our community.

It is with great pride that I extend my congratulations to the New Haven Commission on Equal Opportunity and Executive Director John Cox on its 35th Anniversary. I offer my sincere thanks and appreciation for all your work and best wishes for continued success.

TRIBUTE TO DR. J.M. SAEGER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. SKELTON. Mr. Speaker, it has come to my attention that the City of Lebanon, Missouri, celebrated ''Dr. J.M. Saeger Appreciation Day'' on June 16, 1999.

Dr. Saeger was honored by the City of Lebanon for his 30 years of service on the Board of Commissioners of the Housing Authority, where he also served as board president for many years. Dr. Saeger has a long history of public service. A veteran of World War II, he faithfully served his country in the military. He also served as the official Lebanon weather observer for the National Weather Service for 26 years. Dr. Saeger, who holds a doctorate in chiropractic medicine, continues to practice.

Mr. Speaker, I know the Members of the House will join me in paying tribute to Dr. Saeger for his dedication to his community and selfless public service.

[From the Lebanon (MO) Daily Record, June 17, 1999]

DR. SAEGER HONORED FOR 30 YEARS OF SERVICE

Dr. J.M. Saeger of Lebanon was honored by friends, family and the Lebanon community Wednesday at St. Francis De Sales Family Center during a surprise birthday party. Dr. Saeger and his family include Joan Harris, Ken Harris, Joey Harris, 7, and Jake Harris, 6, of St. Charles, Dr. Saeger of Lebanon, Angela Prost, and Tom Prost of Columbia, IL, Rita Cole, and Hayley Cole, 2, of Springfield, and Vivian Smith of Kansas City. Lebanon Mayor Bud Allen, State Sen. John T. Russell and State Rep. Beth Long attended the celebration where a proclamation was signed making June 16, 1999, Dr. J.M. Saeger Appreciation Day in Lebanon. Dr. Saeger has served on the Board of Commissioners of the Housing Authority of the City of Lebanon for 30 years, serving as board president for many years. He served his country in the military and as a veteran of World War II. He served as the official Lebanon weather observer for the National Weather Service for 26 years. Dr. Saeger earned his doctorate in chiropractic medicine and continues to practice.

PERSONAL EXPLANATION

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mrs. MCCARTHY of New York. Mr. Speaker, if I had been present on Friday, June 25, 1999 I would have voted in support of H.R. 1802—The Foster Care Independence Act of 1999.

WINNERS AT THE NATIONAL HIGH SCHOOL SPEECH AND DEBATE TOURNAMENT

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. TALENT. Mr. Speaker, I rise today to recognize six outstanding students from my district. These students set their sights high, and as a result, competed in the National High School Speech and Debate tournament.

Two thousands students from all over the country competed in the tournament this year. To qualify these students first competed in rigorous district competitions. Marquette High School's speech and debate team, coached by Mrs. Kim Cranston, sent six talented students to national competition.

First, Edward Tulin was named National Champion of Domestic Extemporaneous Speaking for 1999. Mr. Tulin has been competing in speech and debate for four years and spoke in 13 rounds of competition to win the title.

Second, there were five other students who competed and excelled at the national level. These students were: Justin Kempf who placed 8th in Student Congress' Senate division. Emily Vreeland who was a Semifinalist in Student Congress' House division. Jane Diecker and Edward Tulin who advanced to the 2nd level of competition in Policy Debate. Kane Huang and Elise Manning who competed in the Duo Interpretation competition.

And finally, I would like to recognize Mrs. Kim Cranston whose dedication and tireless efforts have aided in the success of these students and many more. Her commitment to education and belief in the potential of each student is an example of excellence in teaching.

Mr. Speaker, I am pleased to be able to recognize these extraordinary young people for their achievements. Their success is a true reflection on not only their drive and determination, but also on the parents, family members, and teachers who have supported their hard work and determination. These students are an excellent example of what young people will achieve when given the opportunity.

IN HONOR OF THE LATE WARDELL YOTAGHAN

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. DAVIS of Illinois. Mr. Speaker, I rise to pay tribute to a real hero. No, he did not hit 70 home runs, steal any bases, slam dunk any basketballs, nor was he an actor. No, he was for real. He was Wardell Yotaghan, a man who lived and worked, who spent his life trying to make life better for people who lived in public housing. Mr. Yotaghan died of a heart attack at the age of 53, much too young, before his time; but that's not unusual for African-American males. Black men have the lowest life expectancy rate of any large group in America.

Wardell did not live long, but he lived well. He lived well enough to help countless others through very difficult times. His wife said, ''He went 24 hours a day,'' and understood that what he did would ultimately help him and his family as well.

In the early 1990's, Wardell helped lead a campaign that resulted in the Federal Government granting some Chicago Housing Authority residents a level of control over their own buildings. Wardell filled many roles over the years, including president of his building at 2450 W. Monroe. His wife said, ''Wardell was like a father to the people here.'' They wouldn't make a move unless they talked to him, wouldn't sign anything unless they confirmed it with Wardell. Everybody knew that he would do the right thing.

Wardell worked at Malcolm X College as a security aide and for 10 years was a Cook County Sheriff's Deputy. Here was a man who truly understood what leadership was really about. ''First of all, servant of all,'' he has now transcended all and leaves a wonderful wife Marie, who shared in his work, three daughters, two sons, two sisters, and eight grandchildren.

Wardell died, but his will and drive to save Public Housing will continue to live on. Wardell was able to bring people together, was full of patience and has a genuine desire to see democracy work. He was love in action.

IN SUPPORT OF PEACE IN KASHMIR, H. RES. 227

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILMAN. Mr. Speaker, today I am introducing H. Res. 227, legislation expressing the sense of the Congress in opposition to the Government of Pakistan's support for armed incursion into Jammu and Kashmir, India.

The Government of Pakistan has long supported terrorism in India. However, this latest incident is far beyond the usual murder of innocent civilians on a train or at a wedding party. The Pakistan Army, intelligence service and government has moved thousands of men and materials up to the Pakistan side of the LoC and sent hundreds of army regulars across the line. The Pakistan Army is laying down artillery fire in support of the Pakistani invaders.

For many years, India has been suffering from Moslem extremist attacks originating from Afghanistan and Pakistan which are supported by the Pakistani government. Last year Americans received a bitter taste of what India experiences on a regular basis in Kashmir when those same terrorist groups killed our diplomats in two of our embassies in Africa.

The Government of Pakistan gives political, material and moral support for terrorism in Jammu and Kashmir. The Pakistani government supports training camps for terrorists that operate around the world. And as I have stated, many Americans have died as a result of their attacks.

Pakistan is the backbone behind the Taliban fundamentalist group in Afghanistan. The Pakistani government gives critical military, logistical and political support for the Taliban's military effort against legitimate representative political alternatives. The Taliban, as a matter of policy, produces heroin and purposely exports it to the West. The Taliban have been giving refuge to Osama bin Laden, the Saudi terrorist, who is responsible for the deaths of American diplomats. And the Taliban's policy of systematic repression of women is barbaric and unacceptable to both Western, Eastern, Islamic, Christian, Hindu, Buddhist or Jewish cultures.

The Taliban must be stopped. Their existence and growth threatens the current regional movement towards representative forms of government.

One year ago, India and Pakistan tested nuclear weapons. Severe sanctions were swiftly imposed by U.S. law. Since then we have seen a slow but steady effort by Washington and New Delhi to resolve our differences. Regrettably, the effort has not gone as fast as some of us would like. To a large degree it has been slowed down by a misperception by the State Department of India's motivations for the testing. While I am a strong supporter of nuclear non proliferation it is curious that foggy Bottom has difficulty understanding India's concerns about China's regional intentions. China has given nuclear and ballistic weapon support to Pakistan on India's western border. China has a close relationship with Burma's narcodictatorship on India's eastern border having shipped over $1.4 billion in arms to Rangoon. And of course China brutally occupies Tibet on India's northern border . . . the Tibetan/Indian border is bristling with PLA troops.

Even more puzzling, has been the Administration's failure to acknowledge how State Department policy has helped to bring about India's sense of insecurity by inadequately responding to China's violation of the Nuclear Non Proliferation Treaty. We must not forget that China sold and transferred nuclear weapon's technology to Pakistan.

If India, or any other nation, is expected to refrain from building a nuclear deterrent, then the U.S. and other nuclear powers must ensure that these non nuclear nations are not bullied by their nuclear neighbors.

Earlier this month, the Senate adopted legislation that has many provisions regarding current sanctions against India and Pakistan. One provision would suspend sanctions against India and Pakistan for a period of five years. While I strongly favor this, I very much oppose a provision in the bill that unconditionally repeals the Pressler amendment. As you must recall, the Pressler amendment requires the President certify to the Congress that Pakistan is not developing nuclear weapons.

The question is, why on earth with Pakistan supplying critical support for the Taliban do we want this time to reward Pakistan by unconditionally lifting the Pressler amendment?

It also should be noted that Pakistan has provided China with assistance that is detrimental to our national security.

The Lahore Summit established a framework for bilateral cooperation and reconciliation between India and Pakistan. Lahore gives hope for the new Indian government that will be elected in September to carry the process forward in Pakistan. Pakistan should withdraw its forces and get on with it commendable efforts begun in Lahore.

Our own bilateral relationship with India should not be dominated by security issues. The relationship should remain as broad as what we enjoy with other democracies.

India's economic growth, and U.S. investment to help spur that growth, should be at

the top of our mutual agenda. India's vast pool of highly trained English speaking professionals offers our nation critical resources in our efforts to stay competitive and to remain the world's leader in high tech industry. We need to offer India a security and economic partnership.

India's testing must be understood in terms of its verifiable, objective security concerns and how the world's nuclear powers have responded to those concerns. Any changes to the Pressler amendment should be considered in terms of U.S. national interests in relation to Pakistan's behavior.

Mr. Speaker, I will soon be introducing legislation regarding sanctions against India and Pakistan. However, before we consider any changes in the law affecting Pakistan there must be fundamental changes in the Government in Pakistan. We cannot support a government that permits and encourages actions that lead to the murder of Americans or any other innocent civilians.

According, I urge my colleagues to support H. Res. 227.

H. RES. 227

Whereas the United States has a vital interest in ensuring stability in South Asia, reducing tensions between India and Pakistan, and preventing the spread of terrorism;

Whereas Pakistani-backed armed forces and, reportedly Pakistani regulars, have crossed from Pakistan into Jammu and Kashmir, India, and occupied Indian military positions that were temporarily abandoned for the winter season;

Whereas this incursion has the financial and military support of Pakistan;

Whereas Pakistan's strategy is to support the armed incursion into Kashmir and renegotiate the Line of Control;

Whereas the Indian armed forces have been forced into action to defend the territory on the Indian side of the Line of Control and push the terrorists and Pakistani military forces out;

Whereas Pakistani armed forces, reportedly, are involved in these incursions;

Whereas the actions by Pakistan are contrary to the Lahore Declaration, an agreement between India and Pakistan to promote regional stability, peace, and security in South Asia;

Whereas the forces include well-trained and heavily armed Afghans and Pakistanis associated with Osama bin Laden, the Harkat-ul-Mujahideen, and the Government of Pakistan; and

Whereas the Group of Eight (comprised of the United States, France, Germany, Italy, United Kingdom, Japan, Canada, and Russia) on June 20, 1999, called for an immediate end to the hostilities, restoration of the Line of Control, full respect in the future for the Line of Control, and resumption of the dialogue between India and Pakistan in the spirit of the Lahore Declaration: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives—

(1) that it should be the policy of the United States to oppose the Government of Pakistan's support for armed incursion into Jammu and Kashmire, India;

(2) that it should be the policy of the United States to support the immediate withdrawal of intruding forces supported by Pakistan from the Indian side of the Line of Control, to urge the reestablishment and future respect for the Line of Control, and to encourage all sides to end the fighting and exercise restraint;

(3) that it should be the policy of the United States to encourage both India and Pakistan to adhere to the principles of the Lahore Declaration.

PERSONAL EXPLANATION

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. SLAUGHTER. Mr. Speaker, on Friday, June 25, I was unable to be present for rollcall vote No. 256. Had I been present, I would have voted ''yes'' or ''aye'' on rollcall vote No. 256.

ARE YOU AN AMERICAN? THOUGHTS FOR INDEPENDENCE DAY

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. McDERMOTT. Mr. Speaker, while participating in the recent Memorial Day observance at Veterans Memorial Cemetery in my District, I was privileged to hear an inspired essay about what it means to be an American. This essay was composed and presented by Elizabeth [Liz] Bokan, a student at Washington Middle School in Seattle. Many of us in the audience were deeply moved by Ms. Bokan's eloquence. Her words lend us confidence that our future as a nation is in the good hands of enthusiastic and creative younger generations.

Mr. Speaker, many of us will celebrate Independence Day by participating in naturalization ceremonies, helping to welcome new citizens to our ranks. I proudly offer Ms. Bokan's essay to all my colleagues as we return to our districts to renew the bonds that hold us together as a nation this July 4th.

ARE YOU AN AMERICAN?

Are you an American? Ask yourself this, and you come upon the easy answer, well yes, I am an American, as I am a citizen of America. But I ask you, is there not more to being an American? And how does a true patriot respond to pressure on one's beliefs, while maintaining the presence of mind that is characteristic of being an American?

In my school, I have been taking a class on American History. The truth will always hurt, no less in the sense of what this country great. I have learned of battles fought, and unnecessary blood spilled, and to what cause? Yet reading these texts, and seeing these illustrations of great American heroes, one thing seems to shine through. The pride individuals appear to hold in their home, in their title, and in their love for themselves and their people. Does that not signify that these people were very much Americans? But does each and every person have to measure up to the incredible genius of Abraham Lincoln and Benjamin Franklin simply to be called an American?

We are by name the country that accepts the unwanted of other societies; the Statue of Liberty asks for the sick and poor of the rest of the dismal world to travel to America, the land of the free. It is said that we have lost our charity, and our openness to the rest of the world's outcasts, and yet do we not open our lives and hearts to the immigrants that come to us searching for a better life, for the ''American Dream''? One of the magics that is America is the diversity of culture, accepting any and all customs, and yet still adopting them as valid Americans.

We have known what it is like to be the underdog, we have felt the ridicule of the rest of the world, and the pressures of an often losing struggle to overcome all odds, against us, and we continue to offer our support to those who feel the stress we felt, and more. And each and every one of those people we bring in as our own call themselves Americans, yet are they believed by the majority? In our society today, there is great conflict on every issue that could possibly be argued over, and people speak of the destruction of the American spirit. Yet the fact being overlooked is that the basis of the American way of life is within discord; we have the American right to disagree. But that discord brings about a people of accord, does it not? Through the wars fought and the policies enacted, we have always agreed to disagree in one way or another, and that leads to a harmony of the people.

But does an American necessarily have to be a hero, or a recently discovered patriot? Think of the thousands of soldiers whose names you've never heard, of the ones who have died for this country in the last 200 or so years, and of those who survived, who make sure these heroes can live on in American hearts. Think of the average working citizens, those who hold strict morals for themselves and those around them, who live their lives maybe raising a farm and a family. These people proudly call themselves Americans, and we believe them. Why? The truth is, Americans are people who will die for their country, who will stand up for their rights and those of the oppressed. Sure, it may be done with fear in their hearts, but is fear not also an American standard? We thrive on it, and have never felt the need to deny ourselves of it. The people we embrace and those who do the embracing are Americans. It is a state of mind to be an American, it is a love and joy in our freedom. I am an American, and if I could, I would tell the world, but it is enough to know that I can, I have the right to, and that absolutely no one can stop my love of the American spirit which I call my own.

IN HONOR OF DON FOWLER

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. INSLEE. Mr. Speaker, I rise today to pay tribute to an exceptional college president in my district, Mr. Don Fowler. Mr. Fowler will retire as President of Lake Washington Technical College on June 30, after 19 years on its campus.

Lake Washington Technical College has blossomed under Mr. Fowler's leadership. The college, which enrolls 20,000 students, is the largest hi-tech college on the East Side. Moreover, 92 percent of its graduates secure employment upon graduation.

Lake Washington Technical College's strong commitment to life-long learning is exemplified by its extensive curriculum. Vocational education is just one of the many paths students may choose. This college also offers advanced skill training for the employees of local industries, hi-tech training, ESL classes for recent immigrants, and courses geared toward high-school students.

While I am confident that Lake Washington Technical College will continue to be a first-

rate educational institution without Mr. Fowler, the college will indeed loose a remarkable educator.

Mr. Speaker, even though Mr. Fowler is set to retire, I know that he will be an active participant in the community for years to come. Again, thank you, Mr. Fowler, for your many years of service.

BABIES AS MEDICAL PRODUCTS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HYDE. Mr. Speaker, John Kass, a thoughtful columnist for the Chicago Tribune, on June 28, 1999, wrote an important column about a development in modern medicine that has the most serious consequences for the value of human life. I commend Mr. Kass' article to my colleagues:

[From the Chicago Tribune, June 28, 1999]

DRAW THE LINE NOW AGAINST USING BABIES AS MEDICAL PRODUCTS

(By John Kass)

It's an ugly twist on an old science fiction theme:

Would you use the body parts of an innocent baby so that you could live a happier life?

Would you support a system of incentives to kill other babies, and process them like meat at a packing plant, for the benefit of a frightened Baby Boom generation terrified of Alzheimer's disease and death?

Of course not. The suggestion is monstrous and dehumanizing. By comparison, it makes what the Serbs and Albanians are doing to each other look like a gentle game.

But the science fiction scenario doesn't generate the terrifying passions of old Balkan blood feuds.

Instead, it's calculated, without anger, and practiced by reasonable men and women in white lab coats.

It's about pure reason, efficiency and scientific rationalism. It's what a culture can do when it loses its soul. If you don't believe me, ask a Jew about the Nazi concentration camps.

So get horrified. Because it's not science fiction. It's happening now, in our country.

I read about it in Sunday's Tribune, in a fascinating story by science writer Ronald Kotulak under the headline ''Stem cells opening path to brain repair.''

It began with an anecdote about a woman with Parkinson's disease. Her name is Dr. Jacqueline Winterkorn. The drugs she was taking to fight the disease weren't working anymore.

''It's a very sad disease,'' Dr. Winterkorn was quoted as saying. ''People are locked into bodies that don't move. Their brains are working, their minds are working, but they can't talk and they can't move.

In other words, they're human beings immobilized through no fault of their own, trapped without speech. They have emotions, but they can't do anything about it. They're helpless.

Like a fetus.

But Dr. Winterkorn's condition began improving, the story said, after she was given millions of new brain stem cells because her own brain cells weren't doing their jobs. Her brain cells weren't producing enough dopamine to control her movements.

The new brain stem cells worked just fine. They produced dopamine in her brain. She improved. The scientists are thrilled.

''The prospect of repairing a damaged brain is pretty remarkable,'' said Dr. Curt Freed, who did the study. ''It has been possible to show significant improvements in some patients who suffered from a chronic neurologic disease for an average of 14 years.''

But there is a price for Dr. Freed's success. The new brain cells have to come from somewhere. And they don't come from pigs.

They come from fetuses, which is a polite way of saying they come from tiny human beings. The tiny human beings didn't willingly give up their brains. Nobody asked them to sign papers donating their bodies to science.

They didn't have much say in the matter. They were aborted.

The National Institutes of Health—which means the federal government—has lifted its ban on the use of human fetal cells and is bankrolling several other similar studies.

Meanwhile, the White House worries that video games cheapen human life and make possible massacres like the one in Littleton, Colo.

Courts and abortion rights advocates have said that what grows in a mother's womb is not a human being. You don't say baby. That's impolite. You say ''it,'' because that makes a human being easier to kill.

The debate over abortion is an old one now. Most folks have settled into their positions and defend them vigorously. That's not going to change.

What's changing is that we're progressing to a civilized new stage—turning human beings into valuable commodities—in which the bodies of the helpless are used to improve the lives of the powerful.

And it's being done in the name of cold scientific reason. The rhetorical pathway was cleared years ago, when the Germans built Buchenwald and Auschwitz and other places.

Soon other folks with Parkinson's or other brain disorders such as Alzheimer's disease will seek such treatments. The Baby Boom generation that has never been denied will make its demands.

It's human nature to use available resources to satisfy the most powerful human need: staying alive.

So aborted human babies will become resources. They'll become products, subjected to the market. Because they'll have value, there will be an incentive to provide more. Their bodies will be served up for the benefit of adults.

If we don't stop it now, if we accept this crime in the name of scientific reason, we'll lose ourselves.

Ask a mother carrying a child inside her. Ask her if it's not human. Ask any father who puts his hand on his expectant wife's belly and feels a tiny foot.

In a few weeks, they're out and looking up to you. They grab your finger. You kiss their necks. Someday, when they're old enough, they might ask you what fetal brain stem cell research is all about.

What will you tell them?

THERE THEY GO AGAIN: MORE ON THE CLINTON-GORE SCHEME TO BLACKLIST U.S. JOBS

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. CUNNINGHAM. Mr. Speaker, I want to share with my colleagues the perspective of the Investor's Business Daily newspaper on the Clinton-Gore scheme to blacklist certain U.S. employers, threaten the jobs of U.S. workers, and increase taxpayers' cost of the government buying goods and services.

DOES RULE ''BLACKLIST'' BUSINESS?

CONTRACTORS MAY BE PRESUMED GUILTY UNDER GORE PLAN

(By John Berlau)

Al Gore's official campaign for president has just begun. But he's already upholding a pledge to organized labor that has business groups fuming.

Gore made his promise when House Minority Leader Richard Gephardt, D–MO—a union favorite—was considering a White House run. In February 1997, Gore told the AFL–CIO Executive Council that ''the Clinton administration will seek to bar companies with poor labor records from receiving government contracts.''

If a company wants to do business with the Federal Government, Gore said, it has to ''respect civil, human and union rights.''

Fearing that this promise could become a regulation that favors organized labor, groups like the U.S. Chamber of Commerce, the National Association of Manufacturers and the Associated General Contractors of America have been worrying ever since.

Their fears may be justified. The rule is now circulating around federal agencies and lawmakers' offices. It's expected to be published in July.

It would give bureaucrats power to deny government contracts to companies that are merely accused of violating labor, antitrust, health, consumer or environmental laws. The charges don't have to be proved in court; allegations alone may be enough.

The rule could affect the $180 billion spent on federal contracts with private companies each year. It's estimated that companies doing at least some business with the Federal Government employ more than 25 million people and account for more than a fifth of the work force.

