first place admitting, yes, we have been making medical decisions. And then in the second place saying, but you know what, we have found that that is not cost efficient. So we are going to allow the doctors to make the decisions.

Remember, the HMOs have said during the debate we had here a couple of weeks ago, ''Oh, no, we don't make medical decisions, we just make determinations of benefits.'' And then they said, ''But if you pass the legislation, it is going to cost so much more. Premiums will go up.'' And, guess what, one of the two cornerstones of the legislation that passed this House was on the determination of medical necessity, physicians and patients would make the decision.

□ 2215

Now, the second largest HMO in this country is saying, hey, do you know what, we found out that it cost us more money to micromanage those decisions, so we are not going to do it anymore. That certainly undercuts their arguments about increases in premiums, does it not?

Mr. Speaker, on October 7, the House of Representatives sent a message to the Senate: Get real about protecting patients for all citizens from HMO abuses. We passed, remarkably, a bipartisan consensus managed care reform bill by the margin of 275 to 151.

The American public is now demanding real action on this issue. How do I know that? A recent survey. The Washington Post did a survey to better understand Americans' concerns. More than 2,000 people were asked 51 things that might be worrying them. Do Members know what the top worry in the public is today, by 66 percent of people who worry about it? To a great deal, according to the survey, their worry is that insurance companies are making decisions about medical care that doctors and patients should be making.

Do Members know what else the survey showed? The same thing between Democrats, the same thing between Republicans, the same thing between Independents. Do Members know what else the survey showed? It did not matter whether they were supporting Al Gore or Bill Bradley or George W. Bush, this was still number one on the public's mind.

So guess what we did during that debate? We voted on the Senate bill in the form of the Boehner amendment. What did the House do? It overwhelmingly defeated the Senate bill because it is a sham bill. That Senate bill in this House only got 145 votes and 284 votes against it.

Just a few days ago the House voted again. By a vote of 257 to 167, the House instructed conferees to support the House-passed bill, the Norwood-Dingell-Ganske bill. Why did the House have to do this? Because the Speaker appointed 13 GOP conferees, and only one of them voted for the bill that passed the House. When is my Republican leadership going to get it?

A new survey by the Kaiser Family Foundation showed that 85 percent of employers support emergency room provisions, and 94 percent of employers support the right to an independent review. Even on the right to sue, 60 percent of employers support the right to sue a plan, with support higher than that for employers of small businesses, and still above 50 percent for employers of firms with more than 5,000 workers.

Mr. Speaker, it is time to get real about managed care reform. Let us see if the conference can really come up with something real.

□ 2320

ILLEGAL NARCOTICS

The SPEAKER pro tempore (Mr. TOOMEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 41 minutes.

Mr. MICA. Mr. Speaker, I come to the floor late on a Tuesday night once again to talk about the issue of illegal narcotics. But before I get into the issue of illegal narcotics, I must follow up on some of the comments of my colleagues, and I am going to try to mesh my comments into part of the debate that we are having here in Congress as we wrap up the funding of our government. It does take 13 appropriations measures to fund our entire government. We have been through about nine of those bills. Really in most cases now we are down to the question of not how much more money to expend but how to operate programs. I am so pleased that my colleagues on the majority side, the Republican side, spent part of the time tonight talking about education and about some differences in philosophy. I think that is very important to particularly education.

I chaired the House Civil Service Subcommittee for some 4 years. If you want to find out where the bodies and the bureaucrats are in our Federal Government, just chair that panel for a short period of time and you will. I quickly found that there are about 5,000 people in the United States Department of Education. I also found out that about 3,000 of them are located just within a stone's throw of the Capitol building right here in the Washington metropolitan area. Then another 2,000 are located in the approximately dozen regional offices throughout the United States. It is no surprise that none of them are located in the classroom. It is also no surprise that they earn between 50 and over $100,000 apiece on average. They are very well paid and they are education bureaucrats. Their responsibility is to really provide the administration for some, it was 760 Federal education programs. We have narrowed that down to approximately 700. In addition to that, they are part of what I call the RAD Patrol. The RAD Patrol is regulate, administer and dictate.

