gaining adequate data on which to judge this option. Unfortunately, those concerns have been validated over the past years, and I am resubmitting corrective legislation to put us back on the right track.

While many in Congress have been pushing for an FEHBP option for military retirees for years, that effort has been stymied because some believe that it would be too costly. That is because budget analysts made some illogical assumptions in projecting the cost of FEHBP for military retirees. For example, the budgeteers incorrectly calculated that all eligible military retirees would select this option. But that is not logical. Some people may be satisfied with their access to care under Tricare, or opt out based on cost calculations. Moreover, budget analysts did not account for the savings that would accrue in other health programs for those who participate in FEHBP.

Given these unrealistic assumptions, I joined other FEHBP supporters in pushing a demonstration so that we could validate the true cost and viability of this option. Unfortunately, even the demonstration was scaled back, creating a ''Catch 22'' situation.

Congress authorized a three-year demonstration limited to 66,000 participants at up to ten sites. Because the number of eligibles that could be offered this option was capped at 69,663, it has been almost impossible to attract a credible pool of participants on which to judge the viability and cost. To achieve anything close to our intent, we would have to have one hundred percent participation—something no one but the budget analysts ever assumed possible. Set up for failure, this effort could provide opponents the perfect fodder to kill the FEHBP option.

DOD never began any real marketing of the option to potential beneficiaries until August 1999—two months before the pilot was to begin. And the effort that was made was completely inadequate. Notification consisted of a postcard mailer without any detailed information so that eligible participants could compare costs to their current arrangements. People who have Medicare Part B coverage were not informed that under some plans, they wouldn't have to make copayments or meet deductibles. The Department was slow to announce health fairs conducted by FEHBP insurers, leaving less than a week in most cases for potential participants to plan.

The artificial limits, combined with inadequate marketing of FEHBP to military retiree, led to unusually low participation. At the end of 1999, less than one thousand people in eight sites nationwide have signed up for the FEHBP option. Fortunately, a renewed marketing effort and extension for signup last year increased participation to 7200. But almost two years were lost in getting this demonstration off the ground, and it is set to expire at the end of 2002. Meanwhile, DOD still must spend money to market to this small group of eligible participants.

Those who participate in the FEHBP program are also prohibited from getting any further care in a military treatment facility. MTFs such as Walter Reed Army Medical Center need the older patients to keep up their full range of medical skills and they have the space to accommodate retirees. We should allow MTFs to bill health care plans for services—as we are now starting to do with Medicare Subvention.

My bill would address these limitations by:

Removing the limits on the number of people and areas of the country in which the demonstration may be carried out.

Removing the restriction, which prevents participants from using military treatment facilities (MTFs), and allows MTFs to charge the FEHBP plans for retiree services. That balances cost considerations, and ensures a steady mix of older patients so that the military medical personnel are able to keep up their full range of skills.

Extending the current demonstration two years so that we have the benefit of solid data and a credible program on which to judge the viability of the FEHBP option.

Mr. Speaker, these fixes are no substitute for comprehensive military retiree health care reform. In my view, the time for demonstrations and patchwork fixes to the DOD health care system is over. Congress took a major step in that direction last year by authorizing the ''Tricare for Life'' benefits. But we need comprehensive action to ensure a menu of affordable heath care options for military retirees. I am confident that an honest assessment will confirm the viability of an FEHBP option for all military retirees.

We cannot continue to punt on that because of budget concerns. We provide FEHBP to millions of civilian federal employees throughout their careers and in retirement. Military personnel and their families make many sacrifices throughout their careers. The least we can do is provide them with the same level of care that other federal workers have. They deserve no less.

INTRODUCTION OF THE ENERGY EFFICIENT BUILDINGS INCENTIVES ACT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 2001

Mr. MARKEY. Mr. Speaker, I am pleased to join my colleague the gentleman from California (Mr. CUNNINGHAM) and a bipartisan coalition of other Members in introducing the ''Energy Efficient Buildings Incentives Act.''

Energy use in buildings in this country accounts for approximately 35% of polluting air emissions nationwide about twice as much as the pollution from cars. It costs the average American $1500 to heat and cool their homes every year, which amounts to an annual cost of $150 billion nationwide. Commercial buildings and schools incur $100 billion in annual utility bills. And yet, the tax code fails to provide sufficient incentives to reduce wasteful and unnecessary energy use. This is bad policy, and it must be changed. in these times of ''brown outs'' and ''black outs'' in communities across this nation and in times of rising fuel prices, we should be looking for ways to ensure that energy is never wasted.

That is why we have introduced the ''Energy Efficient Buildings Incentives Act.'' Our bill would spur use of energy efficient technologies, such as super-efficient air conditioning units, which could result in a substantial drop in peak electricity demand of at least 20,000 megawatts—the equivalent of the output of 40 large power plants. At a time when many communities are currently facing electricity supply shortages, and the local political issues involved with siting and building new power plants are difficult and contentious, our bill provides a way to reduce pressures on the nation's electricity grid. Specifically, our bill provides tax incentives for:

Efficient residential buildings, saving 30% or 50% of energy cost to the homeowner compared to national model codes, with a higher incentive for the higher savings.

Efficient heating, cooling, and water heating equipment that reduces consumer energy costs, and, for air conditioners, reduces peak electric power demand, by about 20% (lower incentives) and 30%–50% (higher incentives) compared to national standards.

New and existing commercial buildings with 50% reductions in energy costs to the owner or tenant, and solar hot water photovoltaic systems.

If only 50% of new buildings reach the energy efficiency goals of this legislation, air pollution emissions in this country could be reduced by over 3% in the next decade, and decrease even more dramatically over time. In that same ten-year period, this legislation could result in direct economic savings of $40 billion to consumers and businesses. For example, a family that installs an energy efficient water heater can get $250 to $500 back from the tax code changes and an additional $50 to $200 every year in reduced utility bills. Or a family that purchases a new home that meets the standards in this bill can get as much as $2,000 returned to them by the tax incentives, in addition to the $300 or more in continuing energy savings.

I urge other Members to join us in saving American consumers money, improving the air we breathe and the water we drink, increasing the competitiveness of American industries, and eliminating inefficiencies in the tax code by encouraging energy efficiency in our schools and our commercial and residential buildings.

IN RECOGNITION OF JUDGE JULIO FUENTES, HONOREE OF NOSOTROS MAGAZINE'S 33RD ANNIVERSARY GALA AWARD BANQUET

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 28, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize Judge Julio Fuentes, who will be honored at the 33rd Anniversary Gala Award Banquet of Nosotros Magazine on Saturday, February 21, 2001. The Banquet is an annual event that honors distinguished Hispanic leaders for their important contributions to society. This is an opportune time for today's Hispanic leaders to reflect on the economic, political, and cultural contributions that Hispanics have made to American society.

Judge Fuentes was born in Puerto Rico and raised in Toms River, New Jersey. He served in the U.S. Army from 1966 to 1969 as a military police officer. He earned his Bachelor's Degree at Southern Illinois University and his Juris Doctor at the State University of New York at Buffalo. While serving as a judge, Fuentes earned two Master's Degrees, one in Latin American Affairs at New York University and one in Liberal Arts at Rutgers University.