The rule is ''much, much worse'' than expected, said labor lawyer Hal Coxson, who's executive director of the National Alliance Against Blacklisting, a coalition of business groups opposed to the rule.

''This is huge,'' said Randy Johnson, vice president for labor and employee benefits at the U.S. Chamber of Commerce.

But Steven Kelman, head of the White House Office of Federal Procurement Policy (OFPP) from 1993 to 1997, said the rule represents ''a common sense point of view: If you violate the law, you can't do business with the Federal Government.'' Kelman says it's not that different from existing rules contractors must obey.

Gore spokesman Christopher Lehane told National Journal that the vice president ''has paid a great deal of attention to (the proposal) because it will help labor in its efforts to continue organizing.''

Attempts to get comments from Gore's campaign, his office and OFPP were unsuccessful.

A copy of the regulation obtained by Investor's Business Daily shows how far it could reach.

It says bureaucrats should deny a government contract if there's ''persuasive evidence of the prospective contractor's lack of compliance with tax laws, or substantial noncompliance with labor and employment laws, environmental laws, antitrust laws and other consumer protections.''

In some cases, violations don't have to be proved. According to the rule, ''final adjudication'' isn't needed if the contracting officer finds ''persuasive evidence of substantial noncompliance with a law or regulation.''

A fact sheet White House officials provided to lawmakers gives specific examples of

when contracts could be denied. These include complaints filed by:

The Equal Employment Opportunity Commission involving ''alleged employment discrimination.''

The National Labor Relations Board for ''an alleged unfair labor practice.''

The Labor Department ''in a matter involving alleged violations of OSHA (Occupational Safety and Health Administration)'' rules.

Because the government could deny contracts based on suspicion and allegations, rather than proven charges, critics call this the ''blacklisting regulation.''

This could drive a wedge between Gore and one industry he claims to champion—the high-tech sector.

Nancy Saucier, manager of domestic policy for the [American Electronics Association], high tech's biggest trade group, said fighting this regulation is one of the [AEA]'s ''top three'' issues this year.

The Defense Department ''is the largest purchaser in the world of high-tech products,'' Saucier said. ''If (companies suddenly) found that they're winning only 50% of the contracts that they won before, due to these arbitrary determinations, it's going to affect their bottom lines incredibly.'' The rule will probably affect companies' share prices as well, she adds.

Saucier and others worry the rule will give perverse incentives for companies to dig up dirt on their rivals. Coxson notes that consumer and environmental groups and disgruntled employees could also present complaints to agencies in order to deny companies contracts.

Former OFPP head Kelman, now a professor of public management at Harvard, said he thinks the power to bar companies for suspected violations will only be used in ''extremely egregious'' cases.

He confidently predicted that ''a contracting officer, given his lack of expertise, is going to be extremely reluctant to make a determination that's not based on a final adjudication.'' He also notes that companies can sue if they feel they've been wrongly denied a contract.

Attorney Karen Hastie Williams, head of OFPP under President Carter, strongly disagrees. The rule ''can be the camel's nose under the tent in terms of coming up with arbitrary criteria to be used (against contractors),'' she said.

A company unfairly denied a contract would have to go through costly lawsuits and still couldn't win back its bid, Williams says. These delays would end up costing companies and taxpayers.

Williams, who now represents companies that have contracts with the government, says contracting officers already have the power to review a company's legal history if it's relevant to the contract.

But this rule would open the door to punishing technical violations of complex rules, Williams says. In labor law, companies are often found guilty when they haven't followed procedures correctly. ''Often there hasn't been any harm to anybody,'' she said.

The White House and Kelman call this rule a clarification of existing law. Williams and Coxson believe ti does much more. They say the rule substantially amends procurement law and other statutes by adding a new penalty—denying contracts.

Coxson notes that in the 1970s and 1980s, lawmakers couldn't get provisions banning contracts for labor law violations through a Democratic Congress.

Prospects for getting this through a Republican Congress are even lees likely. Rep. Charlie Norwood, R-Ga., who heads a subcommittee of the House Education and Workforce Committee, strongly opposes the rule.

An aide says Norwood may try to get lawmakers to overturn the rule.

Coxson says it may be unconstitutional, because Congress hasn't delegated this power to the White House. He and other lawyers also say it could violate the Constitution's ''due process'' provisions.

Business groups also worry about a part of the rule saying that contractors must have the ''necessary workplace practices'' addressing ''worker retention.'' They say this could bar contracts to companies that lay off workers or hire striker replacements.

''Gore promised this,'' the Chamber's Johnson said. ''He can tell organized labor he went forward, and then, if it dies, he can blame the Republicans.''

TRIBUTE TO FORMER LIEUTENANT GOVERNOR BOB BULLOCK

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to pay tribute to Former Lieutenant Governor Bob Bullock. The man I speak of today is so deeply entrenched in the political framework of Texas, that he has often been regarded as a legend in my home state.

Bob passed away on June 18th 1999, and the entire State of Texas mourns his death. But I stand before you today to salute his life. I am proud to say that Bob Bullock was a friend of mine, in both the personal and political arena. This man was renowned for having an explosive temper and striking fear into his opponents. Yes, he did have an iron fist, but a heart of gold as well. Mr. Bullock will be remembered as a man whose dedication to the state of Texas stood above all political agendas.

Bob Bullock began his career as a public servant in 1956, winning a seat in the Texas Legislature. I had the opportunity to serve with Bob when I began my service in the Texas House of Representatives in 1972, and the foresight to endorse him as a candidate for statewide Comptroller in 1974. Mr. Bullock held the office of Comptroller for 16 years, before being elected to the office of Lieutenant Governor in 1990.

He served the State of Texas as Lieutenant Governor until he chose not to seek re-election in 1998. As Comptroller and Lieutenant Governor, Bob Bullock influenced so much of the major legislation passed in Texas over the past two decades, that he has been considered a political giant. In fact, Governor George W. Bush paid tribute to Bob Bullock by calling him ''the largest Texan of our time.'' Bob Bullock has reached legendary status because his political savvy allowed him to have a hand in nearly every major piece of legislation in Texas since the 1970's. Among Mr. Bullock's greatest accomplishments as Comptroller and Lieutenant Governor, were public education reform, water conservation, and performance reviews of state programs.

Bob Bullock has had to overcome nearly as many struggles in his personal life as in his professional life. Mr. Bullock had been plagued by health problems, fighting as vigorously against illness as he had against political opposition.

He won battles against depression, and alcoholism. He survived a heart attack and heart bypass surgery. Bob was an inspiration to all, sustaining his vibrance in the political realm though in less then the best of health. Unfortunately, Bob Bullock's health problems eventually caught up with him. In his final days Bob lost the battle to lung cancer and heart disease.

Loved by some, but respected by all. He was one of the greatest legislators in the history of the State of Texas. The Lone Star will be forever indebted to this man or his vision, and his determination as a lawmaker. A longtime top aide of the former Lieutenant Governor affirmed that ''he never forgets anything'' and Texas will never forget Bob Bullock.

A GREAT MAN WHO CONTINUES TO OFFER EACH OF US INSIGHT FOR THE FUTURE

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. DUNN. Mr. Speaker, I rise today to notify the House of Representatives of a speech recently given by the former Speaker of the House, Newt Gingrich. In May, with the other Republican women Members of Congress I invited women from around the country to attend the second annual Republican Women Leaders Forum.

At the forum there were many speeches given, but one of the highlights was a speech given by Newt Gingrich on the morning of May 12, 1999. His speech was heard by over 1,000 women and received ten standing ovations. The speech moved me and many of my colleagues who were in attendance.

As the man who led us in capturing and holding a Republican majority in Congress for the first time since 1928, his comments continue to offer each of us insight for the future.

SPEECH OF NEWT GINGRICH, REPUBLICAN WOMEN'S LEADERSHIP FORUM, RONALD REAGAN INTERNATIONAL TRADE CENTER, WASHINGTON, DC, MAY 12, 1999

Thank you very, very much, and thank you Sue, [Myrick] and thank you Jennifer [Dunn] for inviting me and I also want to mention Mac Collins a colleague from Georgia who came by a few minutes ago. It was great to see him. This is actually the first serious policy speech I've made since stepping down as Speaker.

And I want to say, first of all, how grateful I am to be here. I had many offers, obviously, but what Jennifer Dunn has done in bringing together women leaders from all over the country is so important, and when she called me a couple of months ago, I said this was a date I would circle and be here.

And I'm honored to be here with all of you. And remember, those of you who were here last year, I revealed that—just as many of you are soccer moms. I was a ballet dad. [laughter] And so I think our concern for children our concern for how they grow up, we share a lot of that.

I also couldn't help but think as Sue was talking about the fact that the first two women to be officers of the House were under the Republicans. The Democrats had never had a woman as officer of the House. The first women to chair full committees were Republicans; the first time we had three women in the leadership was under the Republicans.

And I noticed something that has not yet been reported in Washington, but I think will, by next spring, be a serious gender-gap issue nationwide, and I just want to be clear about this as a starting point for this speech: I don't know why there is no Democratic woman who feels confident enough to run for president, but I am proud that it is the Republicans who have produced the first serious, nationwide woman candidate for president. [applause]

And maybe the Democrat women are too intimidated by the White House style of leadership, [laughter] maybe the Democratic women are too shy, maybe they are too busy waiting for Hillary to make up her mind, but I am proud that Elizabeth Dole is making a serious campaign, in a serious way, and frankly I would so much prefer her to either Gore or Bradley, that I am proud that she is out there campaigning across this country. [applause]

And for all of our friends who may watch this later on C-SPAN, I am not endorsing anybody, but I think that it is exciting for the Republican Party to have that caliber of leadership.

Let me also thank you for your help. Sue also made the point, which is exactly right, that with your help, in 1994, we ran an entirely positive campaign. We outlined a Contract With America. With the help of the National Committee, our biggest single ad was in TV Guide, it was small print, no pictures, didn't mention the Democrats or Bill Clinton. It said, ''if you hire us, this is our contract, this is what we'll do.'' When we elected a new generation, and Sue was one of the leaders, a brand new team came to Washington and much to the shock of people, we actually kept our word.

We passed welfare reform three times. Twice the president vetoed it, the third time it was very popular, we were close to the election, he announced he had invented it in Arkansas, was sorry it took so long, and took full credit and signed it.

But the fact is, for the Republicans who fought for it, today 43% fewer people are on welfare, and 43% more folks are working, and that is a key reason we have a better economy, not Bill Clinton's malarkey. [applause]

The fact is, with Jennifer Dunn, and Sue Myrick, and another presidential candidate, John Kasich, who had the sheer courage as Budget Committee Chairman to produce the first balanced budget in a generation, [applause] you are now at a point where if you don't elect another liberal congress, and you don't elect another liberal president, we will have a generation of balanced budgets for the first time in 70 years. And that has lowered interest rates, and that has been a factor in this economy, not Bill Clinton's malarkey. [applause]

And let's be clear: Bill Clinton was for a balanced budget after the 300th focus group. He fought us every step of the way until he decided he had no choice, and for him to take credit is just a sign that he is the man we know he is. [laughter] [applause]

Finally, with your help, we passed tax cuts. A pro-family five-hundred-dollar tax credit, against liberal opposition. A capital gains tax cut to create more jobs, against liberal opposition. A cut in the death tax to strengthen family ties, against liberal opposition. And that helped the economy grow, with zero help from Bill Clinton and Al Gore, except they caved in at the end and signed the bill they opposed. [applause] So let's be clear about why this economy's healthy.

But it happened because of your help. It happened because you were willing to work hard, elect a Republican Congress, stand by us and make us—not only were we the first Republican majority in 40 years in the House, we were the first Republican majority re-elected in the House since 1928. And because of your help, we were also the first Republican majority in the House elected to a third term since 1926.

Now, I made a very difficult decision three days after the election. Because I talked with my colleagues, and I reached a conclusion that I'd been trying to do two jobs. One to be a visionary, a strategist and a teacher, to tell the truth as I saw it. And the other to manage the House on a daily basis. And the two jobs weren't the same job.

One job required patience, endurance, willingness to listen, a willingness to get every day the best you could get and move on. That's the Speaker of the House. It's a tough, tough job, and my heart goes out to Denny Hastert. He's a great American, and I think as he learns the job he's going to be better and better, and you're going to be very proud by next year. And compared to Dick Gephardt, Denny Hastert is absolutely the Speaker we need, and Denny Hastert was the person I backed strongly personally, because he has the instincts to be a good legislative leader. Which means, he's not always going to look good in the press. That's not the job of a Speaker. Tim O'Neil didn't always look great in the press, but he was a very effective Speaker for the Democrats. But he will get the job done. He passed a budget this year, which I couldn't get done last year. And he'll keep getting things done, because that's the job of the Speaker.

But it meant that for two years, I have been drowning. I couldn't do what I did differently, which is to tell the truth as I understand it. It's not the ''truth;'' the ''truth'' is known by God and the rest of us seek it. But to try every day to tell where we have to go. The way we developed the Contract.

The last five months I've had a chance to be out around the country. To be beyond the beltway, to not watch the Sunday shows, to ignore all the babble that his city mistakes for dialogue. [laughter] [applause]

And, I've had a chance to really think about where we are, and where we've going. And I decided that what I want to do today, is share with you some thoughts about Littleton, and about Kosovo. I haven't talked on either one, and I probably won't do it again for a good while. But if I'm going to come here and be with you, I'm going to try to be who I've always been, which is a person who tried to described what he really believed.

Let me start by saying that the thing that most clearly hits you, when you get beyond the elite media, is that this is a great country, filled with good people, and many of them achieve amazing things.

For every child who ends up on the cover of a magazine because they killed somebody, there are literally a million children going to school, trying to understand their role in life, trying to be decent to their fellow citizens.

For every child who ends up in a way that is tragic, there are hundreds of thousands of children who are trying very hard to learn to be American citizens. To be the kind of person their family can be proud of.

And I think we need to start by placing in perspective both Littleton and Kosovo.

We are the greatest society of freedom in the history of the human race. More people pursue happiness, of more racial backgrounds, with greater religious diversity than in any country in the history of the world, and we should be proud that for most of the time, America works, despite the news media mis-coverage of this country. [applause]

And if my friends in the press think I'm tough on them, they're right. The truth is, if Thomas Edison invented the electric light bulb today, it would be reported tonight on the networks with a story which began, ''the candle making industry was threatened today.'' [laughter] [applause]

But, we are also not only a remarkable country, we are the only global superpower in the history of the human race. No other country has ever had the potential power that we have. And yet, as a great country, and a good society of decent people, we have Littleton. As the most powerful nation in the history of the world, we have Kosovo.

And every Sunday you hear all the local self-appointed experts babble on with whatever trivia they heard that week.

I want to give you my honest, personal thoughts on both those topics. Some of this may be a little controversial. And it should be.

And I want to do it in a spirit, as a history teacher, of Emile Zola, who wrote J'Accuse, ''I accuse.'' A Jewish officer in the French army had been framed, largely because of anti-Semitism. The elite culture had covered up the framing they were all going to go along with destroying him, and Emile Zola wrote a public letter saying, ''this is wrong.''

And because of the moral courage of his letter, French society talked to itself, there was a great crisis, and it changed. Captain Dreyfuss was exonerated, and the people who had framed him were punished.

So in the tradition J'Accuse, and Emile Zola, I want to say to the elite of this country, the elite news media, the liberal academic elite, the liberal political elite: I accuse you in Littleton, and I accuse you in Kosovo, of being afraid to talk about the mess you have made, and being afraid to take responsibility for the things that you have done, and instead foisting on the rest of us pathetic banalities because you don't have the courage to look at the world you have created. [applause]

Let me talk first about Littleton. A great tragedy. A tragedy that should frighten every one of us. Both for those who were killed, and for the killers. Because it means that any of us, in any school, no matter how good, could lose our children. And it means any of us, in any home, could lose our child.

And we should have a national, open discussion about ''how did we get here?'' How did this great country, filled with good people who do amazing things allow it to degenerate to a point where young boys could think such weird, perverse thoughts and then act on them. Where the innocent could die for no reason.

Let me give you my answer. One which I'm sure I'll be castigated for, and I'm sure my usual critics will write harsh columns about. But it is the truth, and it makes them very guilty and very uncomfortable, and they reflect that in their attacks.

We have had a thirty-five year experiment, in a unionized, bureaucratic, credentialed, secular assault on the core values of this country. And we should not be surprised that they eventually yield bad fruit, because they are bad seeds. They make no sense as a society.

For thirty-five years, God has been driven out of the classroom, and we have seen it result in a secular, atheistic system [applause] in which God is not allowed to exist. [applause]

For thirty-five years the political and intellectual elites of political correctness have undermined the core values of American history, so that young people may not know who George Washington is, or they may not know who Abraham Lincoln is, but they do know what MTV is, and that is not progress, that is decadence, and we should say it bluntly. [applause]

For thirty-five years, bureaucratic, credentialed unions have driven knowledge out of the classroom, so today you can have a certified teacher who can't speak a foreign

language try to teach it, while the person who can speak it can't teach it because they either don't pay the union dues or haven't gotten credentialed, and that is madness. [applause]

We keep looking at our physics scores and say ''why do they decline?'' And then you find that in the inner city we have people who don't know any physics teaching physics. And you have a student who sits there and knows their teacher doesn't know.

You can't have authority unless you earn it. And you can't have a bureaucratic, unionized, credentialed system that has any authority left, because it drives out the very skills and the very capacities that are necessary.

And most teachers are decent, and most teachers are hard working, and most teachers are trying. And I am a product of the public schools, and I actually care about them enough to try and change them, not just have a mantra of paying off the unions while doing nothing to save the schools. [applause]

Let me say his very clearly. And it will be very controversial. For a generation, Hollywood and computerized games have undermined the core values of civility and it is time they were stopped by a society that values free speech enough to protect it. [applause]

One of the great founders of CBS News, Edward R. Murrow's producer, had a wonderful saying, ''Just because you have the right to say it, doesn't mean it is the right thing to say.'' And let us say to Hollywood, and let us say to the Nintendos and the other games, if you are going to be sick, we are going to find a way to protect this country from you, and whether that means exposing movies to liability litigation, whether that means exposing computerized games to litigation, whether it means challenging the Democrats to cut off the fund-raising in a verse. Don't tell us you care about children, and then have the people corrupting their lives raise your money, while you tell us you care about traditional values. [applause]

So, if Al Gore and Bill Bradley really want to help America, they can lay a standard down. They won't raise a penny in Hollywood from anybody who doesn't sign a standard that says they will make movies of voluntary decency.

You don't have to allow the most corrupt, the most depraved, the most violent, just because you personally don't have the guts for your career to say ''I won't do it.'' And they could set a standard and say, ''we're only going to do fund-raisers with producers and stars who do decent films,'' and you would suddenly see a crisis of identity in both the Democratic party and Hollywood. [applause]

And I'm not using that just to make a partisan point, I'm trying to make a deeper point. Don't tell us the Constitution blocks us from civility. Don't tell us that freedom of speech means the freedom to be so depraved, so violent, so disgusting that our children grow up in a world where they think that killing someone else is a reasonable behavior. And it's true on television, it's true in the movies, it's true in these games.

And I would challenge the lawyers of America: Don't tell me how cleverly you can protect those who are bad, tell me how well you can find some solution to bring Hollywood to its senses and to bring the game people to their senses.

And I'm not for censorship. But I am for the society setting standards and shaming those who refuse to have a standard that makes sense. [applause]

And for two generations we have raised the taxes on working families so that the second spouse has no choice except to go to work, almost entirely to pay the family's taxes. Then we talk about ''latch-key kids,'' when it is the very liberal politicians who raised the taxes who created the latch-keys. [applause]

But about Littleton, liberal politicians and the elite media yell ''gun-control'' because they can't talk about their values, and the effect they have had.

Let me set some simple standards. When Al Gore talks God and Faith, is he for voluntary school prayer, or isn't he? Does he want to bring God back in, or does he want to give us psychobabble? Yes or no? Don't tell me why you're ''sort of for it,'' and ''Littleton is certainly a tragedy,'' and I certainly ''feel.'' We've had eight years of that.

Let's be serious. This was a mistake to take God out of the classroom. [applause] It was a mistake to take the right to pray out of the classroom. Now, are you for changing the mistake, or not changing the mistake? [applause]

But don't tell us you're really worried about the consequences, but you don't want to change the cause.

When politicians talk about families, is Bill Bradley for more tax cuts, so families have more time with their children, or is he against tax cuts? Does he want to abolish the death tax so we strengthen family bonds, or is he for the death tax, even though it clearly makes no sense as a society to punish grandparents and parents for saving for their children and grandchildren. It is the socially dumbest tax we have. [applause]

When a liberal talks about values, would he or she actually like us to teach American history? Would they actually like young children to learn that George Washington was an ethical man? A man of standards? A man who earned the right to be father of this country? Would they actually like us to learn that Lincoln agonized, or is discussing those kind of moral values culturally inappropriate? Because we have to be a multicultural society, where you get to pick and invent your own culture? Something which historically no civilization has ever successfully done because it means you've got thirteen to fifteen year olds in total confusion, and they're being asked to invent a reasonable civilization?

It takes thousands of years to create a civilization, and then we learn it, and we stand on the shoulders of the lessons of every generation that paid in blood to learn these lessons. And to ask young people of thirteen and fifteen to invent a civilization is not only ahistorical, it violates everything we know about how human beings function.

And we should say something simple: Every child should know the Declaration of Independence, and why it says, ''We hold these truths to be self-evident.'' Every child should learn the Declaration of Independence, and why it says, ''We are endowed by our Creator.''

When those children killed in Littleton, they were killing the children of God, who had been endowed with the unalienable right of life, liberty, and the pursuit of happiness. And I will bet you those kids didn't know it, they didn't believe it, they didn't understand it, because for two generations the elite liberals in academia and in the news media have babbled on about somehow getting rid of all this western ethnocentric whatever ... it is irrelevant what your color is. It is irrelevant what geography you come from. When you come to America, you learn to be an American and that means you are endowed. [applause]

So, I ask each of you, you go back to your state. You ask your state legislatures and your governor, let's reestablish teaching the Constitution, let's reestablish teaching the Declaration of Independence, let's make sure every child knows what Creator means, and then let's see how the liberals try to go to the Supreme Court to argue that you can't talk about the Creator in class when in fact it is a historical document about a historic fact that the Founding Fathers all believed in God, including Thomas Jefferson, thank you very much, it's his language. [laughter] [applause]

And so, on Littleton, let me simply say, most children are good. Most schools are safe, but we have been given a wake up call that the experiment in secular liberalism has failed, and we had better truly change, or there will be more symptoms of the pain. And every time our friends on the left babble about gun-control, or some psycho-therapy, or some other kind of feel good stuff, we ought to come back to the basics.

