not inspected by HUD prior to start of construction. With improvements in local zoning and inspection laws, this special limitation is outdated, and places an unnecessary inspection burden on HUD staff. FHA insurance of new homes continues to fall, in part because of this restriction. Ten years ago, when FHA's total business was roughly one-third of today's volume, its new construction business was approximately 40 percent higher than it is today. I believe that elimination of this unnecessary limitation would make FHA more competitive in this area. Again, this provision was adopted in committee by voice vote and included in H.R. 3838 last year.

Finally, section 7 of my bill would eliminate the need for FHA approval of condominium projects, when any such project has already been approved by a government sponsored enterprise [GSE]. Requiring FHA approval in this case is redundant, and is the type of bureaucratic excess that we are seeking to undo.

In conclusion, as we move to consideration of proposals dealing with FHA and other Federal housing programs, let's make sensible decisions which preserve opportunities for all Americans. My approach is simple: don't eliminate FHA—modernize it. I believe the FHA Modernization and Efficiency Act is the way to do this, and would welcome cosponsors for this important legislation.

SALUTING ROBERT AND ERIC SCHULTZ

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. GILMAN. Mr. Speaker, I wish to call to the attention of all of our colleagues a courageous act of bravery on the part of two of my constituents, who serve as an inspiration to all of us.

Robert W. Schultz of New City, NY, and his 24-year old son Eric were vacationing at Saranac Lake in New York's Adirondack Mountains last May when they witnessed the capsizing of a canoe on the lake which was occupied by a father and son.

Both Robert and Eric dove into the freezing waters of the lake to rescue the two unfortunate canoeists. Eric managed to get the son to an island, where he administered first aid in the manner which he learned in the Boy Scouts, and performed other procedures which brought the young man back to consciousness. In the meantime, Bob was able to lead the father to another location on shore, where by utilizing the survival skills he had learned as a Boy Scout, reversed the first stages of hypothermia which had begun to set in, and stabilized the gentleman's condition until help arrived. Both Bob and Eric remained calm and collected throughout this emergency situation, and their actions resulted in saving the lives of both father and son.

Because of their heroism and their expertise, both Robert and Eric are being presented the Boy Scouts of America Lifesaving Award, perhaps the most prestigious honor bestowed by the Boy Scouts. Bob and Eric had both achieved the rank of Eagle Scout, and there is no doubt that the skills they had obtained as a part of their Boy Scout training directly led to the saving of both of these lives.

Mr. Speaker, in today's cynical society, many people question the relevance of the Boy Scouts of America to today's society. Let us point to Bob and Eric Schultz as a shining example of the worthiness of the Boy Scout movement—an organization which warrants the support of all of us. To those cynical naysayers, let us remind them too that the skills, the leadership, and the good citizenship which are the foundation of Scouting benefit our Nation as a whole.

40TH ANNIVERSARY OF FREEDOM FROM GOVERNMENT COMPETITION POLICY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. DUNCAN. Mr. Speaker, January 15, 1995, will mark a historic anniversary in the history of our Nation and one which could not occur at a more appropriate time.

It was on January 15, 1955, that President Dwight Eisenhower issued a policy that:

> The Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels.

That policy is still on the books today in Office of Management and Budget Circular A–76. However, this policy has been regularly avoided during the past 40 years. The Congressional Budget Office reported in 1987 that some 1.4 million Federal employees are engaged in occupations that are commercial in nature.

The Grace Commission recommended contracting out and estimated that $4.6 billion a year could be saved by using private contractors to perform the commercial activities currently accomplished in-house by Federal employees. Even this administration's National Performance Review recommended that A–76 be strengthen and enforced.

The issue of government competition with the private sector has become so pervasive that the most recent White House Conference on Small Business adopted as one of its leading planks:

> Government at all levels has failed to protect small business from damaging levels of unfair competition. At the federal, state and local levels, therefore, laws, regulations and policies should . . . prohibit direct, government created competition in which government organizations perform commercial services . . . New laws at all levels, particularly at the federal level, should require strict government reliance on the private sector for performance of commercial-type functions. When cost comparisons are necessary to accomplish conversion to private sector performance, laws must include provision for fair and equal cost comparisons. Funds controlled by a government entity must not be used to establish or conduct a commercial activity on U.S. property.