Basically we found in our work on the Civil Service Subcommittee and again exploring what these individuals are doing, is basically they are again administering a mass of Federal programs and a mass of Federal regulations that are being pumped out. What that does in fact is it ties our teachers up in little knots, it ties our school boards and our States into bigger knots, and the last thing the teacher is able to do is teach. They have put so many constraints and requirements and reports and paperwork on our teacher, that if you talk to a teacher today, a teacher no longer has control of her classroom, his or her classroom, no longer has control over his or her agenda, no longer has discipline in the classroom and no longer has respect. All of that, I think we can trace back to this massive Federal bureaucracy.

A part of the budget battle right now is how those education dollars are spent. They still want to maintain on the other side of the aisle control of the entire education agenda from Washington. I do not think that has ever been the case. The best schools have always been parent and teacher and local community led. This is a very fundamental argument. Balancing the budget was probably one of the easier tasks. Of course, we took our wounded in that battle and were accused of all kinds of misdeeds, but in fact we did bring the country's budget into order, not by decreasing any programs, in fact, we have increased the money in most of these programs, including education, but by, in fact, limiting some of the increases in the programs that had astronomical amounts of increases, the revenue that was coming in was not equal to the money in increases we were giving out and we got ourselves into two and $300 billion deficits. Every pension fund, every trust fund was raided, and for 40 years that continued. It was not buying votes but it was giving out more money than was coming in the treasury and then taking from all of these funds, some of them even pension funds.

I oversaw some approximately 30 Federal pension funds out of about 36 or so that were totally without any hard assets. Every bit of money of the Federal employees had been taken out. In fact, that obligation to pay back just the interest on the money that has been taken from those funds amounts to about $40 billion and is projected to grow in the next 10 years to about $120 billion a year. It is, I believe, the fourth biggest budget item that we have, because there is no money in that. Everybody is upset about Social Security and they took basically all the money out of those funds, the hard cash put in certificates of indebtedness of the United States. Well, they did the same thing to the Federal employee pension funds.

You look at program after program, we have had battle after battle to try to get those programs in order. The highway trust fund. I serve on the Committee on Transportation and Infrastructure. The highway trust fund

was another fund that was abused. The 18.4 cents that you were paying into this fund to build highways and public infrastructure, that money was not really going in there. Some of it was not being spent to artificially, quote, go towards balancing the budget. Then money was also taken out of there and used for other purposes other than what the highway trust fund was set up for, and that cost tens of billions of dollars to straighten that out. We have had a heck of a battle in the House of Representatives to try to straighten that out. So whether it is pension funds, whether it is Social Security, whether it is the transportation highway trust fund, for 40 years they played a game with the American people. Now we are paying a penalty in trying to straighten that out. But we are trying to do it in a legitimate fashion.

I chair the Criminal Justice and Drug Policy Subcommittee of the House of Representatives. I try to speak at least once a week as the person who is responsible in the House in trying to help develop a national drug policy. I try to focus on that issue, get the Congress, Mr. Speaker, and my colleagues here and the American people to pay attention to what I consider the most serious social problem that we have, and certainly it is a criminal justice problem with our prisons nearly packed to capacity with some close to 2 million, 1.8 million Americans behind bars, some 70 percent of them there because they have been involved in some drug-related crime.

We have a horrible situation. As I mentioned, we have had over 15,000 deaths; 15,973 deaths were reported from drug induced causes in 1997, our latest figures. That is up from 11,703 in 1992 when this administration changed hands.

So we have a very serious national problem. This national problem also as far as narcotics is intertwined in this budget battle. As I say, we have 13 budget bills or appropriations measures that make up the total budget and appropriations to run the country. One of those funding measures is to fund the District of Columbia. We have an obligation under the Constitution since we established in 1790 the District of Columbia to fund the District of Columbia and act as stewards of our Nation's capital and the district that was set up.

□ 2330

Unfortunately, in some 40 years of control by the other side, the District of Columbia, which should, again, be a shining example for all Americans, the place of our national seat of government, a respected capital in the world turned into a city in disgrace, a city in despair.