Are you prepared to cut taxes on working families? Are you prepared to eliminate the death tax? Are you prepared to actually have teachers who know something as a requirement of teaching? Are you prepared to reinstate American history and learning about America? Are you prepared to talk about the Creator, and are you prepared to allow children to pray voluntarily? And if you're not for those things, you're not for the changes that are necessary to make sure that we have fewer Littletons and more children who are happy and stable. [applause]

Now, and let me say that avoiding future Littletons requires real change. This has been a mistake. For thirty-five years, we have gone in the wrong direction. This is about real change. And without real change, it won't change.

Let me now turn to foreign policy. Let me say that I have watched with some amazement. I think it is fair to say that of all the Republican leaders in the last six years, I was the most consistently supportive of the president, because I felt as an Army brat, having been overseas, having lived through experiences where politicians back home were critical and divisive, having been through the Vietnam war where some American future politicians led demonstrations in foreign countries, [laughter] having been through Desert Shield and watched every elected Democrat leader vote against Desert Storm, I know how unnecessarily divisive domestic politics can be.

I also know that as a superpower we have a unique role, and let me say, very clearly: I believe the United States must provide leadership in the world, I believe we are irreplaceable, and I oppose unalterably anyone who argues for withdrawal and isolation, because I believe it is our historic destiny and fate.

There is no other country big enough, complex enough, or capable of providing leadership on a world-wide basis, and if we pull back, this planet will become chaotic, and violent, and our children and grandchildren will pay in blood for our timidity.

Now having said that, let me also remind you, you can lead your neighborhood without fixing breakfast for all your neighbors. [laughter] You can lead a community clean-up drive without cleaning out every garage yourself.

But let me talk about Kosovo in the historic setting because, in the last few weeks the crisis has begun to mount in a way that I would have thought, in January, unthinkable.

For fifty years, we led NATO to keep Russia out of places like Yugoslavia, which was the only anti-Soviet communist state in Europe. And now, in a few short months, the Clinton-Gore administration, has fashioned a policy to bring Russia into one of the places we invented NATO to keep them out of. This is a significant mistake.

For the entire history of the human race, the Chinese have never been actively involved in Europe. And now in a few short

months, the Clinton-Gore administration has managed to fashion a policy which gives the Chinese a voice in Europe. The scapegoating in this city will be pathetic, and has to be described honestly as scapegoating.

Let me give you the example of the Chinese embassy. The Clinton-Gore administration ignores intelligence, because as good liberals, they don't believe in a strong America leading the world. They under-fund it, they reduce the number of analysts. They have too few people. They send liberals out to run the agency in such a way—this is not the current director, but the preceding director and his staff—but they undermine the morale of our most effective intelligence agency.

The first director, Jim Woolsey, got to see the president one time. In fact there was a joke that when the plane crashed into the White House, it was Woolsey trying to get in to see the president. [laughter] I did not make that up, you can ask Jim Woolsey. [laughter]

So, for six and a half years the Clinton-Gore administration under-funds intelligence, abuses it, neglects it—go ask how many people there are in the Central Intelligence Agency that speak Serbian. Having had nine years to prepare for Kosovo, beginning in 1990, how much did we beef up? Or ask them how many can speak Chinese? How big is the shortage of Chinese language experts in the American intelligence community?

So having had six and a half years of under-funding, the CIA makes a mistake. But the Commander-in-Chief is not responsible. The Commander-in-Chief is never responsible. If, in a war, the president is not accountable, then what does the Constitution mean? COMMANDER-in-Chief. [applause]

In all of this Washington babble about who is responsible, the Clinton-Gore administration had six-and-a-half years, almost seven years, to beef-up our intelligence capabilities. They didn't do it.

I forced the extra funding last fall, finally, and it is still too little, and if we are going to be the superpower that leads the entire planet we need a dramatically bigger intelligence capability.

It doesn't mean you need to overhaul the CIA. It doesn't mean you don't have to rethink our intelligence capability, but I am tired of liberals yelling ''reform'' when what they mean is ''don't fund them,'' and then blaming the people they didn't fund for the mistake that was human error.

We got it last year when the Indian nuclear explosion was not detected because we don't have enough analysts, and we don't have enough satellites to watch everything, and now we are getting it this year. The fact is that the Clinton-Gore Administration under-funds intelligence and we are now paying the price with the Chinese for the Clinton-Gore failure to provide adequate funding. [applause]

The fact is, the Clinton-Gore Administration has under-funded defense, and God help us if either the North Koreans or the Iraqis decide to take advantage of our current disposition. Does this administration honestly believe that nobody else in the world watches CNN? [laughter]

The reason you have to have, and I'm very serious, this is a matter of life and death. The reason is you have to have a military big enough to do three things: One campaign; be ready for a second campaign; and retain a training and procurement base for a third campaign.

And [RNC] Chairman [Jim] Nicholson knows this. He is a West Point graduate. He served in Vietnam. He understands these things. The reason you have to do all three simultaneously is because you are in a dangerous world.

And when you focus on Iraq, and the President did for a little while in 1997. And I was with him, because I thought he was doing the right thing? And then he forgot it. Saddam is still there, but none of the stated goals—remember all the worries, the sack of sugar, the danger of biological weapons. They didn't go away. It is just that this administration's attention span is relatively short.

So Saddam is still there. The world is getting more dangerous. He is doing every single thing that Bill Clinton and Bill Cohen told us to worry about, but we're not in that campaign right now because we can't afford to be.

The North Koreans are lying to us about nuclear weapons. We know they are lying. They know we know they are lying. The Chinese, the South Koreans, and the Japanese know they are lying. And they know we know they are lying. And the North Koreans are routinely irrational. Despite 50 years of effort we know almost nothing about North Korea because it is the most sealed off society in the world. And it is preeminently dangerous.

And then you have Kosovo. A campaign designed as though all of military history ceased to exist. As though there are no lessons of Vietnam. The very people who were opposed to Vietnam are now bringing us a European Vietnam, and they have learned nothing from the Vietnam campaign. [applause]

Compare the lessons of Desert Storm and Kosovo. In Desert Storm, President George Bush, Secretary of State Jim Baker, National Security Advisor Brent Scowcroft, Secretary of Defense Dick Cheney, and Chairman of the Joint Chiefs Colin Powell said very clearly to the theater commander Norman Schwartzkopf, ''what is it going to take to win decisively with minimum American casualties in the shortest possible time.'' And they spent six-months in a majestic, slow, careful buildup of overwhelming military force. They launched an air campaign that in six weeks pulverized the Iraqis and they launched a four-day ground campaign. It is the textbook study of a how a Democracy prepares relentlessly to impose victory with minimum American casualties.

Now I don't know what General Clark was thinking about, because he knows better. And I don't know what the Chairman of the Joint Chiefs was thinking about, because he knows better. And I don't know why none of the Joints Chiefs have resigned [applause] because this campaign is a violation of every rule I know of in how you design a campaign. Instead of Theodore Roosevelt's speak softly and carry a big stick, we've yelled and carried a toothpick.

And what has happened? The people we were protecting were driven out, killed, or raped. The people that are under the shelter of the United States of America are no longer in Kosovo. The Serbians accepted a brutal choice: we get to kill them, and they get to kill Albanians. But they've accepted it.

The Russians are now reestablished as a power in Europe. The Chinese are getting engaged in Europe. We are wasting our resources. Our prestige is diminishing. And all over the world we look like a violent, helpless, pathetic country.

Would you want to be protected by a Clinton Administration that guaranteed that protection meant you would be driven out of your home? They allowed it to happen to the Kurds in northern Iraq. They are allowing it to happen now to the Albanians in Kosovo.

And the President, of course, isn't responsible because he is in a permanent campaign, so he doesn't have to be Commander-in-Chief unless we are seeing him step off the airplane to be saluted by military people who know better. They know this is a pathetic disaster for the United States. [applause]

Finally, with the Chinese having carefully orchestrated riots because even when they try to buy an administration, they can't always get what they want. Let's be clear, the Clinton Administration's Justice Department did everything it could to block an honest investigation of the Chinese money laundering, and we know far less today about either the Chinese cash or nuclear secrets.

And by the way, I don't blame the Chinese for stealing our secrets, they are a sovereign power. They should do what's in their interest. I blame the Clinton Administration for not protecting the American secrets from China. [applause]

The Chinese staged these riots, which you know are staged, because the Chinese lock up people who get up and say ''hi, I'd like to have free speech.'' Five years in jail. [laughter] ''I'd like to go riot against the Americans.'' Can we give you a bus? [laughter] I mean, who's kidding whom; these are staged, organized government dictatorship riots.

We are a country without a defense against Chinese ballistic missiles. We could lose some of our men and women in Kosovo. We could lose a lot of people if the Iraqis or the North Koreans try to take advantage of our weakness. We could lose an American city, and there is no ballistic missile defense.

Why? Because the party of trial lawyers believes that we should have a legal document with a ''Soviet Union,'' which disappeared in 1991, rather that using the best scientists and the best engineers. And we need a crash program to apply, not just for the U.S., but a global missile defense, so that all of our allies can rest safe. And we need to adopt a very simple rule.

Let me be very clear, I'm not arguing for being in Kosovo or not. And I would actually urge most of my former colleagues to just shut up about it. Having civilian politicians give their ideas about their campaign plan is sort of irrelevant.

We ought to have a very simple set of standards as a country. If we say that we are going to do something, and if the President comes to a joint session—which this President should do, and should have done for three months, and how he can get away with not addressing the Congress and talking to the nation about Kosovo is beyond me. [applause]

We ought to have a standard rule, if you are going to commit American forces, you address a joint session. I mean this for all Presidents for our future. We've got to learn to lead and we've got to learn to do it within our Constitution.

He should come to the Congress. He should say, ''This is the problem. These are our values. These are our goals.'' He should then say a simple thing: ''I have instructed the chairmen of the Joint Chiefs to design a military campaign plan that will achieve victory for America with minimum cost in lives and minimum use of time. The chairman will be expected to execute that campaign and if it fails, he would be retired and his successor will be expected to design a successful campaign.'' No elected politician should attempt to micro-manage whether or not we move Apache helicopters. [applause]

Let me just close with this personal testimonial, for whatever it's worth. My stepfather served 27 years in the U.S. Army infantry. It was at the end of the Second World War, fought in Korea, fought in Vietnam. We lived—when I was growing up, I was born in Harrisburg, Pennsylvania. We lived in Fort Raleigh, Kansas; Avignon, France; Stuttgart, Germany; and then Fort Benning, Georgia; which is how I became a Georgian.

He served his country because he loved it. He served his country because he thought it really mattered. He thought a world in which the Soviets dominated or the Nazis dominated would be a horrible world. A world in which America led would be a remarkably better world.

Not a perfect world, because people aren't perfect. If you believe in God, you know how inadequate you are. But a world in which a decent country, of decent people, of all races and all nationalities could pursue freedom and safety, and could create prosperity like no one has ever seen. Forty years ago, he convinced me at the battlefield at Verdum, when I was fifteen, that this is all real.

For 40 years, with the help of the Georgia Federation of the Republican Woman, and the Young Republicans, and thousands of volunteers and lots of donors, and the people of Georgia, I was allowed to study, to learn. I was allowed to run for office and lose twice. I as allowed to run a third time and win. Ultimately, with your help, we created a majority.

I have not talked about any issues for five months. I have not really laid out what I feel from the heart, but I couldn't come here today in the middle of the agony that each of us must feel for the children and the families of Littleton.

I couldn't come here today, and let's be honest, in the tradition of Lincoln, we should feel as much agony for the innocent Serbs that are being killed as we feel for the Albanians. We are all humans. Our Creator endows us all.

And we have to be a great enough nation that our hearts go out to everybody in a conflict. And that we want to help everybody. We want to find a way to lead a world without violence because our moral dedication, not our purity, let me be clear to my liberal friends none of us are pure. That is not what this is about. Purity of purpose doesn't mean purity of execution, because we are humans.

This has been the greatest opportunity for simple, everyday human beings to get up in the morning, to love their families, to pursue happiness, to work for a living, to create a better future than has ever been created. And we have to save it domestically or we will have many more Littletons. And we have to learn to lead in the world or we will have many more Kosovos.

Sadly, not happily, because I tried for six years to work with this administration. Sadly, the Clinton-Gore Administration has proven both in their reaction to Littleton and in their utter total mismanagement in Kosovo, that liberalism once again has failed, and we have to be the standard barriers.

Just as we were with Eisenhower, just as we were in 1968 with Nixon, who ended the Vietnam War that Johnson started, just as we were with Ronald Reagan who created the cause of freedom worldwide and defeated the Soviet Empire, just as we were with George Bush, who had the nerve and the discipline to let the military run a winning campaign, despite every liberal Democratic elected leader in the Congress.

We have to have the nerve over the next eighteen months to tell the truth to the American people. To let the news media scream at us, and to count on the fact that, in the end, this is a great country, filed with good people, and they know better than the talking heads on Sunday morning.

Thank you, good luck and God Bless you, [applause]

INTRODUCTION OF THE SENIOR PRESCRIPTION DRUG ASSISTANCE EXPANSION DEMONSTRATION ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILMAN. Mr. Speaker, I rise today to introduce The Senior Prescription Drug Assistance Expansion Demonstration Act of 1999. In doing so, I am offering legislation which serves as a viable first step towards addressing the serious issue of rising prescription drug costs for our Nation's seniors.

The purpose of this legislation is to provide assistance to those states which have undertaken the step to offer supplemental assistance for low income seniors to help defray the rising cost of prescription medications.

This legislation will create a demonstration project that will provide block grant funding to permit three states with an existing prescription assistance program for low income seniors to raise their income eligibility by $5,000 for both single individuals and married couples. Should the program be successful, it can later be expanded to other states that have created such prescription assistance programs.

This legislation recognizes that the participating states have widely varying requirements with regards to the administration of their prescription-assistance plans. Consequently, it will not alter these requirements in any way, except that to qualify for the federal funds, each state must raise its income eligibility for both the single and married categories.

Mr. Speaker, the last five years have seen both a rapid increase in the amount of revolutionary drugs available on the market, as well as in the price of those drugs. The availability of these new drugs has been a wonderful result of annual advances in medical technology and knowledge. Regrettably, these advances also come with a price, one that is increasingly difficult for many senior citizens to pay.

A number of our colleagues in this House, as well as in the other body, have offered various bills designed to address the rising cost of prescription medication for senior citizens. These bills have tended to use either price controls, or the extension of free or heavily subsidized prescriptions as a new federal entitlement, as a solution to this problem.

The nation's experience with price controls during prior administrations has shown that they are not a viable tool. Moreover, while the new entitlement proposed by the current administration sounds appealing, neither the President, nor anyone in the minority has offered a viable way to pay for it. In our current budget environment, an entitlement proposal without a clear funding source is nothing more than a hollow promise.

Furthermore, price controls for prescription drugs run the very real risk of stifling future development in medical advances. While none of the major drug companies has any reason to plead poverty, the implementation of a federal system of mandatory price controls would certainly serve as a major disincentive on the future research and development of new prescription medications. In this sense, medical success does come with a price.

On the other hand, prices should not be so high that the target audience for which the drugs were developed cannot afford to purchase those drugs. Regrettably, this has increasingly been the case over the past several years for seniors living on fixed incomes.

The Federal Government has a vital role to play in fostering innovation in medicine, so that today's seniors can receive the benefits of tomorrow's new medical technology. The last few years have seen wonderful advances in drugs to treat osteoporosis, arthritis, and Alzheimer's disease.

At the same time, a new federally run bureaucracy is not the answer to address the needs of our senior citizens being able to afford these new drugs as they become available. Such a bureaucracy would take medical decisions on which drugs to prescribe away from doctors, dampen the overall level of medical research on new drugs, and force seniors to accept a one-size-fits-all federal program.

This legislation would avoid those problems. It sets out to expand on ideas that the states have shown do work in practice. The Epic program in New York is highly successful, and legislators of both parties in Albany have consistently voted to expand the program each year. However, these State officials understand that New York cannot afford on its own to cover every senior that it should.

By partnering with New York and other States with prescription assistance programs, the Federal Government will be able to both provide aid to thousands of seniors on fixed incomes with their monthly prescription drug bills, while leaving prescribing authority where it belongs, with the doctors. In essence, everyone wins.

Accordingly, Mr. Speaker, I urge my colleagues to join in supporting this worthwhile legislation, which helps needy seniors by providing the States with resources to expand programs which have already been proven to work.

A TRIBUTE TO PAUL MATHIEU AND FAMILY OF MIAMI, FLORIDA

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mrs. MEEK of Florida. Mr. Speaker, I rise today to pay tribute to Mr. Paul Mathieu and the Mathieu Family of Miami, Florida, for the outstanding example of faith in action and excellence which they embody in their daily lives.

Paul Mathieu is a Jackson High School graduate who will be attending Harvard University in the fall, accomplishing his parents' dream of seeing all of their children attend college. He is the ninth child of Phinelie and Teucheler Mathieu, who came to Miami from Haiti in 1974. Their incredible faith, courage, and ethos of hard work have enabled this remarkable Haitian immigrant family who fled political repression, social brutality, and physical danger in their homeland to seek, and ultimately, to find, a better future for their children in their new home. Each of their children—Techeline, Firma, Fednie, Samuel, Emmanuel, Marc, Luckson, Marthe, and Paul—has contributed significantly to the family tradition of success and of active citizenship in America.

The Mathieus have earned their educations through scholarships, grants, and work study programs. Techelene Mathieu-Murray, the eldest of the children, is a fourth-grade teacher at Toussaint Louverture Elementary School. Firma Mathieu is a teacher at Dunbar Elementary School. Fednie Mathieu is a nurse at Jackson Memorial Hospital. Samuel Mathieu works for an agency that helps disadvantaged youth. Emmanuel Mathieu is studying criminal justice and elementary education at Florida Memorial College. Marc Mathieu is graduating from Northwestern University with a degree in journalism. Luckson Mathieu is a pre-Med student at Harvard University. Marthe Mathieu is a psychology major at the University of Florida. Paul Mathieu plans to pursue a career in medical research at Harvard University.

Mr. and Mrs. Mathieu have imparted to their children a strong religious faith, self-discipline, and an immense love of family. When the children were growing up, their father made a habit of regularly visiting their schools and knowing their teachers before he left for one of his night shifts at work. An example of the level of religious faith exhibited by the family is a quote by Mrs. Mathieu: ''If you don't have God in your life and you have children, I don't know how you can sleep.'' Mrs. Mathieu also mentioned, ''You want to know our secret? The only secret we have is prayer, prayer, prayer. We showed them how to serve God. God is the leader. . .''

Mr. Speaker, it is indeed a privilege to pay tribute to such outstanding and inspiring Americans as the Mathieu Family of Miami, Florida, who are working at the marvelous task of handing over their country not less but even better and greater than they received it.

TRIBUTE TO LIEUTENANT COLONEL GARY ANTHONY CORREIA

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. BERMAN. Mr. Speaker, my colleague, Mr. FRANK of Massachusetts, and I are pleased today to pay tribute to Lieutenant Colonel Gary Anthony Correia, a man whose life exemplifies the meaning and spirit of leadership. Gary is being honored for 20 years of distinguished service in the United States Marine Corps.

Gary has set an outstanding example for his colleagues in the Corps, where he has served with intelligence, skill and dedication. He is highly regarded by his peers as an involved, devoted and effective Marine.

Gary is a man of action and accomplishment. A native of New Bedford, Massachusetts, he graduated from Boston College in 1979 at the top of his class and soon after began his military career. He was commissioned a 2nd Lieutenant through the Platoon Leaders Class program and following basic school, was designated a Naval Aviator. His hard work and tenacity paid off with his rapid advancement through the ranks.

Gary's notable missions include the ''Flying Tigers'' of VT–26, ''Crusaders'' of VMFA–122, ''Aggressors'' of H& MS–31 and the ''Black Knights'' of VMFA–314. While assigned to the VMFA–314, he was deployed to Turkey for Display Determination and SWA for Operations Desert Shield/Storm from August 1990 to March 1991.

Promoted to Major in July of 1991, Gary joined the 7th Marines. In December of 1992, he deployed as part of the Ground Combat Element to Mogadishu, Somalia for Operation Restore Hope where he was the Officer-in-Charge of a joint/combined multi-national security force and ten Non-Governmental Organization (NGO) that provided humanitarian relief to Mogadishu.

His dedication to duty, his integrity and sense of fair play were demonstrated in his role as Executive Officer for a 48 aircraft F/A–18 Hornet Fleet Readiness Squadron, the largest in the Marine Corps/Navy inventory. Gary was instrumental in the squadron achieving over 140,000 hours of mishap free flight time, a first in the F/A–18 Hornet history.

Lieutenant Colonel Correia has accumulated more than 3,600 mishap free flight hours. His personal decorations include Meritorious Service Medal and Gold Star, Air Medal w/combat ''V,'', Strike Flight 1, Navy Commendation Medal W/Combat ''V'' and the Navy Achievement. He is the 1st Cape Verdean Naval Aviator and Marine Aviator and the first Black American promoted to rank of Lieutenant Colonel that is an F/A–18 Hornet Pilot.

He is married to Tracey, father to Chloe and Chase and the proud son of the late Joseph and Eva Correia. It is our distinct honor to ask our colleagues to join us in saluting Lieutenant Colonel Gary Anthony Correia, a man whose dedication and achievements are a credit to our country.

IN HONOR OF THE LATE CAPTAIN WILLIAM Y. CLARK

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. FORBES. Mr. Speaker, I rise today to honor an entrepreneur, Captain William Y. Clark, a Long Island businessman who recently passed away at the age of 86.

Ask any parent and I am sure they will agree that leaving a legacy such as the reins of a family business is of great significance. Skillfully maintaining and expanding such an enterprise demands the infusion of innovative ideas which was William's specialty.

Captain William Clark was born in West Babylon, Long Island, in 1913. He was educated at Shelter Island schools and Mt. Hermon College, in Massachusetts. Trained as a youth on diesel engines, the company he inherited has been in the Clark family continuously since 1790, when the first ferry ran.