The issue is again at the top of the agenda of America's small business owners, having been adopted as a plank in several of the State meetings leading to the 1995 White House Conference on Small Business that will convene in Washington, DC, in June.

During the 102d and 103d Congress, I introduced legislation known as the Freedom from Government Competition Act. This bill would provide a legislative mandate for implementation of the 1955 Eisenhower policy. It would require OMB to conduct an inventory of commercial activities performed by Federal agencies using Government employees and establish a process for contracting those activities to the private sector over a 5-year period.

During the course of my research on this matter, I have become aware of a particularly glaring example of the insidious nature of Government intrusion into an area that rightfully should be performed by the private sector. That is the field of surveying and mapping.

The Federal Government annually spends approximately $1 billion on surveying and activities, but in fiscal year 1993 only $69 million or 6.9 percent was contracted to the private sector while there are some 6,000 surveying firms and 250 mapping firms in the United States. You can go into any county seat in Tennessee or any other town in the Nation and you will find a private professional surveyor's firm within a 5-minute walk of the courthouse ready, willing, and able to do this work.

Not only do Federal agencies fail to contract a meaningful amount of their surveying and mapping requirements, but they market their services to other Federal agencies and to State, local, and foreign governments, in direct and unfair competition with the private sector. It just doesn't make since for the U.S. Government to have this capability when it is available from the private sector. I am convinced the more than 99 percent of the surveying and mapping firms that are indeed small business, as well as the larger firms, can save tax dollars and help us reduce the Federal deficit by working under contract with Federal agencies, and that the surveying and mapping firms in Tennessee and the other States can do as good if not better job of surveying and mapping our land than the Government.

The surveying and mapping community is a perfect example of overzealous Government growth in an activity that can and should be performed by the private sector. The old chain and transit methods of surveying have been replaced by Global Positioning System [GPS] satellite receivers, analytical computer mapping systems, and other technologies. It is frustrating to small business men and women that their markets, both domestic and foreign, are limited by the predatory activities of Federal agencies and that their tax dollars are supporting purchases of this same equipment by these agencies.

While there has been considerable discussion of privatization, an end to State-dominated economies in favor of market oriented economies, individual initiative, and other virtues that led Eastern Europe to discard socialism in favor of capitalism, Washington has not practiced here at home what we are preaching in fledgling democratic nations. When a Government agency competes with private firms it stifles growth in private industry by dominating certain markets; diverts needed personnel, particularly in technical occupations, from private sector employment; thwarts efforts by U.S. firms to export their services; and erodes the tax base by securing work that would otherwise be accomplished by tax paying entities.

Not only have the advantages of privatization and private sector utilization been recognized on the international scene, but these

strategies are being implemented in American's States, cities, and counties.

In a recent report, ''Listening to America'', the Republican National Committee's National Policy Forum, said:

> In reducing the size and scope of government, it is time for Washington to learn from the lessons of the state and local governments. In Indianapolis, Jersey City, Dallas, Charlotte and Philadelphia, city governments under Democrat as well as Republican administration are turning to privatization to do more with less. In some cases, governments are getting out of the business of doing things they never should have done in the first place In other cases, private companies compete with public employees to provide service at the highest quality and the lowest cost. * * *
>
> The federal government can learn much from the new breed of mayors and governors who are responding to the call from their friends and neighbors to put government back in the hands of the people who found it, to rethink the role of government; to get out of business it doesn't belong in * * *

We in Congress have failed in our oversight responsibilities and permitted this buildup of in-house Government capabilities in commercial activities to occur. No matter how well intended these capabilities were when created or how popular they are now, we must put a stop to this unfair and costly practice.

I urge all my colleagues to use the 40th anniversary of President Eisenhower's policy to help focus America's attention on this important issue. I invite all Americans to join with me on January 15 to recognize the benefits of relying on our great enterprise system to assist in developing those Government services that can be performed at higher quality and lower cost than the Government itself. Let us use this occasion to dedicate ourselves to redefining Government by focusing the public sector on those activities only it can perform and relying on the private sector for those activities it does best.

LEGISLATION TO SAVE AMERICAN JOBS

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. KIM. Mr. Speaker, I rise today to introduce legislation which will save the jobs of thousands of American workers.