When we inherited the District of Columbia in 1995, and I came in 1993 when the other side was in control, and controlled the House, the Senate, and the other body, and by wide majorities, and the executive office, of course, the presidency, they controlled the entire three major determiners of policy for the District of Columbia and for national policy.

But we inherited in 1995 a Nation's capital in disgrace. Part of the budget battle today is, and one of the pending items that has not been approved, the President has vetoed it several times, and he may veto it again, is funding for the District of Columbia.

I always like to cite from facts about the situation. I do not mean to do this in a partisan fashion. We inherited a responsibility here. We have had some 4-plus, going on 5 years of running the Nation's business, and also overseeing Federal policy towards the District of Columbia.

I cite from some articles about what we inherited. A Washington newspaper, July 27, 1994, this article said about public housing, and I will quote from the article, ''Hundreds of D.C. families live in deplorable conditions as a result of the Department of Housing and Urban Development's failure to properly monitor owners and inspect various properties,'' says a report by the D.C. accounting office. ''The study found that 292 HUD subsidized units at Edgewood Terrace in the Northeast section of the city, the District of Columbia, failed to meet standards, and even called some of the 114 occupied apartments unfit for human habitation.''

This is the type of situation we inherited. The public housing units were not fit for human habitation. In fact, the housing agency was bankrupt.

I spoke a minute ago about the taking of pension funds. Marion Barry, who was the chief executive, this report in the newspaper of November 9, Washington, 1994, states that there was $5 billion in unfunded police and firefighters pension liability which also was increasing costs.

The D.C. General Hospital was hemorrhaging in red ink, and there were other fiscal problems. It goes on to cite the situation with pension funds, the hospital, and other matters that we inherited, again, as the new majority.

The situation, I have cited this before, but even the morgue was a disaster. This report from early in 1996, again, a Washington paper, the Washington Post, reported, ''About 40 bodies are being stockpiled at the D.C. morgue because the crematorium broke down about a month ago, and the cash-strapped city government has no other way to dispose of the corpses.''

When the Republicans inherited, again, 40 years of their oversight of the District of Columbia, we were running approximately three-quarters of $1 billion in deficit that year that we inherited this mess. I am pleased that as a result of what we have done, not only with the national budget but also with the District budget, this is one of the first years that the District is nearly in a balanced budget situation.

We have not replaced all of the funds that have been taken from these various funds, just like we have not replaced social security or unfunded Federal employee pensions, but we have begun that process. My point tonight is we do not want to turn back, whether it is those programs that I have mentioned or other programs.

Another program I have mentioned tonight is the job training program. A Washington Post article of October 4, 1994, basically found that the city was spending a great deal of money and not training anyone. In fact, one of the reports we had was no one was trained in one year, and that in fact most of the money went for administration.

Another Washington Post article talked in 1993 about drug and alcohol treatment, something that, of course, is very much of interest to me and also to our Subcommittee on Criminal Justice, Drug Policy, and Human Resources. This is what we inherited: ''Its drug and alcohol treatment programs,'' the District, ''however were denounced as inadequate last month by Federal officials.''

They go on to talk about lack of a mental health commissioner for the past year, and other deficits in programs here.

Some of the worst examples of what we inherited as a new majority is this article from the Washington Post in April of 1995. With the city's financial situation in almost total bankruptcy, they did in fact treat the mentally ill children in this fashion. Let me read this from the article:

''Some mentally ill children at the District's St. Elizabeth's Hospital have been fed little more than rice, jello, and chicken for the last month after some suppliers refused to make deliveries because they have not been paid.'' This is, again, part of what we inherited here in the District.

I could go on. There are more and more of these articles about what we inherited in the District of Columbia. My point tonight is that the District of Columbia is now beginning to be in some order, brought into some order by the new Republican majority. This is not the time to turn back.

Tonight and this week we do not have an issue over dollars in the D.C. budget bill. We still have an issue, though, however, of policy. That policy difference is over a liberal approach to drug treatment, a liberal approach to needle exchange, a liberal approach to enforcing the laws about what are now illegal narcotics in the District of Columbia.