He spent his life serving the community at the helm of South Ferry, Inc., the ferry service that runs from North Haven (outside Sag Harbor) to Shelter Island. Under Captain Clark's watchful eye, the company has become what it is today, a fleet of four boats which can hold up to 16 cars apiece.

Captain Clark was a longtime member of the Lions Club, East End Church of Christ and, when not on call with his company, a member of Shelter Island Fire Department. He also served on the board of Timothy Hill Children's Ranch in Riverhead.

The night before he passed away, he laid in a deep sleep. He would open his eyes, struggle for a breath, and then fall peacefully asleep again. However, when his family began to sing ''God Bless America,'' he would awake and spread a truly joyous smile on his tired face. He could not speak very well, but he summoned the strength to share a few more laughs with his family. He fell asleep soon after, waking to greet his youngest grandchild, Shelli, who had flown in from college to be with him.

To his three children, 13 grandchildren, and 15 great-grandchildren, Captain Clark will be remembered as the patriarch of a family business spanning more than two hundred years. To a great number of those in the community, he will be looked upon as a man who quietly helped to maintain their precious quality of life.

Captain Clark embodied the type of role and innovator that all would have enjoyed being around and looked up to.

Colleagues, Mr. Clark is a community leader who will be sorely missed.

IN RECOGNITION OF MASTER SERGEANT RANDOLPH J. SAUNDERS, UNITED STATES AIR FORCE, ON THE OCCASION OF HIS RETIREMENT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. YOUNG of Alaska. Mr. Speaker, on behalf of the people of the great state of Alaska and all Americans, I extend heartfelt thanks to Master Sergeant Randolph J. Saunders, who gave more than twenty years of dedicated service in the United States Air Force. He entered active duty on 11 July 1978 and, after less than four years as an administrative specialist, Randy became an enlisted historian. Even before his formal retraining, he demonstrated noteworthy capability as a researcher and writer. Consistently outstanding histories became his hallmark, and these provided senior leaders with the data and analysis they needed to make informed, well reasoned decisions. The recipient of numerous command and Air Force-level awards over the next sixteen years, Sergeant Saunders earned a reputation as one who could quickly rebuild faltering unit history programs. He did this from Alaska to Texas, Idaho, Korea, California, and Colorado. Ultimately, Randy was hand picked to become the first-ever senior enlisted historian at Headquarters, Air Force Space Command in Colorado Springs, Colorado. In a matter of months, Randy's unparalled leadership rendered that command's field history program the best in the entire Air Force. We deeply appreciate Sergeant Saunder's contribution to the preservation of the United States Air Force history. I personally wish him and his entire family all the best as they return to civilian life.

HONORING THE CONTRIBUTIONS OF DR. LUÍS JOSÉ MOREIRA DA SILVA BARREIROS

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. CAPUANO. Mr. Speaker, today Boston is experiencing a great loss. It is losing the services and expertise of a man who not only helped to increase civic involvement within our Portuguese community but also played an integral role in its economic and social evolution. Dr. Luís José Moreira da Silva Barreiros' tireless work as the Consul General of Portugal in Boston has enriched this area in so many important ways that his presence will be sorely missed by all who had the pleasure to work with him.

Dr. Barreiros' distinguished work with the Portuguese foreign service began two decades ago and since that time, he has consistently demonstrated his devotion to the development of a strong Portuguese community. Dr. Barreiros has worn many hats during his career, serving first as the Embassy Secretary in Maputo, Mozambique and later with the Advisory Council for Economic and Development affairs to the Portuguese delegation at the United Nations in New York. His economic expertise led him to other key posts with the Institute for Economic Cooperation and the Secretary of State for Economic Cooperation.

Since December 1994, Dr. Barreiros has served as Consul-General in Boston. It is for his work in this post that all of us here are profoundly grateful. The extraordinary relationship that Dr. Barreiros has forged with the Portuguese-American organizations in this area has been remarkable. He has worked with various committees in Boston to increase both Portuguese-American pride and civic engagement.

Dr. Barreiros leaves Boston having changed it for the better, and it is for this reason that all of us here are so sorry to see him go. It is a fitting commemoration of his work here and of the ties he has forged between our two republics that the United States State Department this month extended the ninety day visa waiver program for citizens of Portugal. The people of Portugal will be fortunate to have him back in Lisbon, and we all know that he will flourish in his new assignment. Dr. Barreiros, we wish you nothing but the best, and on behalf of all my constituents, Portuguese-Americans and other Americans whose lives you have touched, I would like to sincerely thank you for all that you have accomplished during your time here. You will be missed.

HONORING RABBI MORRIS SHERER

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. NADLER. Mr. Speaker, today, I am proud to introduce, along with my colleague from New York, Mr. GILMAN, a resolution expressing the sense of the House of Representatives in honor of the extraordinary life and work of Rabbi Morris Sherer. Rabbi Sherer's tremendous contributions to Judaism, and to this nation, really shine as an example which both deserves honor and emulation.

I had the good fortune and privilege to know Rabbi Sherer, and recall his dedication to the preservation of Judaism in years following Holocaust. He fought for religious liberty, he built educational programs, and always provided guidance to the perplexed. Torat Emet Hayta b'hihu—The Torah was always in his mouth. His leadership helped bring about a rebirth of Orthodox Jewish life, of charitable giving and of learning as the President of the Agudath Israel of America since 1961.

Mr. Speaker, I think Americans of all faiths can learn a great deal from the life of Rabbi Sherer. His commitment to the preservation of the faith and culture of our people, his devotion to education and to helping those least fortunate, his ability to reach out to others to make this a better nation, his record of accomplishment, all make his life and work an inspiration to all. I urge our colleagues to join in honoring the life of this outstanding American.

H. RES. 229

Whereas Rabbi Morris Sherer was born in New York City on June 18, 1921;

Whereas upon receiving his rabbinic ordination from Ner Israel Rabbinical College in Baltimore, Maryland, Rabbi Sherer joined the Agudath Israel of America in 1943, devoting his energies to rescue and relief activities on behalf of European Jewry during the Second World War;

Whereas through his work with the Agudath Israel of America, Rabbi Sherer played a major role in the post-World War II renaissance of Orthodox Jewish life in the United States, fusing the talents and energies of native-born Americans with the determination and courage of immigrant Holocaust survivors and refugees to help build Orthodox Jewish communities and institutions across the country;

Whereas Rabbi Sherer worked tirelessly and effectively to safeguard religious liberty in America and throughout the world, to safeguard the rights of Sabbath observers, to assist the beleaguered Jewish communities in lands of oppression across the globe, to address the needs of needy persons of all backgrounds, and to apply the moral and ethical teachings of classical Judaism to issues and problems of modern society; and

Whereas Rabbi Sherer died on May 17, 1998, leaving behind a legacy of extraordinary humanitarian accomplishment: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives—

(1) that Rabbi Morris Sherer should be recognized as one of the outstanding American religious leaders of our time, who played a historic role in the growth and development of the Orthodox Jewish community in the United States; and

(2) that Rabbi Morris Sherer's life of commitment to education, human dignity, religious liberty, and freedom is one which serves as an inspiration to all people and deserves emulation.

PERSONAL EXPLANATION

HON. DAVID L. HOBSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HOBSON. Mr. Speaker, I was not present on June 25, 1999 for rollcall vote 256. Had I had been present, I would have voted "yea."

A SPECIAL TRIBUTE TO DR. DAVID B. BAKER FOR HIS OUTSTANDING CONTRIBUTIONS TO HEIDELBERG COLLEGE

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILLMOR. Mr. Speaker, I rise today to pay very special tribute to a truly outstanding individual from Ohio's Fifth Congressional District. For more than thirty years, Dr. David B. Baker has made significant contributions to Heidelberg College in Tiffin, Ohio. As he prepares for his retirement from Heidelberg, I felt this was a most appropriate time to recognize him for his efforts.

After graduating from Heidelberg College in 1958, Dr. Baker pursued his master's and doctoral degrees at the University of Michigan. Following a year of post-doctoral study in Germany, Dr. Baker began his distinguished teaching career at Rutgers University. Shortly thereafter, Dr. Baker returned to Heidelberg where, since 1966, he has been a faculty member in the Biology Department.

In a turn that brought international acclaim to him, Heidelberg College, and his research associates, Dr. Baker led the effort that formed the Heidelberg Water Quality Laboratory. Dr. Baker's efforts at the lab have helped with various environmental public policy efforts including evaluating storm run-off, restoration of the once-severely polluted Lake Erie, setting Environmental Protection Agency standards for river compounds, and many more.

As the one and only director of Heidelberg Water Quality Laboratory, Dr. David Baker pushed the lab to its current level of international prominence. Dr. Baker set out to share the lab's work with the public through his numerous speeches, public information programs, and test and research sharing techniques.

Mr. Speaker, Dr. David Baker is a remarkable individual who has given freely of his time and talents to ensure that education and the environment are made better for the future. Through his outstanding service to Heidelberg College, to the Water Quality Laboratory, and to the academia world, Dr. Baker has made a lasting impact that will not soon be forgotten. At this point, I would urge my colleagues of the 106th Congress to stand and join me in special tribute to Dr. David Baker. We extend our congratulations on his retirement and best wishes for the future.

SAN ANTONIO SPURS TAKE THE RING

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. RODRIGUEZ. Mr. Speaker, in San Antonio this past Sunday, more than 230,000 fans lined the banks of the historic River Walk to honor the World Champion San Antonio Spurs. For a city that is the 8th largest in the

nation, San Antonio is proud of its humble warriors. San Antonio can not only boast about its strong economy, thriving culture, and beautiful weather, it can now lay claim to pro basketball's finest team.

From the rich tradition of the San Antonio Missions and the Alamo, to the Tower of the Americas, San Antonio's skyline can now add the true Twin Towers, David Robinson and Tim Duncan. The whole team acted as one cohesive unit, displaying the chemistry that all great champions have, and to that, they all proved worthy. For a team that has one of the highest college graduation rates in all professional sports, they are truly heroes and role models for us all.

This fine athletic achievement is not only for the city of San Antonio, Peter and Julianna Holt, the team owners, or the players, but it is for all the fans of the old American Basketball Association. This is the first time a team from the old ABA has won the NVA Championship. This victory was for all of us who remember the ''Iceman'' George Gervin, along with countless other great stars who toiled long hours for recognition. It is for those who remember the Hemisphere Arena and the ''Baseline Bums''. Team basketball shined this day, and for all the fans of the San Antonio Spurs, it shines just a little brighter.

TRIBUTE TO JOAN STEFANSKI

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. LEVIN. Mr. Speaker, I rise to honor Joan Stefanski who today retires from her position of Director of the Ferndale Chamber of Commerce after twenty-two years of distinguished service to the Ferndale community.

She has been instrumental in coalition-building in the City of Ferndale. A unique contribution has been her efforts in building relationships between business and the homeowners of Ferndale. A familiar scene were the block parties where business men and women would volunteer along with the residents. Joan has that special skill of bringing together people of diverse interests and abilities, and encouraging a partnership between them.

Years ago, the assumption by many was that Ferndale was a city in decline. Many citizens felt otherwise and Joan Stefanski was among the key activists. She played an important role in business development in the city, bringing about a re-blossoming of Ferndale. An example was the decision of Credit Union One to remain in Ferndale, thus helping to keep Ferndale commercially viable, and set the tone for other companies to bring their business to the city. Today, we see downtown Ferndale moving ahead rapidly. Today, we see the neighborhoods increasingly sought after as a place of residence.

As a Congressman, I have thoroughly enjoyed the many years of our working relationship. Whether it was trying to find a reasonable and real solution to the Ferndale Post Office difficulties, bringing together people to form the Southwest Oakland Coalition for the prevention of drug and alcohol abuse, or attending Chamber meetings, among many endeavors, my staff and I have always found working with Joan to be most productive and satisfying.

Joan Stefanski has also been an unassuming and highly effective pioneer in breaking down barriers to women in the business world.

Mr. Speaker, I ask my colleagues to join me today in wishing Joan Stefanski and her husband good health and happiness as they move to their retirement home on the west side of Michigan and in honoring her for over 20 years of exceptional and committed service to the community of Ferndale.

TRIBUTE TO GENERAL CHARLES C. KRULAK, UNITED STATES MARINE CORPS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. SKELTON. Mr. Speaker, I rise today to honor a great patriot, a man amongst men and a Marine's Marine. After almost forty years of devoted service to this Nation, General Charles C. Krulak, 31st Commandant of the Marine Corps, will soon receive his final orders directing him to stand-down and retire from active duty. His departure will signal an evolutionary change—the first time in 70 years that a Krulak will be absent from the roles of the United States Marine Corps.

After graduating from the Naval Academy in 1964, General Krulak had an illustrious career that spanned four decades of faithful service to this Nation. During his service to our country General Krulak commanded a platoon and two rifle companies during two tours of duty in Vietnam; he commanded a Marine infantry rifle battalion; was the Commanding General for 10th Marine Expeditionary Brigade; Assistant Division Commander for 2d Marine Division, Fleet Marine Forces Atlantic; Commanding General, 2d Force Service Support Group; Commanding General, 6th Marine Expeditionary Brigade; commanded the 2d Force Service Support Group during the Gulf War; commanded Marine Forces Pacific/Commanding General, Fleet Marine Force Pacific, and on June 29, he was promoted to General and assumed duties as the 31st Commandant on June 30, 1995.

General Krulak's decorations and medals include: the Silver Star Medal; Bronze Star Medal with Combat ''V'' and two gold stars; Purple Heart with gold star; Combat Action Ribbon; Republic of Vietnam Cross of Gallantry; the Republic of Vietnam Campaign Medal; and the Kuwait Liberation Medal.

It is during his tenure as the 31st Commandant of the Marine Corps to which this body has come to know and appreciate the many virtues of this modern day warrior. His accomplishments as Commandant will resonate long and far into the next millennium, ensuring the Marine Corps remains the world's premier crisis response force. A professional force that is committed, capable, and reliable to meet any challenge, under any circumstance, anytime and anyplace in the world.

The challenges which will confront this Nation in the 21st century will be varied and often unpredictable—a time of asymmetry, uncertainty, and chaos. Fortunately, General Krulak had the wisdom and foresight to understand the emergence of this fluid and unstable environment. He understood the necessity to field an agile and adaptable force—a Corps of Marines who could prevail against the multifaceted threats which would challenge our Nation's security and its interests.

General Krulak understood the situation at hand. He understood, not merely the importance to modernize the force, but to develop new concepts and techniques which will ensure decisive victory in the ''savage wars of peace.'' He forged his Corps of Marines through unrelenting sacrifice, initiative, and courage . . .

He labored extensively within the naval services to develop common operational concepts to support the strategic vision expressed in ''Forward . . . From the Sea.''

He diligently exercised oversight of the Marine Corps in its roles as lead or executive agency within the Department of Defense for Military Operations Other Than War, Military Operations on Urban Terrain, and Non-Lethal Weapons.

He promoted the institutionalization of the Combat Development System and the Concepts Based Requirements System in the Marine Corps. These systems ensured that Marine Corps doctrine, organization, training and education, equipment and supporting activities were all driven by, and working toward achieving, a common operational warfighting concept.

He created the Marine Corps Warfighting Laboratory as a standing forum to serve as the cradle and test bed for the development of enhanced operational concepts, tactics, techniques, procedures, and doctrine which would be progressively introduced into the fleet Marine Forces in concert with new technologies.

He directed the creation of the Marine Corps' Chemical-Biological Incident Response Force to assist in filling a void in the Nation's ability to manage the consequences of a chemical or biological incident. This force has been employed on several instances at the national level, and has prompted the development of additional consequence management capabilities throughout DoD.

He created and implemented the ''Transformation Process'' of making Marines—a holistic approach to recruiting and developing young men and women to ensure they have the skills and basic character needed to effectively meet the asymmetric 21st century threat. Transformation, which begins with a prospective recruit's first contact with a Marine recruiter and continues throughout a Marine's service, constituted a major enhancement to the way the Marine Corps recruits and trains Marines.

He labored extensively to institutionalize the Marine Corps' ''core values'' of honor, courage, and commitment while maintaining—and in many cases elevating—performance standards in every aspect of Marine Corps' recruiting and developmental processes—be they mental, physical or moral.

There are many more accomplishments that could be enumerated upon here—accomplishments that speak to programs and doctrine, to systems and platforms. But, to focus on these, as daunting as they are, would be an injustice to the most important aspect of General Krulak's storied career—the care and nurturing of the Marine Corps family.

He created the Personnel and Family Readiness Division within Headquarters Marine Corps to account for the fact that personal and family readiness are inseparable from combat

readiness. General Krulak not only pursued making better Marines, capable of winning our Nation's future battles, but also to make better Americans. He promoted a focus on character development and high ethical and moral standards. He stressed core values of honor, courage, and commitment as a way of life in the Corps. They are attributes that will serve them well, long after they have hung up their uniforms.

A key contributor to the Marine Corps family and a person General Krulak owes much success to is his wife, Sandy Krulak. She gave dignity and grace to the maturation of the Marine Corps family. She has devoted her life to her husband and to the Corps. Her sacrifice and devotion has served as an example and inspiration for others. Later this month the Corps will lose not one, but two very exceptional people.

In closing I want to recognize General Krulak for his uncompromising integrity to always do the right thing, for the Nation and his beloved Corps. His unwavering conviction that ''Semper Fidelis'' is a way of life, not just a motto, speaks powerfully to the citizens he serves. It has been my good fortune—it has been the House good fortune—to witness the resolve of a person who believes so strongly about the institution to which he serves. Now, to some that might seem old fashioned and out-of-step with societies norms today, but to General Krulak it is the life and blood that sustains the Corps. He fought hard to address readiness and modernization issues before the Senate Armed Services Committee when it was not always popular to do so. He challenged the logic and assertion by many of the benefits concerning integrated training during indoctrination into the military. Today, the Corps is meeting its recruiting requirements, forty-eight months consecutively and achieved its retention goals—a testimony to the wisdom and foresight of General Krulak.

General Krulak, the Marine Corps is a better institution today than it was four years ago. Your sacrifice and devotion to duty have made it so. You have provided a significant and lasting contribution to your Corps and to this Nation's security. Through your stewardship there is a renewed sense of esprit de corps. Those who follow your example will be a testament to the legacy you leave behind.

I want to wish you and your family fair winds and following seas as you step down as the 31st Commandant of the Marine Corps. Your distinguished and faithful service to our country is greatly appreciated. You will be sorely missed, but surely not forgotten.

LEGISLATION FOR THE PEOPLE OF BIKINI ATOLL

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing legislation today to assist in the resettlement and relocation of the people of Bikini Atoll by amending the terms of the trust fund established during the United States administration of the Trust Territory of the Pacific Islands. This will permit the people of Bikini to use a portion of their fund for resettlement activities for the remaining 90 seniors who were affected by United States nuclear testing in the Marshall Islands without any additional federal expenditure and consistent with the intent of Congress. These individuals are still waiting to resettle after over five decades since the U.S. program began in their islands which resulted in their removal from their home atoll.

At the Committee on Resources' May 11th hearing on the status of nuclear claims, relocation and resettlement efforts in the Marshall Islands, and as part of the May 10th Congressional pre-hearing briefing, the people of Bikini asked Congress to support a one-time 3 percent distribution from the Resettlement Trust Fund, which is used both for the cleanup of Bikini and for the ongoing needs of the Bikini people. Congress established this trust fund in 1982 pursuant to P.L. 97–257 and appropriated additional funds in 1988 pursuant to P.L. 100–446.

The Bikini people have explained that Dr. John Mauro and his team are preparing a report on the potential radiation doses and health risks to the people of Bikini and costs associated with various remediation options, which should be completed within three months. The exact cost has not yet been established, but it is estimated that the entire cleanup and resettlement process, from planning through execution, will take approximately ten years. As a result, it is certain that the Bikini elders, many of whom have not been back on their home islands for more than 53 years, will probably die on Kili without returning home.

The Bikinians, for their part, have ensured the fiscal integrity of the Resettlement Trust Fund. They have selected reputable U.S. banks as trustees, hired well-respected and talented investment advisors and money managers, and provided for routine monthly financial statements and annual audits. Thanks to the money managers and the Bikini Council's voluntary restraint on the use of these funds, the corpus remains intact, the trust fund has earned almost 14 percent annually, every dollar has been accounted for, annual audits are prepared, and monthly financial statements are sent to the Interior Department's Office of Insular Affairs.

In light of the strength of the trust, its fiscal integrity, the lengthy time a cleanup and restoration will take, and the special circumstances of the elders, the Bikinians wish to make a one-time 3 percent distribution from the Resettlement Trust Fund, with the understanding that the primary beneficiaries of the distribution will be the 90 surviving Bikini elders. Because of the excellent management of the trust fund, such a distribution will not require an appropriation of funds by Congress, nor will it diminish the original corpus of the trust. The Bikini people would also agree that the amount of such distribution be deducted from any further additional ex gratia appropriations made by the Congress into the Resettlement Trust Fund.

The corpus will remain intact with a 3 percent distribution. The original corpus of the trust was $110 million, based on the $20 million appropriated in 1982 and the additional $90 million in 1988. The market value of the trust today is approximately $126 million, so a 3 percent distribution, or approximately $3,780,000, will reduce the market value to $122.2 million, which remains well above the original corpus.

This authorization to the people of Bikini is appropriate as it is what the community of Bikini desires and it is consistent with congressional intent for the resettlement of the people whose lives and homes were disrupted by U.S. testing. Without any additional cost to the U.S. taxpayer, Congress can help the remaining senior Bikini elders' resettlement and relocation.

Following is a copy of the Kili/Bikini/Ejit Local Government Council's May 12, 1999 Resolution on this matter, reflecting the full support of the Bikini community.

KILI/BIKINI/EJIT LOCAL GOVERNMENT COUNCIL:
KILI/BIKINI/EJIT LOCAL GOVERNMENT RESOLUTION NO. 2–1999

A RESOLUTION

This Resolution requests a one-time three percent (3%) distribution from the existing corpus of the Resettlement Trust Fund for the People of Bikini to benefit primarily the Bikini elders and to request appropriate U.S. Senate and House committees to hold hearings to determine the appropriateness of such request, the status of cleanup efforts at Bikini, current estimates of cleanup and restoration costs, questions concerning the guarantee of Bikini Atoll's safety and other appropriate issues.