As many of my colleagues know, the medical device industry is one of the most dynamic industries in the United States. The statistics bear this point out: In 1993, the U.S. medical device industry produced nearly 40 billion dollars worth of goods and employed approximately 270,000 workers in high-skill, high-wage jobs. U.S. medical device firms also exported almost $10 billion worth of goods in 1993, capturing 53 percent of the worldwide device market.

However, like other U.S. industries in the past, our position of world dominance in this industry is being threatened. The medical device industry is facing increasingly fierce competition from many foreign nations, especially Japan, Germany, and France.

Given this situation, one would think that our Government would be doing all it could to help device manufacturers retain their position as world leaders. Unfortunately, the opposite is true: In their fight for survival against these foreign competitors, our own Government has put U.S. companies at a serious competitive disadvantage.

Under current law, any company wishing to export a class III medical device must obtain separate export approval from the FDA—a process which is complex, expensive, and which can take months to complete. Surprisingly, U.S. companies are required to complete this export approval process even if the export product is not intended for sale in this country and has already been approved by the country to which it is being exported.

Because of this FDA redtape, U.S. device companies who want to export face a double hurdle: They must satisfy both the U.S. Government and the government of the country to which they wish to export. This situation creates a strong incentive for American companies to move overseas, where they do not face this kind of unnecessary redtape.

This incentive is already having devastating effects: In a recent survey of device company CEO's 40 percent said that their companies had reduced employment as a result of regulatory delays, and 22 percent said that they had already moved jobs offshore due to unnecessary FDA regulation. In other words, the result of this FDA regulation is lost American jobs.

The legislation I am introducing today, the Medical Device Export Promotion Act, could help save these jobs.

This legislation would direct the FDA to give automatic export approval to class III medical devices which have been approved for import by members of the European Community or Japan. These countries are our two most important export markets and have device approval processes which are internationally recognized as being safe and effective. The bill would also allow U.S. companies which have gained approval for import into Europe and Japan to export worldwide without FDA interference. Finally, the bill would not allow companies to export products which have been banned in this country.

In short, this legislation represents the best of both worlds: It would allow 85 to 90 percent of U.S. medical devices to be freely exported without allowing U.S. companies to dump inferior products on the world market.

In doing so, this legislation would eliminate many of the bureaucratic hurdles that U.S. companies must currently overcome in order to export medical devices. In doing so, this legislation will eliminate the incentives for companies to move overseas to avoid such unnecessary regulation and, as a result, will save American jobs. For this reason, I urge my colleagues to support the Medical Device Export Promotion Act and ask for its timely consideration by this body.

American workers are counting on us. It is time to act.

CHANGING THE WAY GOVERNMENT WORKS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. PACKARD. Mr. Speaker, last November the voters overwhelmingly chose to change the way Government works. Last week, we successfully changed the way Congress does business. Next, we will change the business Congress does.

We took our first steps toward turning back bloated, wasteful, inefficient government. I am committed to continuing down the path to less taxes, less spending, and less regulation.

In order to change the way government works, we must change the way Washington works. The out of control Federal spending beast thrived on 40 years of liberal tax and spend policies. We must pass the balanced budget amendment to reign in the spending beast and impose discipline on Washington's wasteful spending habits.

Our Nation's forefathers envisioned a government that served the people—not the other way around. A balanced budget amendment would help fulfill that vision.

TRIBUTE TO BOBBY CAVE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. BURTON of Indiana. Mr. Speaker, I would like to call this entire body's attention to the accomplishments of a young man from my district. Bobby Cave is 15-year-old freshman at Greenwood High School, Greenwood, IN, and his parents are Mr. & Mrs. Robert Cave. On Sunday, January 8, Bobby won the national Punt, Pass & Kick championship before a national television audience.

Mr. Speaker, Punt, Pass & Kick is an annual football skills competition which gives thousands of youngsters ages 8 to 15 a chance to participate in a healthy and competitive environment. It has been going on for many years, and in fact, a member of my staff twice competed in the competitions more than 15 years ago.

Mr. Speaker, Bobby Cave has proven himself to the Nation with his football skills, and in the process he has represented my district and my State in a very positive manner. I am very proud of Bobby and would like the entire U.S. Congress to recognize his accomplishments as well.

INTRODUCTION OF H.R. 452, THE ''FOREIGN INTEREST REPRESENTATION ACT''

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. TRAFICANT. Mr. Speaker, every year, foreign interests spend hundreds of millions of dollars to influence the American Government. They employ topnotch lobbyists, many of