The administration would like to change the philosophy. They would like a liberal philosophy, a liberal needle exchange policy, liberalization of the narcotics laws in the District of Columbia. Our side, the majority, says no, we should not make that step, that we think it is the wrong step.

We have some good examples of what bad programs have done. I always cite just to the north of us Baltimore, which has had a liberal policy. That policy in fact has caused tremendous

problems for Baltimore. Baltimore has gone from some 38,000 addicts just several years ago, in 1996, according to DEA, to the most recent statistics by one of the city council members there where Baltimore now has somewhere in the neighborhood of one out of every eight citizens, and that could be anywhere from 70,000 to 80,000 people in Baltimore are now drug or heroin addicts.

I do not think we need to model liberal programs, liberal needle exchange programs, or a liberal program as far as drug laws and model it after Baltimore and have that in the District of Columbia. We have some 540,000 population here in the District. We probably have some 60,000 addicts, if we adopted that model and the same thing happened here in the District of Columbia.

□ 2340

We do not think that, in fact, that is the way to go.

I have also cited in the past, and I have another chart here tonight, showing zero tolerance and a tough enforcement policy. Some folks do not like that. Some folks call for liberalization. They say the drug laws are too tough. But we find this New York City chart, look at index of crime. We have index of crimes and that is going down as the arrests and enforcement go up.

Not only do we have crime being reduced with tough enforcement with zero tolerance, the statistics on deaths are about as dramatic as any figures I have ever seen. There has been a 70 percent reduction in deaths since Mayor Giuliani took office. The early years of his taking office there were about 2,000 deaths, and in 1998 they are down to 629, a 70 percent reduction. Baltimore, again, a liberal drug policy, more liberal philosophy with their folks, has had 312 deaths in Baltimore in 1997, 312, the same figure, in 1998. And one can see what again a contrasting philosophy can do.

So we think that it is very important that we continue the fight. If the President wants to veto the bill again, many of us here have said let him veto the bill, but we insist on some of these provisions. Again, we do have the finances of the District in order. We have brought them in order. We have gone from a $700-plus million deficit just in the District, almost three-quarters of a billion when we inherited the District, to nearly a balanced budget in the District of Columbia.

We have reduced the number of employees from 48,000 to 33,000. We have put in new administration. Of course we had to put in a control board, some of the operations we had to privatize and some of them we had to reorganize. Programs are in order that were a disaster. Welfare and schools. They were paying some of the highest in taxes in the District of Columbia and some of the schools were the worst performing. Paying highest amount per capita, one of the highest in the Nation, and again getting some of the lowest results.

We personally think this paying more and getting less out of government is a bad approach and we would hate to see us take now a liberal policy and adopt it in place of a conservative policy, a zero tolerance policy when it comes to drug enforcement. Again, the statistics are pretty dramatic.

A lot of folks say that those in jail are there because they have committed some minor crime offense. That really is not the case. There are many myths that are relative to this war on drugs and the effort against illegal narcotics.

We had a study, one of the most recent studies completed in the United States was completed in New York by their judicial officers and they found roughly 22,000 individuals serving time in New York State prisons for drug offenses. However, 87 percent of them were actually serving time for selling drugs, 70 percent of those folks had one or more felony convictions already on their record. So 70 percent of those 22,000 individuals were already multiple felons.

Of the people that are serving time for drug possession, 76 percent were actually arrested for sale or intent to sell charges and eventually pled down to possession. So some of the folks that are in New York State prison are there who may be charged with more minor offenses but, in fact, have plea bargained down. And, in fact, some 70 percent of them have one or more felony convictions.

So we are not exactly dealing with people who are being put in prison for some minor drug offense. We are dealing with repeat offenders.

But the statistics do show in the manner in which this has been handled in New York that, in fact, this tough enforcement, zero tolerance does make a big difference and dramatically changes the lifestyle, as anyone who has visited New York or lives in New York can attest to.