Whereas, the Resettlement Trust Fund for the People of Bikini (''Resettlement Trust Fund'') was established by the U.S. Congress in 1982 pursuant to the terms of Public Law No. 97–257, for ''the relocation and resettlement of the Bikini people in the Marshall Islands, principally on Kili and Ejit Islands;'' and

Whereas, Public Law No. 97–257 also instructed that $3,000,000 of the Resettlement Trust Fund was to be made available ex gratia to the people of Bikini over a three-year period; and

Whereas, the U.S. Congress appropriated additional funds for the Resettlement Trust Fund in 1988 and modified its terms to provide that funds could also be ''expended for rehabilitation and resettlement of Bikini Atoll;'' and

Whereas, the people of Bikini have ensured the fiscal integrity of the Resettlement Trust Fund by (1) selecting reputable banks as trustees (American Security Bank and now FMB Trust), (2) hiring well-respected investment advisors (such as Alex, Brown and PaineWebber) and money managers (such as MFS, Gabelli, Fiduciary Trust, etc.), and (3) directing that every dollar of Resettlement Trust Fund expenditures be audited and that monthly financial statements and annual audits be routinely provided to the Department of the Interior's Office of Insular Affairs, which oversees the Resettlement Trust Fund; and

Whereas, the Resettlement Trust Fund has averaged a 14% annual return since inception; and

Whereas, the Resettlement Trust Fund has paid out millions of dollars since inception for scholarships, health care, food programs, housing and electrical power construction, maintenance and repairs on Kili and Ejit, and infrastructure, cleanup and resettlement activities on Bikini Atoll; and

Whereas, through prudent management and voluntary restrictions on the use of Resettlement Trust Fund monies, the market value of the Resettlement Trust Fund today is approximately $126,000,000; and

Whereas, recently disclosed information previously withheld by the U.S. government reveals that the physical and radiological damage to Bikini Atoll caused by the U.S. nuclear testing program was more extensive than was or could have been known by the people of Bikini until the disclosure of such information; and

Whereas, the people of Bikini have recently learned from well-respected scientists who have conducted extensive radiological cleanup cost estimates for the U.S. Environmental Protection Agency that the restoration costs for cleanup and resettlement of Bikini Atoll will exceed several hundred million dollars; and

Whereas, this means that many Bikini elders, who have not been back on their home islands for 53 years, will probably die without returning home; and

Whereas, of the 167 of our elders who were moved off our islands in 1946, fewer than 90 are still alive; and

Whereas, most of these elders live on Kili, an island one-ninth the size of Bikini Atoll which must support six times the number of people who lived on Bikini; and

Whereas, we wish to compensate these elders with a one-time 3% distribution from the corpus of the Resettlement Trust Fund; and

Whereas, unlike people living on other atolls in the Marshall Islands, our people on Kili cannot fish because Kili has no lagoon and no reef, thus requiring our community to supplement our U.S.D.A. food by purchasing other canned goods at great expense; and

Whereas, a one-time 3% distribution from the Resettlement Trust Fund will not require an appropriation of any funds by the U.S. Congress; and

Whereas, given the good management of the Resettlement Trust Fund a 3% distribution would not diminish the original corpus of the trust fund; and

Whereas, Congress has previously authorized ex gratia per capita payments from the Resettlement Trust Fund; and

Whereas, the House Resources Committee (formerly the House Committee on Interior and Insular Affairs) has held many oversight hearings on Bikini-related issues during the past 25 years, covering such issues as health care, education, agricultural and food programs, establishment and oversight of ex gratia trust funds for the Bikini people, Bikini Atoll cleanup, Compact of Free Association Section 177 Agreement cover-up of the 1954 Bravo shot, and vaporization of islands at Bikini;

Now, therefore, be it resolved, that: (1) The Council requests a one-time only 3% distribution from the existing corpus of the Resettlement Trust Fund, with the understanding that the primary beneficiaries of this distribution will be the Bikini elders.

(2) The Council agrees that the amount of such distribution shall be deducted from any future additional ex gratia payments made by the U.S. Congress into the Resettlement Trust Fund.

(3) Legal counsel Jonathan M. Weisgall is instructed to forward a copy of this Resolution to Allen P. Stayman, Director, Office of Insular Affairs, U.S. Department of the Interior; Senator Frank Murkowski, Chairman, Senate Energy and Natural Resources Committee; and Representative Don Young, Chairman, House Resources Committee, and to urge these Senate and House Committees to hold hearings, as necessary, to determine the appropriateness of the above request and to obtain information concerning the status of cleanup efforts at Bikini Atoll, current estimates of cleanup and restoration costs, questions concerning the guarantee of Bikini Atoll's safety, and other appropriate issues.

Final and passed by the KILI/BIKINI/EJIT LOCAL GOVERNMENT COUNCIL on the 12th day of March, 1999, at a meeting on Kili Island.

APPROVED:

TOMAKI JUDA,
Mayor

Witness: Nathn Note, Clerk

IN SPECIAL RECOGNITION OF SUSIE MUSHATT JONES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. TOWNS. Mr. Speaker, I rise today to recognize the rich and full life of Susie Mushatt Jones as she celebrates her 100th birthday on July 6, 1999. Mrs. Jones is from the first generation of African-Americans after the abolition of slavery. In the life of Mrs. Jones, she had the opportunity to witness many pivotal events in history. She is a source of history that we need in our community. The experiences of Mrs. Jones can help us better understand the world we live in. She has experienced the great depression, two world wars, the Harlem Renaissance, the Civil Rights Movement of the 1960's, and many more historical events. She has helped to build the foundation of our community. Mrs. Jones has positively influenced the lives of family and friends from her advice and assistance.

The life of Mrs. Jones must be acknowledged because she has advice on how to live a full and long life. Seniors, such as Mrs. Jones, act as pillars in our community. People in our community need to follow in her ''foot steps'' because Mrs. Jones has accomplished something that many people dream of achieving. The resounding strength of Mrs. Jones will continue to permeate in the lives of the people that surround her.

We pray that God will continue to bless Mrs. Jones.

COMMUNITY REINVESTMENT ACT

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. BROWN of Ohio. Mr. Speaker, the Community Reinvestment Act (CRA) was created by Congress in 1977 to encourage federally insured financial institutions to help meet the credit needs of the communities they serve. Fair and equal access to capital and credit should be a fundamental right, yet for too long it has been a privilege based on race or economic class. By any measure, the CRA has been a success in creating jobs, businesses, affordable housing and homeownership in minority and poor neighborhoods.

In my home county of Lorain, OH, the FirstMerit Bank challenge under CRA garnered over a $20 million commitment from FirstMerit for mortgage lending in low and moderate income tracts. More importantly, the FirstMerit challenge started the Community Development initiative in earnest and led to a $33 million commitment from local public officials, banks and foundations on a community based development system for the county.

Blatant discrimination in lending is declining and homeownership and small business opportunities are on the rise. We can attribute much of this progress to the Community Reinvestment Act. CRA has proven that working together with local leaders, advocacy organizations, and financial institutions, we can make local investment not only good for business, but good for improving the quality of life for low and moderate income residents in our communities. Let's continue to make the American dream a reality for more Americans.

''A SALUTE TO THE MILITARY'' IN HONOR OF THE UNITED STATES MARINE CORPS, EL TORO, CALIFORNIA

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. SANCHEZ. Mr. Speaker, on November 10, 1775, the Continental Congress met in Philadelphia, passing a resolution that ''two battalions of Marines be raised'' for service as landing forces with the fleet. This resolution, sponsored by John Adams, established the Continental Marines and marked the birth of the United States Marine Corps.

From that time forward, and throughout the history of the United States of America, the Marines have proven themselves to be among the bravest and most heroic divisions of the military. The Marines have fought valiantly in the American Revolution, the Battle of 1812, the Mexican War (1846–1848), the Civil War (1861–1865), the Spanish American War (1898), World War I, World War II, and the Gulf War. They have fought from ''the Halls of Montezuma to the Shores of Tripoli'' to keep our nation free.

El Toro was commissioned as a Marine Corps Air Station in March of 1943. The base was used as a staging area and training facility for the battle with the Japanese in the Pacific. Built on a bean field, the first Marines were housed in bean barracks until the new barracks were constructed. From that point forward, Marine troops poured into the base and soon the first squadrons were formed, flying operational missions into combat in the South Pacific.

Just as the war in the Pacific ended, Congress threatened to close the base. However, with new conflicts beginning in Korea, the base was kept open. At this time it became apparent that a Western base was definitely needed on the Pacific Coast. After the Korean War, the 3rd Marine Aircraft Wing was moved from Florida to El Toro. The base was expanded to accommodate the increasing military expansion. With Vietnam, El Toro again became a training, staging, and debarkation point for the Marines.

In 1975, Vietnamese refugees were flown into the base, before being sent to refugee camps in Camp Pendleton. And, in 1983, El Toro received the F/A–18 Hornet, the most advanced fighter-attack aircraft in Naval history. By now the base has grown from the original 2,300 acres and 30 Marines to 4,700 acres and 15,000 personnel.

In the 1990's, the Marines were called into action during Operation Desert Storm and Operation Desert Shield. After America's victory in the Persian Gulf, the Department of Defense embarked on an initiative to restructure and realign America's military and as a result, El Toro was recommended for closure.

El Toro Marine Base, which has played a most significant and important part of history, will now become part of history. As we bid farewell to the men and women who have so

nobly served our country, we will never forget the indelible impression that these dedicated Marines have made on the lives of so many individuals. True to their motto, the Marines will be ''Always Faithful,'' Semper Fi.

SECRETARY ALBRIGHT PROVIDES THE BLUEPRINT FOR U.S. FOREIGN POLICY IN THE POST-KOSOVA WORLD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. LANTOS. Mr. Speaker, yesterday in an address to the Council on Foreign Relations in New York, our exceptional Secretary of State, Madeleine K. Albright, discussed the current international interests of the United States as we move beyond Kosovo. She presented a thoughtful and insightful analysis of our nation's role in the post-Cold War world.

Mr. Speaker, the 11 week NATO campaign to protect the rights of ethnic Albanians in the province of Kosovo was an important turning point in the history of Southeastern Europe. For the past decade we have dealt with inflamed Serbian nationalism incited and fomented by Serbian President Slobodan Milosevic for his own narrow political goals. The war over Kosovo has established the vital principle that ethnic cleansing and racial discrimination against a minority cannot and will not be tolerated by the international community.

Three months ago, Mr. Speaker, press pundits and politicians—many of them here on the floor of this House—were quick to criticize and to express doubts about the policy of the Administration, which was ably articulated and implemented by Secretary Albright. Now we have succeeded in removing the threat to ethnic Albanians in Kosovo and have begun the process of implementing the principles of the Ramboulliet agreement that was signed by Albanian representatives shortly before the Serbian reign of terror was unleashed upon the Albanian population of Kosovo.

Mr. Speaker, I want to pay tribute to Secretary Albright for her outstanding leadership and her tireless diplomatic efforts which were so critical to the success of our military action in Kosovo. Secretary Albright has provided the vision that has guided our action in Kosovo.

Yesterday, Mr. Speaker, Secretary Albright again provided that vision as she discussed with the members of the Council on Foreign Relations her view of the role of the United States in the post-Kosovo world. The military action of the NATO allies in Kosovo is a critical victory that will help define the nature of international relations.

Secretary Albright was thoughtful in articulating the role that the United States should play in the post-Kosovo world. ''Some hope, and others fear, that Kosovo will be a precedent for similar interventions around the globe,'' she told the Council. ''I would caution against any such sweeping conclusions.'' At the same time, she expressed the hope that the NATO action against Serbia would serve to deter rogue governments in the future from engaging in such ethic, religious, and racial repression: ''By meeting massive ethnic cleansing in the Balkans with a red light, we make it less likely that NATO will be called upon to use force in the future.''

Mr. Speaker, I ask that Secretary Albright's thoughtful address to the Council on Foreign Relations be placed in the RECORD, and I urge my colleagues to give it careful attention.

[Address to the Council on Foreign Relations, June 28, 1999]

AFTER KOSOVO: BUILDING A LASTING PEACE

(By Secretary of State Madeleine K. Albright)

Thank you Les, and good evening to you all. Members of the Council on Foreign Relations and distinguished colleagues, friends and guests. NATO's confrontation with Belgrade over Kosovo has ended in accordance with the conditions the Alliance set. Now, we face the even harder task of building a lasting peace there and throughout Southeast Europe. This evening, I would like to discuss with you this historic challenge.

Churchill once described Russia as a riddle wrapped in a mystery inside an enigma. In Kosovo today, we see a success folded within a tragedy stamped with a question mark.

Consider the reactions of the refugees and displaced as their time of exile ends. For some, coming home means a joyous reunion of family and friends. For others, it means a heart-stopping confirmation of terrible fears as bodies are identified and mass graves found. For all, it means uncertainty about what will come next.

As a result, Kosovo today is a cauldron of grief mixed with exhilaration, of unresolved anger and unfilled dreams. Out of this the international community, and the area's people, must build a future secure and free.

A starting point is provided by UN Security Council Resolution 1244, and the military and political arrangements to which it refers.

In accordance with these, Serb forces have left, KFOR is deploying, and the Kosovo Liberation Army will demilitarize over the next 90 days.

In addition, the United Nations Interim Mission is being set up. It will operate in partnership with the EU, the OSCE, donor countries and KFOR. And its duties will encompass civil administration, humanitarian relief, economic recovery, and the creation of democratic institutions, including—most crucially—a new local police.

Assembling the nuts and bolts of a durable peace in Kosovo is a daunting challenge. Our expectations should be realistic. The mission will take time; complaints will surely be heard; and despite KFOR's presence, the danger of violence will persist. As is usual, the good news will often be treated as no news, while setbacks receive the spotlight. Success will require an extraordinary team effort.

Notwithstanding all this, I am hopeful—for three reasons.

First, for most of the past decade, Kosovo Albanians coped with Serb repression by maintaining parallel political, educational and social structures. They have experience managing institutions.

Second, in past weeks, I have seen an extraordinary determination on the part of European officials to get this job done and done right. This is true from London to Helsinki and from Ankara to Lisbon. Failure is not an option.

Third, the international community has learned some hard lessons in recent years about the do's and don'ts of building peace in post-conflict situations.

It is essential that, in Kosovo, these lessons be heeded. The military and civilian components must work together well both internally and with each other. Both must take effective use of their mandates and focus on results. Donors must back them not just with promises, but with resources of sufficient quantity and timeliness to make a difference.

Above all, we must have faith that the mission's underlying principles of democracy and tolerance, economic reform and the rule of law, are the right ones for all the people of Kosovo.

There are some who see an insurmountable obstacle in the desire of many Kosovars for immediate independence, a position that neither NATO nor governments in the region support.

Having met with the Kosovar leadership, I know the yearning for independence is powerful.

But I also know that Belgrade's withdrawal has altered the reality within which the people of Kosovo will formulate their aspirations. Until now, independence has seemed the only alternative to repression.

But in the future, Kosovars will have something they have never had, which is genuine self-government. They will be out from under Milosevic's boot, with the freedom to choose their own leaders and shape the laws by which they are governed. Milosevic, meanwhile, won't be able to arrest so much as a jaywalker in Kosovo. And his henchmen won't have the capacity to intimidate Kosovars or deny them their rights.

That is why the Kosovar Albanian leadership signed on to the Rambouillet Accords, despite the absence of an independence guarantee. And while I will go out on a limb and predict that KFOR will receive strong cooperation from most Kosovars in the months ahead.

Another key issue is whether the new Kosovo will include its ethnic Serb, Roma and other minorities, and whether they will be able to live safely now that Belgrade's forces have withdrawn.

Given the extent of destruction inflicted by Serbs, the risk is obvious that some ethnic Albanians will take the law into their own hands. Many unacceptable incidents have already occurred.

But KFOR takes seriously its mandate to protect all Kosovars, including Serbs. And its effectiveness will increase as deployment continues, and demilitarization gains steam.

Kosovo will be a better place if Serbs who did not commit crimes stay and help rebuild. But that is their decision to make. We will measure our success by whether the rights of all those who choose to live in Kosovo are respected.

The same principle, incidentally, should apply elsewhere in the region. The international community must continue to press for the safe return of other refugees, including ethnic Serbs to the Krajina region of Croatia. This is crucial, for there could be few greater gifts to the 21st Century than to bust the ghosts of Balkans past and consign Milosevic's tactics of hate to the trash bin of history.

Even as we work to help Kosovo regain its feet, we are acting to secure the future of the region. With out partners in the European Union playing a big role, we have launched a Pact to stabilize, transform and eventually integrate all of Southeast Europe into the continent's democratic mainstream.

We undertake this effort because it is right, but also because it is smart; for we know that America cannot be secure unless Europe is secure, which it will not be if its southeast corner remains wracked by division and strife.

Our strategy, with our partners, is to apply the model of help and self-help reflected in the Marshall Plan half a century ago, and in efforts to aid democratization in Central Europe this decade. In this spirit, President Clinton will meet with his counterparts in the region this summer.

Together, they will discuss ways to mobilize the resources of a wide range of governments and organizations, while coordinating with the European Community and World Bank. Our intention is to work urgently and effectively with leaders in Southeast Europe as they strive to attract capital, raise living standards, reconcile ethnic and religious tensions, and promote the rule of law.

In this way, we hope over time to enable countries throughout the region to participate fully in the major economic and political institutions of the Trans-Atlantic community. This would greatly serve America's interest in expanding the area within Europe where wars simply do not happen. And it would mark another giant step towards the creation of a continent whole and free.

We do not start from square one, but rather with a strong base of democratic leadership. Hungary has already joined NATO. Hungary and Slovenia are well along in accession negotiations with the EU. And officials in Bulgaria, Romania, Macedonia, Albania and Croatia demonstrated throughout the recent crisis that they want their societies to grow, prosper and live in peace.

The same is true of Montenegro, where President Djukanovic and his people endured grave danger without wavering in their support for democratic principles. They have earned the right to participate in our initiative.

We look forward as well to welcoming a new Serbia, because our efforts at regional integration cannot fully succeed until that occurs. But Serbia will not receive help, except for humanitarian relief, until it is democratic and Milosevic is out of work or—better yet—in jail.

This is only common sense. Milosevic led Serbia into four wars this decade. He has been indicted for crimes against humanity. He has lied repeatedly to his own people and to the world. His regime is hopelessly corrupt. He portrays himself as a hero, but he is a traitor to every honorable Serb and has no place in the region's future.

We learned in Kosovo, as in Bosnia and Rwanda, that in this era of varied and mobile dangers, gross violations of human rights are everyone's business. Earlier this century, our predecessors confronted not only Hitler, but Fascism; not only Stalin, but Communism.

In recent weeks, we confronted not only Milosevic, but ethnic cleansing. NATO's leaders simply refused to stand by and watch while an entire ethnic community was expelled from its home in the Alliance's front yard.

By acting with unity and resolve, NATO reaffirmed its standing as an effective defender of stability and freedom in the region. It validated the strategy for modernizing the Alliance approved at the Washington Summit in April. And it underlined the importance of the leading nations on both sides of the Atlantic acting together in defense of shared interests and values.

If we are as resolute in building peace as we were persistent in conflict, the crisis in Kosovo may come to be viewed as a turning point in European history.

In the past, Balkan strife has torn Europe apart, as big powers took sides and made local fights their own. The Dayton accords established a new model of nations coming together to promote peace. Milosevic gambled that Kosovo would prompt a reversion to the earlier model, splitting the Alliance and opening an unbridgeable gap between Russian and the West. Thanks to a careful assessment of mutual interests in Moscow and Allied capitals, he bet wrong.

Russia and NATO did not see eye to eye on the use of force against Belgrade. But both wanted to prevent the conflict from spreading, and following President Clinton's lead, we worked together to bring the conflict to an end. And now, with Russia in KFOR, we are working together to sustain the peace.

More generally, the time-tested marriage of diplomacy and force played a central role from the beginning of this crisis. At Rambouillet, we sought an interim political settlement that would have protected the rights of all Kosovars. To the vast detriment of Serb interests, Milosevic rejected that agreement. But the talks helped bring the Kosovar Albanian leadership together in an unprecedented way.

After NATO launched its campaign, we shifted from diplomacy backed by the threat of force to diplomacy in support of force. We worked hard to assist the frontline states in coping with the flood of refugees. We received help from countries on every continent, including those in the Muslim world. We consulted constantly with our Allies, who stayed together every step of the way. And we made full use of public diplomacy to explain NATO's objectives.

Ultimately, we were able to use diplomacy to help bring the need for force to an end. Thanks to the tireless efforts of Deputy Secretary of State Strobe Talbott, we reached an understanding with Russia's envoy Victor Chernomyrdin on the terms of peace. We solicited the help of Finnish President Ahtisaari in presenting those terms to Belgrade. By then, an isolated Milosevic had no other choice but to accept. And we proceeded to gain Security Council approval for an international force with NATO at its core.

Now we are in a new stage of practicing diplomacy to build peace. During the past two weeks, we have consummated agreements on an appropriate role for Russia in KFOR, KLA demilitarization, and the Southeast Europe Stability Pact.

Our strategy throughout has been grounded firmly in U.S. interests. By meeting massive ethnic cleansing in the Balkans with a red light, we make it less likely that NATO will be called upon to use force in the future. And by supporting democracy and promoting human rights, we contribute to a future of stability and peace throughout Europe. This is fully consistent both with American interests, and with NATO's purpose, which is to prevent war, while defending freedom.

Some hope, and others fear, that Kosovar will be a precedent for similar interventions around the globe. I would caution against any such sweeping conclusions. Every circumstance is unique. Decisions on the use of force will be made by any President on a case-by-case basis after weighing a host of factors. Moreover, the response to Milosevic would not have been possible without NATO, and NATO is a European and Atlantic, not a global, institution.

We have been laboring throughout this decade to improve the world's ability to prevent and respond to humanitarian disasters, but this remains a work in progress.

We conceived the Africa Crisis Response Initiative to improve indigenous capacities on that continent.

We are the largest contributor to the UN High Commissioner for Refugees.

We are backing strongly the War Crimes Tribunal for Rwanda and the Balkans.

And we have supported peace initiatives from Northern Ireland to the Middle East and Central Africa.

The United States remains the world's leading force for justice and stability. But a leader cannot stand still. We need help from Congress to support the President's requests for resources to back our leadership, and to ensure that our commitments in Southeast Europe do not cause the neglect of other priorities.

Not long ago, I visited a refugee camp in Macedonia. And I was never prouder to be an American than when I heard the chant ''USA, USA, USA'' and saw a little boy's handlettered sign that read, at the top, ''I Love America'' and at the bottom, ''I want to go home.''

As someone whose own family was twice forced to flee its home when I was still a little girl, I remember how it feels to be displaced. And now I know how it feels, as Secretary of State, to be able to tell that little boy and his family that—with America's help—they would go home, safely and soon.

There are some who say that Americans need not care what happens to that child or to those like him.

Others suggest that until we can help all the victims of ethnic violence, we should be consistent and not help any.

Still other believe that by trying to bring stability to the Balkans, we are taking on a job that is simply too hard.

Finally, there are some—overseas and even here at home—who see NATO's actions as part of a master plan to impose our values on the world.

Such criticisms are not original. They echo voices heard half a century ago when America led in rebuilding war-torn societies across two oceans, helped to reconcile historic enemies, elevated the world's conception of human rights, and attempted—and achieved—the impossible by supplying more than two million people in Berlin entirely by air for more than nine months.

From that time to this, the United States has defended its own interests, while promoting values of tolerance and free expression that are not ''Made in America'' or confined to the West, but rather universal and fundamental to world progress and peace.

It is in this spirit of melding present interests with timeless values—a spirit fully in keeping with the highest traditions of U.S. foreign policy—that we have acted in Kosovo, and that we strive now for lasting peace throughout Southeast Europe.

It is to the success of this mission, and the continuation of this tradition, that I pledge my own best efforts tonight, and respectfully solicit your wise counsel and support. Thank you very much.

RELATIONS BETWEEN EGYPT AND THE UNITED STATES

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. CONDIT. Mr. Speaker, I rise today with my good friends, the gentleman from California, Mr. BERMAN, and the gentleman from Ohio, Mr. KASICH, along with many other of my colleagues including the distinguished Chairman of the Committee on International Relations, Mr. GILMAN of New York, the distinguished Chairman of the Committee on Appropriations, Mr. YOUNG of Florida; the gentleman from California, Mr. LANTOS; the gentleman from Ohio, Mr. OXLEY, the gentleman from Michigan, Mr. BONIOR; the gentleman from California, Mr. POMBO; the gentleman from New York, Mr. ACKERMAN; the gentleman from California, Mr. CAMPBELL; the gentlelady from Missouri, Ms. DANNER; the gentleman from Texas, Mr. FROST; the gentleman from Nebraska, Mr. BARRETT; the gentleman from Florida, Mr. HASTINGS; the gentleman from Wisconsin, Mr. PETRI; the gentleman from Michigan, Mr. DINGELL; the gentleman from New York, Mr. WALSH; the gentleman from Michigan, Mr. KNOLLENBERG; the gentleman from

New York, Mr. MCNULTY; the gentleman from Arizona, Mr. PASTOR; the gentlelady from Florida, Ms. ROS-LEHTINEN; the gentleman from Connecticut, Mr. GEJDENSON; the gentleman from Virginia, Mr. BLILEY; the gentleman from Minnesota, Mr. PETERSON; the gentleman from West Virginia, Mr. RAHALL; the gentleman from Arizona, Mr. SALMON; the gentleman from Florida, Mr. DEUTSCH; the gentleman from Texas, Mr. LAMPSON; the gentleman from New Hampshire, Mr. SUNUNU; the gentlelady from Michigan, Ms. KILPATRICK; the gentleman from New York, Mr. KING; the gentleman from Florida, Mr. WEXLER; the gentleman from Texas, Mr. BRADY; the gentleman from Illinois, Mr. CRANE; the gentleman from New Jersey, Mr. PAYNE; the gentleman from American Samoa, Mr. FALEOMAVAEGA; the gentleman from Pennsylvania, Mr. PITTS; the gentleman from Maryland, Mr. WYNN; the gentleman from Georgia, Mr. BISHOP; the gentleman from Illinois, Mr. PORTER; the gentleman from Tennessee, Mr. CLEMENT; the gentlelady from Georgia, Ms. MCKINNEY; the gentleman from Indiana, Mr. MCINTOSH; the gentleman from Louisiana, Mr. JOHN; the gentleman from California, Mr. SHERMAN; the gentleman from California, Mr. BILBRAY; the gentleman from North Dakota, Mr. POMEROY; the gentleman from Massachusetts, Mr. DELAHUNT; the gentleman from Arkansas, Mr. SNYDER; the gentleman from Ohio, Mr. LATOURETTE; the gentleman from California, Mr. GARY MILLER; the gentleman from Texas, Mr. HALL; the gentlelady from California, Mrs. TAUSCHER; the gentlelady from California, Ms. ESHOO; the gentleman from California, Mr. WAXMAN; the gentleman from Connecticut, Mr. MALONEY; the gentleman from Massachusetts, Mr. FRANK; the gentleman from California, Mr. DIXON; the gentleman from California, Mr. ROYCE; the gentleman from Texas, Mr. SESSIONS; the gentleman from New York, Mr. CROWLEY; the gentleman from Ohio, Mr. KUCINICH; the gentleman from Illinois, Mr. LAHOOD; the gentlelady from California, Ms. MILLENDER-MCDONALD; the gentleman from Tennessee, Mr. FORD; the gentleman from Illinois, Mr. EWING, and the gentleman from Virginia, Mr. GOODE; to read into the CONGRESSIONAL RECORD the following Statement of Friendship between the United States and Egypt:

STATEMENT OF FRIENDSHIP

The United States and Egypt share a unique friendship based on common interests and goals in global security, particularly in Africa and the Middle East.

The continued stability and economic growth of Africa and the Middle East and its environs depends in significant part on the capacity of Egypt to maintain a stable government which advocates modernity while being respectful of its own rich culture and heritage.

Establishing and sustaining a lasting peace in the region requires the involvement of Egypt—the first Arab nation to sign a peace accord with Israel—as a partner of the United States in constructive dialogue, multilateral cooperation and other necessary steps towards building a region of peace.

Under the leadership of President Hosni Mubarak, Egypt proved itself a worthy ally during the Gulf War when Egypt was among the first to volunteer military forces—including one of the largest contingents of ground troops—following the invasion of Kuwait. During the final liberation battle, Egyptian armored forces were alongside US forces sharing in the burdens and dangers.

We, the undersigned Members of Congress, hereby witness our good will and intention in declaring ourselves ''Friends of Egypt in the United States Congress'' in support of the following objectives:

ACADEMIC COOPERATION

The continued expansion of cultural and academic exchanges through visits by scholars, students, and political leaders. Unparalleled opportunities for Americans to study in Egypt have been matched by the academic success attained by students at the American University of Cairo under the American model of instruction with its emphasis on debate and free inquiry. Particularly noteworthy is the Mubarak Professional Training Initiative which provided interships for Egyptian managers in the American private sector.

MILITARY COOPERATION

The continued cooperative efforts between US and Egyptian military forces—begin after the close of the American Civil War when Egypt invited US military officers to help train the Egyptian army and sustained today by joint exercises and the transfer of necessary equipment and technology. This close bilateral cooperation contributes directly to enhanced stability and security and security in the region.

INVESTMENT AND TRADE

The positive impact of Egypt's economic liberalization and the privatization of state-owned enterprises as the Egyptian government moves deliberately from central planning to a market-oriented system which is providing a model for all emerging economies. Egypt offers unique opportunities in tourism, industry, and natural resources, and significant markets for American industrial and agricultural products, the mutual benefits of which should be supported by enhanced trade and investment agreements.

GENERAL GOODWILL

The continued promotion of goodwill and understanding between our two nations through increased contacts between our respective legislative bodies, non-governmental organizations and private enterprises with the view to lengthen the strides that our two nations have made in unison—aimed at the promotion of regional peace and stability on the foundation of human rights, tolerance and dignity for all.

HONORING CLAYTON EZELL

HON. VAN HILLEARY

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. HILLEARY. Mr. Speaker, I rise today to honor a great Tennessean, Clayton Ezell of Lawrenceburg.

For the last four years, Clayton Ezell proudly and ably served with distinction as the Mayor of Lawrenceburg. It happened to be a time when Mother Nature did not look very kindly upon Lawrenceburg, but Mayor Ezell heroically led the city and its residents through floods, tornadoes and every other challenge they encountered.

Prior to serving as Mayor, Clayton Ezell served for 19 years as Lawrenceburg's Superintendent of the Gas, Water and Sewer Department. But, Mr. Speaker, Clayton is much more than a public servant.

Clayton Ezell is a proud native of Lawrence County and the oldest of ten children. He's a Navy veteran of World War II and a husband of 55 years. He is a father of two and grandfather of four. Clayton Ezell is an American who gave of himself to get involved in his community and help lead its citizens into a better future.

Mr. Speaker, at a time when fewer people take active roles in their community, we should point to Clayton Ezell as somebody who got personally involved to make his community a better place to live and raise a family.

IN HONOR OF DR. ROBERT FRYMIER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to pay tribute to and recognize Dr. Robert C. Frymier, M.D. for his 35 years of dedicated service to the Department of Veterans. Dr. Frymier is a very distinguished and awe-inspiring psychiatrist. Dr. Frymier received his A.B. from Miami University of Ohio and M.D. from Ohio State University College of Medicine. Since then, his credentials and honors have been noteworthy and extensive.

Since entering the Veterans Affairs system, Dr. Frymier has improved the quality of care to veterans through his own practice, education and active involvement in the local and national levels. He was the innovator of several techniques in teaching therapeutic skills, such as closed-circuit television for teaching and video-based stimulation of doctor/patient encounters. In 1975, Dr. Frymier was appointed as the first Associate Chief of Staff/Education at the Cleveland Veterans Affairs Medical Center. While there, he greatly improved educational efforts by creating educational conference space with state-of-the-art capacity. He also established an Education Committee, representative of all VA staff.

Dr. Frymier has contributed to the local Cleveland community. In 1979, he established the Regional Medical Education Center and was then named its Director. He served as the Psychiatric Consultant for Blue Cross/Blue Shield of Ohio for the past 25 years, Psychiatric Consultant to the Cuyahoga and Huron Counties Courts of Common Pleas, and served on the boards of Florence Crittenton Services Groups homes for Troubled Teens and the Shaker Youth Center for Chemical Substance Abuse.

His professional Honoraries include, but are not limited to, Cleveland Psychiatric Society, American Psychiatric Association, Ohio Psychiatric Association, and Association of Academic Psychiatry.

My fellow colleagues, join me in honoring Dr. Robert C. Frymier, M.D. for his 35 years of excellent service to Veteran Affairs as well as to the medical community.

THE MEDICARE DIABETIC FOOT UCLER CARE IMPROVEMENT AND SAVINGS ACT OF 1999

HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. NETHERCUTT. Mr. Speaker, I am pleased today to introduce the ''Medicare Diabetic Foot Ulcer Care Improvement and Savings Act of 1999'' with my colleague from New York, Mr. LAFALCE. This bill represents an important step forward toward providing people with diabetes with the advanced treatment they need to combat some of the complications experienced due to diabetes. We expect that it will also result in savings to the Medicare budget.

The legislation would extend Medicare coverage to include advanced new therapies to treat diabetic foot ulcers (DFUs). Diabetes affects nearly six million Medicare beneficiaries and treatment for people with diabetes makes up about one-quarter of the Medicare budget—with $1.5 billion per year of that cost emanating from DFUs. The inclusion of such advanced therapies under Medicare would not only significantly improve the quality of care for beneficiaries with debilitating lower extremity wounds but also result in programmatic savings to Medicare.

The Lewin Group study found that treatment with recombinant human growth factor gel results in faster and more complete wound healing. They estimate that Medicare would save at least $22 million in the first year alone in reduced DFU-related costs. This potential savings is in addition to the direct benefit to patients of better wound healing and less exposure to the risks of some of the more serious and expensive complications, such as hospitalizations, disability and amputations.

A cure for diabetes is within our reach. In the meantime, the Federal government must avail itself of advances in treatment knowledge. In the private sector, new technologies have reduced both diabetes specific complications and overall health care costs. I encourage my colleagues to support this legislation which would apply this knowledge to our Medicare program and benefit our Nation's seniors.

TRIBUTE TO CRAIG OLIVE

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. JONES. Mr. Speaker, I rise today to pay special tribute to Mr. Craig Olive, a fellow North Carolinian who has dedicated his life to public service.

Born on February 18, 1965, Craig Olive is the son of Mrs. Pearl T. Olive and the late James Clee Olive.

He currently resides in Clayton, NC where he is a member of the Little Creek Primitive Baptist Church, serving as a Trustee, Clerk, and Deacon.

He also serves as a member of the Finance Committee for the Little River Primitive Baptist Association.

At an early age of 11, Craig became involved in politics by helping to put up signs for local and statewide candidates.

After graduating from Smithfield-Selma High School, he studied Business Administration at Johnston Community College in Smithfield, NC.

His interest and concern for his fellow man inspired him to get involved as a volunteer in many community activities to make a difference as a community leader.

He has truly made an outstanding mark in the community and has gained statewide recognition, earning numerous awards.

Pursuant to North Carolina General Statute 143C–4, Craig was recently appointed to the North Carolina Government Completion Commission by Harold J. Brubaker, Speaker of the North Carolina House of Representatives.

The purpose of the Commission is to be the catalyst for the use of competition to improve the delivery of State government services, to make State government more effective and more efficient, and to reduce the costs of government to taxpayers.

Craig is currently a member of the Johnston Community College Foundation Board.

His commitment to the education of young adults is outstanding.

Craig is dedicated to the Johnston Community College Foundation, helping to raise money in order to provide scholarships for young adults.

Also, he saw a need to help finance young adults by establishing the James C. Olive Scholarship, named in his father's memory.

Mr. Olive is a member of the Board of Advisors for the Paul A. Johnston Auditorium at Johnston Community College and is also a member of the Johnston County Heritage Center Committee.

He is Vice President of Selma Parks and Recreational Board, a member of the Clayton Chamber of Commerce, a volunteer with the Special Olympics program, a volunteer with Johnston County Senior Citizens program, and also serves as a volunteer with the American Cancer Society.

In 1992, Governor James G. Martin presented Mr. Olive with the ''Long Leaf Pine'' Award as an outstanding North Carolinian.

Additionally, Mr. Olive has been the leader of the Republican Party in his county, district, and the state.

Craig is a charter member of the Johnston County Young Republicans and is currently Vice-Chairman of the Johnston County Republican Party.

In 1997, Mr. Olive was presented the ''James E. Broyhill Award'' and was inducted into the North Carolina GOP Hall of Fame for his outstanding grassroots service.

Craig Olive has made and continues to make a major contribution in North Carolina and the nation.

He has a strong commitment to his family as well as to his fellow citizens.

Thank you to Craig Olive for his tireless work to improve the quality of life for all citizens

And for working with his friends and neighbors to provide an effective government for the people.

I salute you.

IN HONOR OF THE WORLD CHAMPION SAN ANTONIO SPURS

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. BONILLA. Mr. Speaker, in recognition of his outstanding coverage of the San Antonio Spurs, I hereby enter this column by Buck Harvey into the CONGRESSIONAL RECORD. This column appeared in the San Antonio Express News on the morning after the Spurs beat the New York Knicks to claim the NBA title.

[From the San Antonio Express News, June 26, 1999]

TIME OF THEIR LIVES? JUST REPLAY THE TAPE

(By Buck Harvey)

NEW YORK.—Within minutes Tim Duncan aimed a camcorder, which is just like him. He's young, but he's already old enough to know to value these moments.

So at midcourt in Madison Square Garden, Duncan turned his camera and caught Avery Johnson and Gregg Popovich hugging. He captured the celebration of three generations of Robinson men. And then he panned this scene and created something he should stash in a vault.

Even with so much still awaiting him—with a Hall of Fame career really just beginning—Duncan will someday look back at this tape and wonder how such a special group ever came together.

Nice guys, finally, finished first.

San Antonio already knows as much. The city waited more than a quarter of a century for a title and, when one arrived, it came unexpectedly, from a 6–8 nadir, with a coach everyone wanted to impale. Even after a three-month march across the country—proving night after night and in city after city they were the best—everything stood oddly quiet when Latrell Sprewell drove baseline one last time.

When Sprewell stumbled, the city felt as Popovich did. ''Kind of stunning,'' Popovich said late Friday. ''You wonder if it's really true.

Duncan can always go to his VCR for verification, and he'll be somewhere in the picture, too. At one point he gave his camcorder to Malik Rose.

Then he will see a few frames of the league's best player, as smooth with his feet as he is with his mind. The Knicks were as made for Duncan as the Lakers were, with little size to contest him, and his three-basket spurt to begin the fourth quarter showcased every skill.

As for the MVP of the 1999 NBA Finals: Wouldn't Karl Malone rather have this award than his?

But the film will drag just about then, as two, bullish defensive teams clawed at each other. And that's why the Spurs had a reason to be scared. As Sprewell jumped back for jumpers—as he felt it—the Knicks looked capable of jumping back to the Alamodome.

That's where other clips will be necessary. Splice in some footage from Salt Lake City when the Spurs took home court, then from Minneapolis, Los Angeles and Portland. Show how the Spurs closed out everyone on the road, with toughness, with defense.

Why should this one have been any different? The Spurs' defense held the Knicks without a point the last three minutes, which is no shock as to those who listened to Popovich's huddles during that time. ''We are going to win this,'' he kept saying, ''with our defense.''

They would need one more basket, though, which brings Duncan to his final frame. On

the baseline, at his spot, left open again, was someone who once stood 5-foot-3 in a New Orleans high school, who grabbed the only scholarship offer he got, who was cut on Christmas Eve and at his friend's wedding.

There is a basketball god, all right: Avery Johnson needed only a second to swish the jumper he's been working on for a decade.

AJ deserves this ring. Robinson deserves this ring. Sean Elliott, Mario Elie, Jaren Jackson . . . name one who doesn't.

They were cast as soft victims, by Malone and Charles Barkley and Damon Stoudamire. By a lot of people without rings. But they rarely showed resentment.

They were so enjoyable that one New York newspaperman admitted he came to their interview sessions this week when he didn't have to, just so he could listen to them. They dunked and didn't beat their chests. They didn't turn on each other when they could have.

And someday, when Duncan wants to look back, he will turn on his VCR and remember the time of their lives. Men gathered from Drexel, Navy, American International, Southern and Pomona-Pitzer. Some without fanfare, all with something to prove. And they won.

IN HONOR OF DR. HERBERT EDWARD POCH

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. PALLONE. Mr. Speaker, in this day of managed care and health maintenance organizations, it is easy to lose sight of the dedicated individuals in the medical profession who have devoted their lives to the care of others.

Tomorrow night, the staff at Monmouth Medical Center will honor just such an individual. Dr. Herbert Edward Poch will be retiring as director of Newborn Nursery at the hospital. His departure means the loss to Monmouth Center of a deeply-caring, personally-involved and highly-skilled pediatrician.

To the nurses on staff, Dr. Poch is ''a grandfatherly figure who watches over us like a hawk and is never too busy to buy us lunch.'' on a daily basis, he provides the extra touches that turn a building of stone and glass and antiseptics into a congenial work place for staff, and a wonderful, state-of-the-art welcome center for new babies and their parents. Dr. Poch's professional expertise combined with his warm and engaging manner have made those first fragile days of life and parenthood easier and safer for thousands of families.

In addition to being an outstanding physician and administrator, Dr. Poch is a teacher of medical students and physician assistant students in the nursery and the outpatient departments. He has shared his knowledge with others in many lectures and symposiums. By virtue of serving as the model for the Monmouth Medical Center Advertising Campaign and being featured on billboards, bus posters and print ads, Dr. Poch is a familiar figure and symbol of the many find medical practitioners throughout Central Jersey.

Dr. Poch earned his bachelor's degree from Columbia College—where he was captain of the Varsity Basketball Team—and his medical degree from the Columbia University College of Physicians and Surgeons. He interned at Kings County Hospital in Brooklyn, N.Y., and completed his residency at Babies Hospital, Columbia Presbyterian Medical Center.

He was the medical director and original founder of the Make-A-Wish Foundation of New Jersey in the early eighties and was honorary trustee of the Ronald McDonald House of Long Branch from 1992 to 1998. Throughout his career, he has been very active in many community, athletic and public service endeavors.

To my friend and neighbor, Dr. Poch, I say congratulations on an outstanding career in medicine and a well-deserved reputation as a man of great character and compassion.

WORLD TIBET DAY CELEBRATION

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. PAYNE. Mr. Speaker, the nation of Tibet is a country with a long history stretching back nearly fifteen hundred years, with a unique and irreplaceable cultural and religious heritage.

In 1949, the People's Republic of China invaded Tibet and since that time, over 1.6 million Tibetans have been killed and more than 6000 monasteries destroyed. Whereas the government of China has committed ''acts of genocide'' in Tibet, and is currently committing systematic human rights violations in that country, including torture, arbitrary arrest, denial of freedom of religion, denial of free speech and free press, and coerced sterilizations and abortions. Whereas China seeks to absorb Tibet into China and is conducting economic development in Tibet contrary to the wishes of the Tibetan people.

The Dalai Lama, temporal and spiritual leader of Tibet, was forced to flee to northern India in 1959, where he has been living reluctantly ever since, working to keep alive the culture and religion of his people along with their hopes of freedom. Whereas the Dalai Lama has been trying unceasingly to establish a peaceful dialogue with the Chinese government concerning cultural, religious and political freedoms for the Tibetan people.

The Tibetan people in their cultural, religious, and political life are now facing the grim prospect of extinction.

On July 10th, one week after America's Independence Day, World Tibet Day will be held. This event shares in the spirit of freedom of Independence Day symbolizes, while also symbolizing the nation of Tibet since at this event many Tibetan communities will honor the birthday of the Dalai Lama (on July 6th). This day will showcase the variety and beauty of Tibet and affirm basic rights of the Tibetan people to religious, cultural and political freedoms. Further on the weekend of World Tibet Day, houses of worship in many parts of the world—churches, synagogues, mosques, temples, gurudwaras—will take part in an Interfaith Call for Freedom of Worship In Tibet and For Universal Religious Freedom. One of the overall goals of World Tibet Day is supporting the Dalai Lama's campaign for peaceful negotiations with China, without preconditions, on the future of Tibet.

I would like to help in the celebration of World Tibet Day on July 10, 1999.

OLD AND NEW MASTERS SHOWCASED BY A GOLDEN MASTER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. BARCIA. Mr. Speaker, one of the specialties of life is its diversity and the many pleasant surprises it holds. Many people would believe that an individual with a prestigious doctorate in mechanical engineering who spent seven years as a professor at Wayne State and Michigan State Universities is a person who could design great works, and they would be right. But a fair number of people might not appreciate the fact that someone of such technical creativity is likely to recognize other accomplishments of imagination and celebrate them. Albert Scaglione is this admirable man who took a career in combining complexities to design treasures, and using his talent to appreciate other gems became one of the foremost art dealers in the world.