The other myth that I like to dispel and will talk about very briefly again tonight is that the war on drugs is a failure. Let me repeat some charts if I may. I hear over and over that the war on drugs is a failure. The war on drugs is not working. Let us just take a minute and look at what has happened. This chart does show 1980 and the Reagan administration and the Bush administration through 1990, and the Clinton administration. We see in this long-term trend in drug use a continuing decline. And this is through the Reagan and Bush administration, a tougher policy, awareness campaign that was made, interdiction and source country programs that were properly funded.

We saw all of that come to an end in 1993 with the election of President Clinton and the new majority at that time in the House. Actually, the old majority. They controlled the House and the Senate, the Democrat side and the White House. One could almost trace the dismantling of the drug czar's office and he reduced that staff, and the Democrat Congress did, from 120 to some 20 individuals in the drug czar's staff. That would be the first blow. Then the next blow was of course the hiring of Jocelyn Elders who said ''Just say maybe'' to our young people.

The next thing, if we looked at this chart and we added it in here, were the reductions in spending on interdiction and also on source country programs. Again, two Federal responsibilities. Stopping drugs at their source and then stopping drugs before they come into our country and into our borders.

In the international source country programs, Federal drug spending on these programs declined 21 percent in just one year after the Clinton administration took office. So to go back to the chart, we see a 21 percent decrease. In fact, just in the last year, in this year, we will get us back to in international programs to the level of 1992 in spending and putting back together the cost-effective stopping drugs at their source. If one does not think these programs are successful, we have spent very few dollars in the last 2 years in Bolivia and Peru, two cooperating countries under the leadership of President Banzer in Bolivia and President Fujimori in Peru. In Peru, we have cut the coca production by 60 percent in a little over 2 years. And in Bolivia, some 50 percent of the cocaine production has been reduced. And we can almost see the beginning of cocaine trafficking use and abuse in the United States, in fact we do see that and we see less and less of the product coming into the country. So we know a little bit of money, out of billions and billions expended on other programs and certainly enforcement, certainly imprisonment and certainly treatment, are very expensive programs. But keeping the drugs out of our country again is a Federal responsibility.

The interdiction programs, again, if we go back to the chart here and we see 1993, the Clinton administration reduced interdiction, cut interdiction some 23 percent 1 year after the Clinton administration took office.

So these charts and, again, we can bring up the exact charts. It would almost be nice to superimpose those. But international programs, again, in the Reagan-Bush years were at this level. Dropped down. We are bringing them back up to where we were 1991, 1992 equivalent dollars, source country programs.

□ 2350

Source country programs, interdiction programs, the same thing. They cut dramatically.

Basically they stopped the war on drugs as far as any effort and put most of their effort into drug treatment programs. Most people would think that we have had a decline just of late or in that period in drug treatment programs. In fact, Federal drug treatment spending on treatment programs increased 37 percent from 1992 to 1998. It went from $2 billion to a little over $3 billion. Interestingly enough, even

with the new majority, we have increased from 1995 when we took control some 12 percent in spending, not tremendous increases of that past, but there has been a steady increase.

So contrary to some belief and some myths, we have been spending and increasing funding on treatment. But we know that dramatic reductions, again, in interdiction and source country programs cause problems. Those problems, of course, we are facing today in this budget battle.

Also on the agenda in Washington this week is how much money we put into additional assistance. Today's Washington Post has a story that berates the Congress a bit not moving forward on funding for Colombia.

I cited a success story the last couple of years in Peru and Bolivia where we have made great strides in curtailing illegal narcotics coming into the United States. In Colombia, we have a reverse situation.

The administration in 1993 began an effort to really close down our efforts to assist Colombia. First of all, they stopped information sharing. Next, they stopped overflights and also information sharing from those overflights. Where we shared information on shootdown policies, basically the administration shot down that policy. For some time, we were left without providing any assistance.

The next dramatically destructive step that was taken was the decertification of Colombia. Now, Colombia could be decertified as not fully cooperating on the war of drugs, which is a Presidential responsibility in his annual assessment as charged by law. But there is in that law a provision for a waiver which would have allowed us to get equipment, resources to Colombia. In fact, that was not granted for several years. Until 1998, absolutely nothing went to Colombia.