During his teaching career, Albert Scaglione opened Park West Gallery in 1969, in Southfield, Michigan. He started the gallery with his own private collection, and it has now grown to become the largest fine art gallery in North America, offering museum quality exhibitions and sales. He has been joined in his business by his wife, Mitsie, and now by their children, Lisa, Nicky, John and Marc. He and Mitsie also enjoy their grandchildren, Michael, Roman, Matthew and Angelo.

Albert Scaglione's world presence has been further enhanced with art auctions throughout the United States and Canada, and on 43 of the finest cruise ships, that attract some of the world's greatest art collectors. Whether a collector seeks old masters like Picasso, Rembrandt, or Chagall, or new artists like Peter Max, Fanch Ledan or Sharie Hatchett Bohlmann, that collector will find it at Park West Gallery.

For a man who is a member of numerous national honorary and professional societies, who is an active member of The Michigan Parkinson Foundation and the Karamanos Cancer Institute, and who has won awards from former Michigan Governor James J. Blanchard, the Michigan Cancer Foundation, and the American Red Cross, life is boundless. Using his own unrestrained vision, he has helped many others see that today's dreams are only a predictor of tomorrow's realities.

Family and friends will be coming together on July 4th to wish Albert Scaglione a most special and happy 50th birthday. Mr. Speaker, I urge you and all of our colleagues to join me in wishing him a most joyous day, and in thanking him for all that he has done to make a positive difference in this world.

SUPREME COURT DISABILITY RULING

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues the following editorial, ''Court Ruling on Disability

Makes Sense,'' which appeared in the Friday, June 25, 1999, edition of the Lincoln Journal Star.

COURT RULING ON DISABILITY MAKES SENSE

The U.S. Supreme Court decided this week that there is no requirement under the Americans With Disabilities Act that more than half the nation's population be classified as disabled.

That's a victory for common sense.

Ruling in four cases at once, the court concluded that Congress did not intend to have individuals who wear glasses, or people who have high blood pressure, given the same protections under the ADA as people who have disabilities such as blindness or paraplegia.

If Congress had intended to include those individuals, the court said, it would have estimated the number of people covered by the law at more than 160 million, instead of 43 million.

In one case considered by the court, United Airlines refused to hire two nearsighted sisters. Without glasses, their eyesight was worse than the 20/100 required by the airline. In another case a truck driver who could see out of only one eye was dismissed from that job. In the third case, a truck driver was dismissed because of high blood pressure.

Creating physical criteria for a job, the court noted, does not violate the ADA. ''An employer is free to decide that physical characteristics or medical conditions that do not rise to the level of an impairment—such as one's height, build or singing voice—are preferable to others,'' wrote Justice Sandra O'Connor in the majority opinion. And who wouldn't prefer to have pilots who can see even if they lose their contacts or break their glasses?

The ADA has had a tremendous and largely positive effect on society. It made life more fair for citizens with disabilities by making public buildings accessible by wheelchair and protecting them from unnecessary discrimination in employment.

Advocates for the disabled profess to be outraged by the ruling. Georgetown University law professor Chai Feldblum, who helped draft the language of the ADA, even contends that Congress did intend to cover correctable impairments like those remedied by spectacles and medication.

Those advocates, however, would stretch the ADA beyond the limit of common sense and open employers to a broad new field of litigation. They would trivialize the original purposes of the law, and give nearly every employee the right to demand changes in the way an employer assigns and structures jobs.

The Supreme Court ruling is a welcome clarification of an ambiguous law. It closes the door on a potential new flood of lawsuits, and preserves the ADA for those who need its protection the most.

TRIBUTE TO SERGEANT DERK STRIKWERDA

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. PACKARD. Mr. Speaker, I would like to pay tribute to Sergeant Derk Strikwerda, a distinguished veteran of World War II and the Korean War. Sgt. Strikwerda has distinguished himself for his valor and dedication to others.

In 1943, Sgt. Strikwerda joined C Company of the 513th Parachute Infantry Regiment where he was immediately put into combat at the Battle of the Bulge. After over half of his company was killed, Sgt. Strikwerda helped repel advancing German infantry from a tree ridge despite being ravaged by frostbite and dysentery.

During an ensuing Allied retreat, Sgt. Strikwerda witnessed extraordinary acts of bravery by fellow soldiers that left an indelible imprint on his memory. Over 50 years later, these experiences drove Sgt. Strikwerda to mount a vigorous campaign to see that his fellow soldiers were properly honored for their remarkable acts of courage. Through his selfless sacrifice, Sgt. Strikwerda represents the best in human achievement.

Mr. Speaker, it is an honor to acknowledge Sgt. Strikwerda, a true American patriot. I would like to thank him for his remarkable bravery when defending our nation and devotion to his fellow soldiers.

STATEMENT OF CONCERN OVER KASHMIR CONFLICT

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. WELDON of Florida. Mr. Speaker, I rise today to draw attention to the Members of Congress the increasing tension in the Kashmir region, between India and Pakistan. Several weeks ago several hundred armed Afghani and Mujahideen infiltrators, backed by Pakistan, crossed the line-of-control (LOC) into the Kargila and Drass regions of Kashmir, India.

Mr. Speaker, this invasion runs counter to the Lahore Declaration, which is aimed at developing peaceful relations and cooperation between India and Pakistan. The agreement, signed last February, reiterates the commitment of both India and Pakistan to solve their differences and oppose terrorism in the region.

It is particularly disturbing to me that the government of Pakistan appears to have provided the armed infiltrators into Kashmir with support, both military and financial. This is deeply troubling in view of efforts to secure peace in the region.

This aggression against India should be undone so that stability can be restored. The infiltrators should immediately withdraw and Pakistan should respect the LoC and reaffirm and adhere to the commitments made in the Lahore Declaration. I encourage both countries to pursue a diplomatic solution and refrain from action which might escalate the fighting even more. I call on the Administration and my colleagues in Congress to fully support an immediate withdrawal from India. India and Pakistan should be taking positive steps toward resolving the crisis in Kashmir, and resume substantive bilateral talks.

HONORING CARL A. BALESTRACCI, JR., ON THE OCCASION OF HIS RETIREMENT

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Ms. DELAURO. Mr. Speaker, it is with great pleasure that I rise today to join in paying tribute to one of Connecticut's finest school administrators and community activists. People like Carl Balestracci are what make communities strong. From his important work educating the young people of Guilford for the past 32 years to his community involvement in many other settings, he has dedicated his life to the people of Guilford.

I often speak of our nation's need for talented, creative, enthusiastic teachers who are ready to help our children learn and grow. My good friend Carl is just that kind of educator. Throughout his career, he has touched the lives of thousands of children from elementary school to high school. Carl began as a special education teacher in New Haven—working with some of our community's most vulnerable children. He has been leading the fine Guilford schools for nearly two decades, and the most important testament to his talent is the capability of the intelligent young people that have emerged from these schools.

Public education is the cornerstone of the American dream, leveling the playing field and providing every child with the opportunity to make the most of his or her talents. It is talented professionals like Carl who truly shape the leaders of tomorrow. He is dedicated to the positive development of not only our children's intellect, but their character development as well. As a participant in the Assets Program along with leaders from the Guilford Police, local clergy, and other educators, he has led a community wide effort to foster strong values and character in our youth.

As a lifelong resident of Guilford, Carl is deeply involved in the life of our community. His active participation in the Democratic Town Committee, the Police Commission, and the Fife and Drum Corps have made him so visible and highly-regarded that I am sure many would agree that Carl Balestracci is truly a Guilford institution.

Today, as Carl celebrates his retirement, I would like to express my deepest thanks and appreciation for his tireless efforts for the town of Guilford. He is a community leader who is second to none, and his talent and commitment have truly left our community a better place. It is with great pride that I join friends and family to wish Carl many more years of health and happiness.

A TRIBUTE TO VINCENT BERGAMO

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 29, 1999

Mr. GILMAN. Mr. Speaker, I rise today to invite our colleagues to join me in honoring Vincent Bergamo, a great American who has spent his life promoting and upholding the principles of fairness and opportunity in the sport of harness racing.

Judge Bergamo is to be honored in Goshen, N.Y. on July 4th at the Harness Hall of Fame Dinner, where he is to receive the coveted Proximity Award for long and outstanding service to the sport of harness racing. The award, in itself, is a microcosm of the splendid career that has defined Vincent's life. Beginning in 1958 at our Monticello Raceway, Vincent has always been a part of the harness racing family. His love and admiration for the sport, first gained as a youngster when he

worked as a stable boy for the distinguished Harriman family of New York, has been consistently at a level above and beyond his colleagues, and helps to explain much of his accolades during his 40-year tenure.

A prominent leader from my Congressional district, Vincent was a Presiding Judge at The Goshen Historic Track for forty years until his retirement over a year ago. He truly was a pioneer in the harness racing industry and instrumental to the Goshen community in preserving tradition. Thirty-seven years ago, at a time when harness racing had hit a lull in interest, he instituted matinee racing at the Historic Track in an effort to provide young horses and amateur drivers the opportunity to gain worthwhile experience. His idea, practical and yet so perceptive in principle, became the blueprint for hundreds of other harness tracks across the country. With his help, harness racing has undergone a revival in public interest, an interest that can be directly tied to Judge Bergamo's vision of days past.

Vincent's success in harness racing came early and often, where at the age of 23 at the Saratoga Harness Racing Track, he became the youngest Presiding Judge in the history of the establishment. He has gone on to serve as presiding judge at every track in New York State, including tracks in the states of Florida, Maryland, New Hampshire, and Pennsylvania. Accordingly, Vincent has been the recipient of numerous, well deserved harness racing awards, including: the United States Harness Writers Association (USHWA) Distinguished Service Award, the 1991 National Amateur Lifetime Award, the 1992 President's Medal of Harness Racing, the 1993 Elected Trustee of the Harness Racing Hall of Fame and Museum, and the 1994 William Houghton Memorial Award. Additionally, in 1986, Vincent was recognized for his 25 years of service to the Goshen Historic Track with ''Bergamo Day''. He has been a longtime member of USHWA and was the founder of the C.K.G. Billings Series in 1971. Vincent has even served as a teacher for many years, giving back to the community in which he was raised.

Still, no matter the heights to which Vincent has soared, his dignity, honesty, and responsibility remain at the core of his very essence. Always putting forth his best of efforts while being unwaveringly fair in his decisions, Vincent epitomizes the benefits of virtuosity. Wherever he has traveled and devoted himself as presiding judge, integrity abound.

For many years, I have had the pleasure of knowing Vince as a friend, a man whose character I respect as much as his career. In every area of life to which Vincent has given his time and effort, be it his wife, his children or the track, his imprint of genuine love and honesty remains like a badge of honor. Vince was never the man to shy from his convictions. His directness and openness allows for not just quality officiating, but for better relationships. He is a family man who has raised 10 children, in each of whom Vince has instilled that same drive and work ethic. His wife, Marsha, and his late mother, Daisy, have been his support, providing strength and love when needed in his busy life.

One need not look any further than his efforts toward the Goshen Historic Track to appreciate all that Vincent has done. The oldest existing sporting site in the entire United States, Goshen Historic Track was doomed for closure when the Harriman family renounced their ownership of the land many years ago. However, due to the dedicated work of Vince on a purely voluntary level, he managed to have the Goshen Track designated as an Historic Site in the National Register, and thereby preserved it for years to come under the Board of Directors' supervision. Today, the Goshen Historic Track operates as a non-profit organization that hosts non-pari-mutuel harness racing seven days each year while serving as a training facility year round. The Track's altruistic roots run so deep that wagering and gambling are explicitly forbidden at races. One cannot help to think this motto of ''sport for sport's sake'' emanates directly from the legend of Vincent Bergamo and his positive influence on the sport.

Ralph Waldo Emerson once said: ''Nature never rhymes her children, nor makes two men alike.'' Vincent Bergamo's lifelong accomplishments attest to that premise. This man's outstanding character is so unique and special that it is hard to imagine there being another like him. I know that my colleagues will want to join me in saluting a remarkable person in Vincent Bergamo at the twilight of his illustrious career. A man who has given so much to others, Vincent deserves our recognition and commendations

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S7757–S7833

Measures Introduced: Seven bills were introduced, as follows: S. 1297–1303. **Page S7819**

Measures Passed:

National Character Counts Week: Senate agreed to S. Res. 98, designating the week beginning October 17, 1999, and the week beginning October 15, 2000, as ''National Character Counts Week''.

Pages S7799–S7803

Agriculture Appropriations, FY2000: By unanimous consent, the following pending amendments to S. 1233, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, were withdrawn:

Feinstein Amendment No. 737, to prohibit arbitrary limitations or conditions for the provision of services and to ensure that medical decisions are not made without the best available evidence or information. **Page S7812**

Lott Amendment No. 1103 (to Amendment No. 737), to improve the access and choice of patients to quality, affordable health care. **Page S7812**

Budget Process Reform: Senate began consideration of the motion to proceed to the consideration of S. 557, to provide guidance for the designation of emergencies as a part of the budget process.

Pages S7832–33

A motion was entered to close further debate on the motion to proceed to the consideration of the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Thursday, July 1, 1999. **Page S7832**

Subsequently, the motion to proceed was withdrawn. **Page S7833**

Patients' Bill of Rights Agreement: A unanimous-consent time agreement was reached providing for the consideration of the proposed Patients' Bill of Rights and amendments to be proposed thereto, at 1 p.m., on Monday, July 12, 1999, with a vote to occur on final passage on Thursday, July 15, 1999. **Page S7811**

Foreign Operations Appropriations—Agreement: A unanimous-consent agreement was reached providing for the consideration of S. 1234, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, on Wednesday, June 30, 1999. **Page S7833**

Removal of Injunction of Secrecy: The injunction of secrecy was removed from the following treaty:

Tax Convention with Venezuela (Treaty Doc. 106–3).

The treaty was transmitted to the Senate today, considered as having been read for the first time, and referred, with accompanying papers, to the Committee on Foreign Relations and was ordered to be printed. **Page S7833**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report on the national emergencies with respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) and Kosovo; referred to the Committee on Banking, Housing, and Urban Affairs. (PM–43). **Page S7817**

Transmitting the annual report of the Corporation for Public Broadcasting for Fiscal Year 1998; referred to the Committee on Commerce, Science, and Transportation. (PM–44). **Pages S7817–18**

Messages From the President: **Pages S7817–18**

Communications: **Page S7818**

Petitions: **Pages S7818–19**

Statements on Introduced Bills: **Pages S7819–27**

Additional Cosponsors: **Pages S7827–28**

Authority for Committees: **Pages S7828–29**

Additional Statements: **Pages S7829–32**

Adjournment: Senate convened at 10:30 a.m., and adjourned at 6:30 p.m., until 9:30 a.m. on Wednesday, June 30, 1999. (For Senate's program, see the

remarks of the Acting Majority Leader in today's Record on page S7833.)

Committee Meetings

(Committees not listed did not meet)

PUBLIC SAFETY SCIENCE AND TECHNOLOGY

Committee on Commerce, Science, and Transportation: Subcommittee on Science, Technology, and Space concluded hearings on proposed legislation authorizing funds for the National Oceanic and Atmospheric Administration, United States Fire Administration, and the National Earthquake Hazards Reduction Program, after receiving testimony from D. James Baker, Under Secretary for Oceans and Atmosphere, and Administrator, National Oceanic and Atmospheric Administration, and Raymond G. Kammer, Director, National Institute of Standards and Technology, both of the Department of Commerce; Michael J. Armstrong, U. S. Associate Director for Mitigation, and Richard A. Marinucci, Acting Chief Operating Officer, Fire Administration, both of the Federal Emergency Management Agency; P. Patrick Leahy, Chief Geologist, U. S. Geological Survey, Department of the Interior; and Eugene Wong, Assistant Director for Engineering, National Science Foundation.

ELECTRIC UTILITY DEREGULATION

Committee on Energy and Natural Resources: Committee held hearings on S. 161, to provide for a transition to market-based rates for power sold by the Federal Power Marketing Administrations and the Tennessee Valley Authority, S. 282, to provide that no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electricity or capacity under section 210 of the Public Utility Regulatory Policies Act of 1978, S. 516, to benefit consumers by promoting competition in the electric power industry, S. 1047, to provide for a more competitive electric power industry, S. 1273, to amend the Federal Power Act, to facilitate the transition to more competitive and efficient electric power markets, and S. 1284, to amend the Federal Power Act to ensure that no State may establish, maintain, or enforce on behalf of any electric utility an exclusive right to sell electric energy or otherwise unduly discriminate against any consumer who seeks to purchase electric energy in interstate commerce from any supplier, receiving testimony from Senator Schumer; Bill Richardson, Secretary, and James J. Hoecker, Chairman, Federal Energy Regulatory Commission, both of the Department of Energy; and Nebraska Governor Mike Johanns, Lincoln, on behalf of the Governors' Public Power Alliance.

Hearings continue on Thursday, July 15.

WILDLAND FIRE PREPAREDNESS

Committee on Energy and Natural Resources: Subcommittee on Forests and Public Land Management concluded oversight hearings on the federal government's state of preparedness for this year's wildland fire season, including fire fighting budgets, availability and retention of trained fire fighters, and cooperative programs outside the federal government to enhance fire suppression capabilities, after receiving testimony from Les Rosenkrance, Director, and Dennis Pendleton, Assistant Director, both of the Office of Fire and Aviation, Ron Dunton, Fire Program Manager, all of the Bureau of Land Management, and Arch Wells, Chief Forester, Bureau of Indian Affairs, all of the Department of the Interior; Larry Payne, Assistant Deputy Chief for State and Private Forestry, Forest Service, Department of Agriculture; and Ron Burnham, Fire Chief, Red River, New Mexico; and Toby Martinez, Santa Fe, New Mexico.

BUSINESS MEETING

Committee on Environment and Public Works: Committee ordered favorably reported the following business items:

S. 1100, to amend the Endangered Species Act of 1973 to provide that the designation of critical habitat for endangered and threatened species be required as part of the development of recovery plans for those species, with an amendment in the nature of a substitute;

An original resolution authorizing expenditures by the Committee on Environment and Public Works; and

The nomination of Timothy Fields, Jr., of Virginia, to be Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

NOMINATIONS

Committee on Finance: Committee concluded hearings on the nominations of Stuart E. Eizenstat, of Maryland, to be Deputy Secretary of the Treasury, Jeffrey Rush, Jr., of Virginia, to be Inspector General, Department of the Treasury, and Lewis Andrew Sachs, of Connecticut, to be Assistant Secretary of the Treasury for Financial Markets, after the nominees testified and answered questions in their own behalf. Mr. Eizenstat was introduced by Senators Sarbanes and Coverdell.

ELEMENTARY AND SECONDARY EDUCATION ACT

Committee on Health, Education, Labor, and Pensions: Committee resumed hearings on proposed legislation authorizing funds for programs of the Elementary and Secondary Education Act, focusing on arts education and magnet schools, receiving testimony from John Sykes, VH1, New York, New York; John D. Kemp, VSA arts, and Derek Gordon, John F. Kennedy Center for the Performing Arts, both of Washington, D.C.; Tom Durante, Arlington County Public Schools, Arlington, Virginia; Benjamin O. Canada, Portland Public Schools, Portland, Oregon, on behalf of the Americans for the Arts; Danielle Rice, Philadelphia Museum of Art, Philadelphia, Pennsylvania; and Sandra B. Burks, Roanoke City Public Schools, Roanoke, Virginia.

Hearings continue tomorrow.

House of Representatives

Chamber Action

Bills Introduced: 21 public bills, H.R. 2367–2387; 1 private bill, H.R. 2388; and 8 resolutions, H. Con. Res. 144–147, and H. Res. 226–229, were introduced. **Pages H5091–92**

Reports Filed: Reports were filed today as follows:

H.J. Res. 34, congratulating and commending the Veterans of Foreign Wars (H. Rept. 106–205);

H.R. 1568, to provide technical, financial, and procurement assistance to veteran owned small businesses, amended (H. Rept. 106–206 Part 1);

H.R. 562, to approve and ratify certain transfers of land and natural resources by or on behalf of the Delaware Nation of Indians, amended (H. Rept. 106–207);

H. Res. 230, providing for the consideration of H.R. 66, to preserve the cultural resources of the Route 66 corridor and to authorize the Secretary of the Interior to provide assistance (H. Rept. 106–208);

H. Res. 231, providing for the consideration of H.R. 592, to redesignate Great Kills Park in the Gateway National Recreation Area as ''World War II Veterans Park at Great Kills (H. Rept. 106–209);

H. Res. 232, providing for the consideration of H.R. 791, to amend the National Trails System Act to designate the route of the War of 1812 British invasion of Maryland and Washington, District of Columbia, and the route of the American defense, for study for potential addition to the national trails system (H. Rept. 106–210);

H. Res. 233, providing for the consideration of H.R. 1218, to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions (H. Rept. 106–211); and

Conference report on H.R. 775. A bill to establish certain procedures for civil actions brought for damage relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes (H. Rept. 106–212). **Pages H5066–73, H5090–91**

Recess: The House recessed at 1:10 p.m. and reconvened at 2:00 p.m. **Page H4999**

Suspensions: The House agreed to suspend the rules and pass the following measures:

100th Anniversary of the Veterans of Foreign Wars: H.J. Res. 34, congratulating and commending the Veterans of Foreign Wars; **Pages H5014–16**

Veterans Entrepreneurship and Small Business Development Act: H.R. 1568, amended, to provide technical, financial, and procurement assistance to veteran owned small businesses; **Pages H5016–26**

Prohibiting States From Imposing Discriminatory Commuter Taxes on Nonresidents: H.R. 2014, to prohibit a State from imposing a discriminatory commuter tax on nonresidents; **Pages H5026–30**

Maurine B. Neuberger United States Post Office: H.R. 1327, to designate the United States Postal Service building located at 34480 Highway 101 South in Cloverdale, Oregon, as the ''Maurine B. Neuberger United States Post Office''; **Pages H5036–38**

Veterans Benefits Improvement Act: H.R. 2280, amended, to amend title 38, United States Code, to provide a cost-of-living adjustment in rates of compensation paid for service-connected disabilities, to enhance the compensation, memorial affairs, and housing programs of the Department of Veterans Affairs, and to improve retirement authorities applicable to judges of the United States Court of Appeals for Veterans Claims (passed by a yea and nay vote of 424 yeas with none voting ''nay'', Roll No. 257); and **Pages H5002–14, H5044–45**

Condemning Arson at Synagogues in Sacramento, California: H. Res. 226, expressing the sense of the House of Representatives condemning the acts of arson at three Sacramento, California, area synagogues on June 18, 1999, and affirming its opposition to such crimes (agreed to by a yea and nay vote of 425 yeas with none voting ''nay'' and one voting ''present'', Roll No. 258).

Pages H5030–36, H5045–46

Suspension Failed—Urging Days of Prayer: The House failed to suspend the rules and agree to H. Con. Res. 94, recognizing the public need for reconciliation and healing, urging the United States to unite in seeking God, and recommending that the Nation's leaders call for days of prayer by a yea and nay vote of 275 yeas to 140 nays with 11 voting ''present'' and two-thirds required for passage.

Pages H5038–44, H5046

Presidential Messages: Read the following messages from the President:

Chemical Weapons Convention Implementation: Message wherein he transmitted the notification of his action to amend Executive Order 12938 which implements the Chemical Weapons Convention Implementation Act of 1998—referred to the Committee on International Relations and ordered printed (H. Doc. 106–86); **Page H5002**

National Emergency Re Yugoslavia and Kosovo: Message wherein he transmitted his report concerning the national emergency with respect to Yugoslavia and Kosovo—referred to the Committee on International Relations and ordered printed (H. Doc. 106–87); and **Page H5047**

Corporation for Public Broadcasting: Message wherein he transmitted the fiscal year 1998 annual report for the Corporation for Public Broadcasting and the inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies for the same year—referred to the Committee on Commerce. **Page H5047**

Quorum Calls—Votes: Three yea and nay votes developed during the proceedings of the House today and appear on pages H5044–45, H5045–46, and H5046. There were no quorum calls.

Adjournment: The House met at 12:30 p.m. and adjourned at 12 midnight.

Committee Meetings

INTERIOR APPROPRIATIONS

Committee on Appropriations, Subcommittee on Interior approved for full Committee action the Interior appropriations for fiscal year 2000.

SOCIAL SECURITY REFORM PLANS

Committee on the Budget: Social Security Task Force held a hearing on Review of Social Security Reform Plans. Testimony was heard from Senators Gregg and Breaux; Representatives Archer, Shaw, Kolbe, Stenholm, Smith of Michigan, Sanford, DeFazio, Nadler, Bartlett of Maryland and Markey.

DOE NUCLEAR FACILITIES—WORKER SAFETY

Committee on Commerce: Subcommittee on Oversight and Investigations held a hearing on Worker Safety at DOE Nuclear Facilities. Testimony was heard from the following officials of the Department of Energy: David M. Michaels, Assistant Secretary, Environment, Safety, and Health; and R. Keith Christopher, Director, Office of Enforcement and Investigations; the following officials of the GAO: Gary I. Jones, Associate Director, Energy, Resources, and Science Issues; and William R. Swick, Assistant Director, Seattle Field Office; and public witnesses.

MUHAMMAD ALI BOXING REFORM ACT

Committee on Commerce: Subcommittee on Telecommunications, Trade, and Consumer Protection held a hearing on H.R. 1832, Muhammad Ali Boxing Reform Act. Testimony was heard from public witnesses.

ENHANCING RETIREMENT SECURITY

Committee on Education and the Workforce, Subcommittee on Employer-Employee Relations, hearing on Enhancing Retirement Security, including discussion of H.R. 1102, Comprehensive Retirement Security and Pension Reform Act. Testimony was heard from Representatives Portman and Cardin.

DEFENSE OFFSETS

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy, and Human Resources held a hearing on ''Defense Offsets: Are They Taking Away Our Jobs?'' Testimony was heard from Senator Feingold; Roger Majak, Assistant Secretary, Export Administration, Department of Commerce; Alfred Volkman, Acting Deputy Under Secretary, Commercial and International Programs, Department of Defense; and public witnesses.

GOVERNMENT WASTE CORRECTIONS ACT

Committee on Government Reform: Subcommittee on Government Management, Information, and Technology held a hearing on H.R. 1827, Government Waste Corrections Act of 1999. Testimony was a heard from David Walker, Comptroller General, GAO; Deidre Lee, Acting Director, Management, OMB; the following officials of the Department of

Defense: George H. Allen, Deputy Commander, Defense Supply Center, Philadelphia; and Gerald R. Peterson, Chief, Accounts Payable Division, Army Air Force Exchange Service; Michelle Snyder, Director, Financial Management Office, and Chief Financial Officer, Health Care Financing Administration, Department of Health and Human Services; and public witnesses.

CAMPAIGN REFORM

Committee on House Administration: Continued hearings on Campaign Reform. Testimony was heard from Representatives Gillmor, Hutchinson, Regula, Shays, Mink of Hawaii, Andrews, and Tanner.

Y2K, CUSTOMS FLOWS AND GLOBAL TRADE

Committee on International Relations, Subcommittee on International Economic Policy and Trade held a hearing on ''Y2K, Customs Flows and Global Trade: Are We Prepared to Meet the Challenges of the New Millennium?'' Testimony was heard from John McPhee, Director, Office of Computers and Business Equipment and Trade Development, International Trade Administration, Department of Commerce; S. W. Hall, Jr., Assistant Commissioner and Chief Information Officer, U.S. Customs Service, Department of the Treasury; Jack L. Brock, Director, Governmentwide and Defense Information Systems, GAO; and a public witness.

U.S POLICY TOWARD VICTIMS OF TORTURE

Committee on International Relations: Subcommittee on International Operations and Human Rights held a hearing on U.S. Policy Toward Victims of Torture. Testimony was heard from Leslie Gerson, Deputy Assistant Secretary, Bureau of Democracy, Human Rights and Labor, Department of State; Lavinia Limon, Director, Office of Refugee Resettlement, Department of Health and Human Services; Ann Van Dusen, Deputy Assistant Administrator, Bureau for Policy and Program Coordination, AID, U.S. International Development Cooperation Agency; Bo Cooper, Acting General Counsel, Immigration and Naturalization Service, Department of Justice; and public witnesses.

REGULATORY FAIR WARNING ACT

Committee on the Judiciary, Subcommittee on Commercial and Administrative Law held a hearing on H.R. 881, Regulatory Fair Warning Act of 1999. Testimony was heard from public witnesses.

OVERSIGHT—MARINE MAMMAL PROTECTION ACT

Committee on Resources: Subcommittee on Fisheries Conservation, and Wildlife and Oceans held an oversight hearing on the Marine Mammal Protection Act. Testimony was heard from Pennelope Dalton, Assistant Administrator, Fisheries, National Marine Fisheries Service, Department of Commerce; Marshall Jones, Acting Deputy Director, U.S. Fish and Wildlife Service, Department of the Interior; Ron DeHaven, Deputy Administrator, Animal Care, Animal and Plant Health Inspection Service, USDA; and John E. Reynolds, Chairman, Marine Mammal Commission.

OVERSIGHT—GAO REPORT

Committee on Resources: Subcommittee on Forests and Forest Health held an oversight hearing on a GAO Report entitled: ''A Cohesive Strategy is Needed to Address Catastrophic Wildlife Threats.'' Testimony was heard from Barry Hill, Associate Director, Resources, Community, and Economic Development Division, GAO; and Janice McDougle, Deputy Chief, State and Private Forestry, Forest Service, USDA.

OVERSIGHT—PARK VISITORS—HEATH RISKS

Committee on Resources: Subcommittee on National Parks and Public Lands held an oversight hearing on Dealing with Occurrence of the Hantavirus Disease and associated health risks to Park Visitors on the Channel Islands National Park in California. Testimony was heard from Maureen Finnerty, Associate Director, National Park Service, Department of the Interior; James N. Mills, Chief, Medical Ecology Unit, Special Pathogens Branch, National Center for Infectious Diseases, Centers for Disease Control and Prevention, Department of Health and Human Services; Vicki Kramer, Chief, Vector-Borne Disease Section, Department of Health Services, State of California; and a public witness.

CHILD CUSTODY PROTECTION ACT

Committee on Rules: The Committee granted, by voice vote, a closed rule providing for consideration in the House of H.R. 1218, Child Custody Protection Act, with 2 hours of debate equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The rule waives all points of order against consideration of the bill. Finally, the rule provides one motion to recommit. Testimony was heard from Representatives Canady of Florida and Watt of North Carolina.

ROUTE 66 CORRIDOR

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 66, to preserve the cultural resources of the Route 66 corridor and to authorize the Secretary of the Interior to provide assistance.

The rule makes in order the Committee on Resources amendment in the nature of a substitute as an original bill for the purpose of amendment, which shall be open to amendment by section.

The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The Chairman of the Committee of the Whole may postpone votes during consideration of the bill, and reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides for one motion to recommit, with or without instructions. Testimony was heard from Representative Hansen.

STAR-SPANGLED BANNER HISTORIC TRAIL STUDY ACT

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 791, Star-Spangled Banner National Historic Trail Study Act of 1999.

The rule makes in order the Committee on Resources amendment in the nature of a substitute as an original bill for purpose of amendment, which shall be open for amendment at any point.

The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The Chairman of the Committee of the Whole may postpone votes during consideration of the bill, and reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides for one motion to recommit, with or without instructions. Testimony was heard from Representative Hansen.

WORLD WAR II VETERANS PARK AT GREAT KILLS

Committee on Rules: Granted, by voice vote, an open rule providing 1 hour of debate on H.R. 592, to Redesignate Great Kills Park in the Gateway National Recreation Area as ''World War II Veterans Park at Great Kills''.

The rule makes in order the Committee on Resources amendment in the nature of a substitute as an original bill for purpose of amendment, which shall be open for amendment at any point. The rule waives clause 7 of rule XVI (prohibiting nongermane amendments) against the amendment in the nature of a substitute.

The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The Chairman of the Committee of the Whole may postpone votes during consideration of the bill, and reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides for one motion to recommit, with or without instructions. Testimony was heard from Representatives Hansen and Fossella.

RUDMAN REPORT—DOE SECURITY PROBLEMS

Committee on Science: Held a hearing on the Rudman Report on Security Problems at the Department of Energy. Testimony was heard from Warren B. Rudman, Chairman, President's Foreign Intelligence Advisory Board.

RANGE MODERNIZATION

Committee on Science: Subcommittee on Space and Aeronautics, the Subcommittee on Military Procurement and the Subcommittee on Military Research and Development of the Committee on Armed Services held a joint hearing on Range Modernization, Part II. Testimony was heard from the following officials of the Department of Defense: Lt. Gen. Richard C. Henry, USAF (Ret.), Chairman, Range Integrated Product Team, Air Force Space Command; and John M. Borky, Vice Chairman, Air Force Scientific Advisory Board; and public witnesses.

OVERSIGHT

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on the requirement for Double Hulls under the Oil Pollution Act of 1990. Testimony was heard from Representative Frelinghuysen; Rear Adm. Robert C. North, USCG, Assistant Commandant, Marine Safety, U.S Coast Guard, Department of Transportation; and public witnesses.

REDUCING NONMARITAL BIRTHS

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on Reducing Nonmarital Births. Testimony was heard from Stephanie J. Ventura, Senior Researcher, National Center for Health Statistics, Centers for Disease Control and Prevention, Department of Health and Human Services; Edward Tetelman, Assistant Commissioner, Department of Human Services, State of New Jersey; and public witnesses.

COMMITTEE MEETINGS FOR WEDNESDAY, JUNE 30, 1999

(Committee meetings are open unless otherwise indicated)

Senate

Special Committee on Aging: to hold hearings to examine the Health Care Financing Administration's implementation of their nursing home improvement initiative, 10 a.m., SH–216.

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education, to hold hearings on issues relating to gambling addiction, 9:30 a.m., SD–192.

Committee on Commerce, Science, and Transportation: Subcommittee on Oceans and Fisheries, to hold hearings to examine coral reef and marine sanctuary issues, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: business meeting to consider pending calendar business, 9:30 a.m., SD–366.

Subcommittee on Forests and Public Land Management, to hold oversight hearings on the United States Forest Service Economic Action programs, 2 p.m., SD–366.

Committee on Finance: to hold hearings on S. 646, to amend the Internal Revenue Code of 1986 to provide increased retirement savings opportunities; S. 741, to provide for pension reform; S. 659, to amend the Internal Revenue Code of 1986 to require pension plans to provide adequate notice to individuals whose future benefit accruals are being significantly reduced; and other related proposals, 10 a.m., SD–215.

Committee on Foreign Relations: business meeting to consider pending calendar business, 10:30 a.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to resume hearings on proposed legislation authorizing funds for programs of the Elementary and Secondary Education Act, focusing on facilities, 9:30 a.m., SD–430.

Committee on Indian Affairs: to hold hearings on S.438, to provide for the settlement of the water rights claims of the Chippewa Cree Tribe of the Rocky Boy's Reservation; to be followed by a business meeting to consider pending calendar business, 10 a.m., SR–485.

Committee on Rules and Administration: to hold oversight hearings on the operations of the Architect of the Capitol, 9:30 a.m., SR–301.

House

Committee on Agriculture, to consider the following: H.R. 1402, to require the Secretary of Agriculture to implement the Class I milk price structure known as Option 1–A as part of the implementation of the final rule to consolidate Federal milk marketing orders; and the Bexar-Medina-Atascosa Counties Water Conservation Plan, 10 a.m., 1300 Longworth,

Committee on Armed Services, Subcommittee on Military Procurement, hearing on the performance of the B–2 Bomber in the Kosovo air campaign, 10 a.m., 2118 Rayburn.

Committee on the Budget, hearing on Unnecessary Business Subsidies, 10 a.m., 210 Cannon.

Committee on Commerce, Subcommittee on Finance and Hazardous Materials, hearing on H.R. 1858, Consumer and Investor Access to Information Act of 1999, 10 a.m., 2322 Rayburn.

Subcommittee on Telecommunications, Trade, and Consumer Protection, hearing on the Corporation for Public Broadcasting Authorization Act of 1999, 10 a.m., 2123 Rayburn.

Committee on Education and the Workforce, to mark up the following: H.R. 1995, Teacher Empowerment Act; and other pending business, 10:30 a.m., 2175 Rayburn.

Subcommittee on Oversight and Investigations, hearing on Lessons Learned from the Teamster Local 500 Trusteeship, 2:30 p.m., 2175 Rayburn.

Committee on Government Reform, Subcommittee on Civil Service, hearing on Implementing the FEHBP Demonstration Project for Military Retirees: A Good Faith Effort, or Another Broken Promise, 10 a.m., 2203 Rayburn.

Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs, hearing on H.R. 2245, Federalism Act of 1999, 10 a.m., 2247 Rayburn.

Subcommittee on National Security, Veterans Affairs and International Relations, oversight hearing to examine the Department of Defense's sole source procurement of anthrax vaccine, 10 a.m., 2154 Rayburn.

Committee on International Relations, Subcommittee on Western Hemisphere to mark up the following measures: H. Res. 57, expressing concern over interference with freedom of the press and the independence of judicial and electoral institutions in Peru; H. Res. 181, condemning the kidnapping and murder by the Revolutionary Armed Forces of Colombia (FARC) of 3 United States citizens, Ingrid Washinawatok, Terence Freitas, and Lah'ena'e Gay; H. Res. 17, concerning the extradition to the United States of Salvadorans; a resolution expressing the sense of the House of Representatives congratulating President Pastrana and the people of Columbia for moving the peace process forward and calling on the government and all other parties to the current conflict in Colombia to end the guerrilla and paramilitary violence which continues to pose a serious threat to democracy as well as economic and social stability in Colombia; H.Res. 25, congratulating the Government of Peru and the Government of Ecuador for signing a peace agreement ending a border dispute which has resulted in several military clashes over the past 50 years; and H. Con. Res. 140, expressing the sense of the Congress that Haiti should conduct free, fair, transparent, and peaceful elections, 11 a.m., 2255 Rayburn.

Committee on the Judiciary, hearing on the following bills: H.R. 1686, Internet Freedom Act; and H.R. 1685, Internet Growth and Development Act of 1999, 10 a.m., 2141 Rayburn.

Committee on Resources, to continue consideration of H.R. 1552, Marine Research and Related Environmental Research and Development Programs Authorization of 1999; and to consider the following bills: S. 361, to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain

land so as to correct an error in the patent issued to their predecessors in interest; S. 449, to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property; H.R. 468, Saint Helena Island National Scenic Area Act; H.R. 535, to direct the Secretary of the Interior to make corrections to a map relating to the Coastal Barrier Resources System; H.R. 695, to direct the Secretary of Agriculture and the Secretary of the Interior to convey an administrative site in San Juan County, New Mexico, to San Juan College; H.R. 834, to extend the authorization for the National Historic Preservation Fund; H.R. 1231, to direct the Secretary of Agriculture to convey certain National Forest lands to Elko County, Nevada, for continued use as a cemetery; H.R. 1444, to authorize the Secretary of the Army to develop and implement projects for fish screens, fish passage devices, and other similar measures to mitigate adverse impacts associated with irrigation system water diversions by local governmental entities in the States of Oregon, Washington, Montana, and Idaho; H.R. 1487, National Monument NEPA Compliance Act; H.R. 1528, National Geologic Mapping Reauthorization Act of 1999; H.R. 1753, Methane Hydrate Research and Development Act of 1999; H.R. 1934, Marine Mammal Rescue Assistance Act of 1999; H.R. 2079, to provide for the conveyance of certain National Forest System lands in the State of South Dakota; and H.R. 2181, to authorize the Secretary of Commerce to acquire and equip fishery survey vessels, 11 a.m., 1324 Longworth.

Committee on Rules, to consider H.R. 10, Financial Services Act of 1999, 2 p.m., H–313 Capitol.

Committee on Small Business, to consider legislation involving the SBA's 7(a), 504 and SBIR Programs, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, hearing on Status of Airport Privatization Efforts, 10 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, Subcommittee on Health, hearing on H.R. 2116, Veterans' Millennium Health Care Act, 10 a.m., 334 Cannon.

Committee on Ways and Means, hearing on the Impact of U.S. Tax Rules on International Competitiveness, 10 a.m., 1100 Longworth.

Permanent Select Committee on Intelligence, executive, briefing on Kosovo Update, 3 p.m., H–405 Capitol.

Next Meeting of the SENATE

9:30 a.m., Wednesday, June 30

Senate Chamber

Program for Wednesday: Senate will begin consideration of S. 1234, Foreign Operations Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, June 30

House Chamber

Program for Wednesday: Consideration of H.R. 1218, Child Custody Protection Act (closed rule, two hours of general debate);

Consideration of H.R. 66, To Preserve the Cultural Resources of the Route 66 Corridor (open rule, one hour of general debate);

Consideration of H.R. 791, Star-Spangled Banner National Historic Trail Study Act (open rule, one hour of general debate); and

Consideration of H.R. 592, To Redesignate Great Kills Park in the Gateway National Recreation Area as ''World War II Veterans Park at Great Kills'' (open rule, one hour of general debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Barcia, James A., Mich., E1441
Bereuter, Doug, Nebr., E1441
Berman, Howard L., Calif., E1432
Bonilla, Henry, Tex., E1440
Brown, Sherrod, Ohio, E1436
Capuano, Michael E., Mass., E1433
Condit, Gary A., Calif., E1419, E1438
Conyers, John, Jr., Mich., E1422
Cunningham, Randy ''Duke'', Calif., E1426
Davis, Danny K., Ill., E1424
DeLauro, Rosa L., Conn., E1423, E1442
Doyle, Michael F., Pa., E1422
Dunn, Jennifer, Wash., E1427
Forbes, Michael P., N.Y., E1417, E1432
Frank, Barney, Mass., E1432
Gillmor, Paul E., Ohio, E1433
Gilman, Benjamin A., N.Y., E1417, E1420, E1424, E1431, E1442
Hilleary, Van, Tenn., E1439
Hobson, David L., Ohio, E1433
Houghton, Amo, N.Y., E1422
Hyde, Henry J., Ill., E1426
Inslee, Jay, Wash., E1420, E1425
Johnson, Eddie Bernice, Tex., E1427
Jones, Walter B., N.C., E1440
Kucinich, Dennis J., Ohio, E1418, E1439
Lantos, Tom, Calif., E1437
Levin, Sander M., Mich., E1434
McCarthy, Carolyn, N.Y., E1417, E1423
McDermott, Jim, Wash., E1425
Meek, Carrie P., Fla., E1431
Nadler, Jerrold, N.Y., E1433
Nethercutt, George R., Jr., Wash., E1440
Ortiz, Solomon P., Tex., E1423
Packard, Ron, Calif., E1442
Pallone, Frank, Jr., N.J., E1441
Payne, Donald M., N.J., E1441
Pelosi, Nancy, Calif., E1420
Rodriguez, Ciro D., Tex., E1433
Sanchez, Loretta, Calif., E1436
Skelton, Ike, Mo., E1423, E1434
Slaughter, Louise McIntosh, N.Y., E1425
Stump, Bob, Ariz., E1417
Talent, James M., Mo., E1424
Towns, Edolphus, N.Y., E1436
Weldon, Dave, Fla., E1442
Young, Don, Alaska, E1432, E1435

Congressional Record The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. ¶Public access to the Congressional Record is available online through *GPO Access,* a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available on the Wide Area Information Server (WAIS) through the Internet and via asynchronous dial-in. Internet users can access the database by using the World Wide Web; the Superintendent of Documents home page address is http://www.access.gpo.gov/su_docs, by using local WAIS client software or by telnet to swais.access.gpo.gov, then login as guest (no password required). Dial-in users should use communications software and modem to call (202) 512–1661; type swais, then login as guest (no password required). For general information about *GPO Access,* contact the *GPO Access* User Support Team by sending Internet e-mail to gpoaccess@gpo.gov, or a fax to (202) 512–1262; or by calling Toll Free 1–888–293–6498 or (202) 512–1530 between 7 a.m. and 5 p.m. Eastern time, Monday through Friday, except for Federal holidays. ¶The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $165.00 for six months, $325.00 per year, or purchased for $2.75 per issue, payable in advance; microfiche edition, $141.00 per year, or purchased for $1.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. Mail orders to: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250–7954, or phone orders to (202) 512–1800, or fax to (202) 512–2250. Remit check or money order, made payable to the Superintendent of Documents, or use VISA, MasterCard, Discover, or GPO Deposit Account. ¶Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. ¶With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.