In the meantime, we have seen the disruption of Colombia. We have seen nearly a million people displaced in 1 year, 300,000. We have seen some 30,000 people slaughtered, some 4,000 to 5,000 police and public officials, Members of Congress, the Supreme Court slaughtered in Colombia.

Now we see the disruption of Colombia and that disruption extending up into the Panama isthmus and to other countries. This region produces 20 percent of the United States daily oil supply, and suddenly this has become a crisis.

The Washington Post asked today in the current budget negotiation, ''however, no one seems to be looking for money for Colombia.''

One of my responsibilities of chair of the Subcommittee on Criminal Justice, Drug Policy and Human Relations is to find out where the money has gone, investigate how it has been expended.

Last year, we appropriated some $287 million towards the antinarcotics effort in a supplemental package, again to try to get us back on track with Colombia and in the international arena and interdiction arena.

Today, this morning, and last week, I began a series of closed door meetings with the Department of State officials, DoD officials, in addition to public hearings that we have held, to find out where the money has gone.

Of the money, I have found that about $200 million actually ended up going to the account designated for Colombia. Of that money, to date, only about half of the $200 million has actually been expended.

Unfortunately, we have requested, and this has been a bipartisan request of the administration for the past 4-years, helicopters, equipment, resources, and assistance to Colombia so the Colombians can fight the Marxist insurgency that is financed by international narcotics, narcoterrorists. To date, unfortunately almost all of that equipment has not reached the shores of Colombia.

We are told that we had delivered this past weekend three helicopters. We have six other helicopters. We have nine helicopters in total of which, really, not any of them are fully capable of missions yet. Some still need armoring. To make matters worse, we found that the ammunition that we have requested year after year to provide to the Colombian national police and their enforcement folks that are going after the narcotraffickers had been shipped November 1, some few days ago. They could not even confirm this morning to me that that has arrived.

Now, we are willing to meet our budget obligations, and we will put into Colombia whatever money we need for Colombia to help get that situation under control. But we have repeatedly provided funding assistance. We have requested the administration to get resources, helicopters, ammunition, whatever it takes to go after the narcoterrorists.

I must report to the Speaker and the House of Representatives tonight that the track record is absolutely dismal of performance by the administration. So it is unfortunate that, even with a supposed request, and I asked this morning for a specific request of how much money the administration will be asking for, and we have heard anywhere from $1 billion to $2 billion, some folks have recommended as much as $1.5 billion to assist them over a several-year period, we still do not have, and I still do not have as of this morning a specific proposal from the administration.

I think this will be the December surprise. I think that once the Congress has finished its work in the next few days that the Congress will be presented with a price tag for this failure, failure to get the equipment there, failure to get the resources there, failure to spend the money that the Congress has already expended.

So we are going to take a very hard look at that and see how those dollars should be expended. We will try to provide additional resources. But we must do it mindful of that we are guardians of the public Treasury and that those dollars that we ask to appropriate in a fashion go to those specific projects, and that the administration follow through as directed by the Congress of the United States before we pour more money into this war. Again, we are committed to put in whatever dollars are necessary to bring this situation under control.

So we have a horrible situation getting worse. This last chart, as I close, shows the latest statistics showing from South America 65 percent of the heroin now an increase from 14 to 17 percent, the heroin coming from Mexico, and some 18 percent from southeast Asia. A picture that looks worse for Mexico, worse for South America, and worse for the American people and for the prospect of hard narcotics, in this case heroin, coming into our streets and our communities.

Finally, tomorrow we will meet with the Mexican officials, their attorney general, their other officials who will be here with a high level of working group to discuss the United States and Mexico efforts to get illegal narcotics through the major transit country, Mexico, under control. It is my hope that we can we can be successful, but we are also going to take a large look at Mexican cooperation, which has been lacking.

Mr. Speaker, hopefully next week we will have the opportunity with the Congress to come back and finish the narcotics report.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MATSUI (at the request of Mr. GEPHARDT) for after 3:00 today on account of official business.

Mr. PASCRELL (at the request of Mr. GEPHARDT) for today on account of personal business.

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. PALLONE, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. MINGE, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, today.

Mr. FOSSELLA, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. GOODLATTE, for 5 minutes, today.