

various job training programs. We heard testimony from a very distinguished professional from Arlington, VA, who said you cannot expect to move people out of welfare into jobs that pay less than \$7 an hour, because people cannot afford the cost of housing, transportation, health care—or day care if they have children—at a lower wage. Therefore, there is very little incentive for people to move off welfare unless the job they are moving into pays a livable wage.

Let me also point out this to the Senator from Illinois: The Senator is quite correct that 43 percent of the benefits of the last minimum wage increase went to families with earnings in the bottom 20 percent. But 45 percent of the benefits went to families with earnings in the middle 60 percent. Increasing the minimum wage is critically important to workers trying to support their families on a minimum wage job. But it is also a lifeline to families that are just on the border of middle income, and are dependent on the earning of someone who is working and supplementing the family's income with a minimum wage job to maintain their standard of living.

Mr. SIMON. Mr. President, if I may ask one more question of the Senator? So this talk that when we raise the minimum wage, we are really just helping the teenagers of people who are well off, that really is a myth and has no substance in fact?

Mr. KENNEDY. The Senator is quite correct. Two-thirds of those who are making the minimum wage today are adults—two-thirds.

It is a reasonable ask what is going to be the impact of this increase on jobs in our country? I hope, over the course of both the debate on this issue and in the course of hearings, to have a chance to review the most recent studies. David Card and Alan Krueger, of Princeton University did a very interesting study. They studied the effects on employment on the fast food industry in New Jersey, resulting from the 1992 increase in the State minimum wage from \$4.25 to \$5.05. This 80-cent increase in 1992 followed the 1990 increase in the Federal minimum wage from \$3.35 to \$3.80 and the 1991 increase of \$3.80 to \$4.25.

We listened to the Governor of the State of New Jersey speak the other night in her response to the President's State of the Union message about how strong the economy in New Jersey. This is a State that had a 45-cent increase, another 45-cent increase, and then had an 80-cent increase in the minimum wage after that, and the state economy is flourishing.

And that was borne out by the Princeton economists' study. It found no negative impact on employment from the increase in the New Jersey State minimum wage to \$5.05. And, interestingly, it showed some evidence of positive impact on employment. People who were outside the labor market came back because they could make a

decent living. So they added to the economy. Rather than a reduction of jobs, it increased jobs.

The Wessell study on the impact on restaurant employment of the 1990 and 1991 increases in Federal minimum wage from \$3.25 to \$4.25 also found there was virtually no impact on employment.

Similar results were found by Lawrence Katz of Harvard University and Alan Krueger of Princeton University, who did a 1992 study on employment in the fast food industry in Texas in 1990 and 1991 following the last increase in the Federal minimum wage. They also found no significant impact on employment. So we have similar results from studies of the impact of minimum wage increases in an industrial State, New Jersey, and in the State of Texas.

In addition, we have a 1992 study by Professor Card of the effects on teenage employment across 50 States resulting from the 1991 increase from \$3.80 to \$4.25. This study again found virtually no significant impact on teenage employment in low-wage as well as high-wage States.

And this was found true as well in another study in that looked at changes in retail trade and teenage employment in California resulting from the 1988 increase in the State minimum wage from \$3.25 to \$4.35.

We will hear a great deal during the course of the debate about the impact of minimum wage increases on employment. I think those issues are legitimate ones and have to be addressed. But any thoughtful and fair review of recent empirical evidence on the actual effect of minimum wage increases shows that the kind of increase proposed this morning by the President would have only a marginal, negligible effect on employment.

Most of all, this issue is really about making work pay. It is a hollow argument indeed, to say this increase is going to mean a lesser life for working families in this country. We are talking about permitting working families to participate in the prosperity of America. This is a fair proposal. It ought to be treated fairly here in the Congress. I believe it ought to be part of the Contract With America.

Profits are up. Wages across this country have been stagnant for most workers for many years. This is really a concrete effort to try to make a difference for working families, to give them a livable wage so they can live with respect and dignity, and with a real sense of hope for the future.

I hope at the appropriate time we will have a chance to have further debate and take positive action, hopefully in a bipartisan way, in this body.

#### WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID "YES"

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, February 2, the Federal debt stood at \$4,814,204,062,209.10. On a per capita

basis, every man, woman, and child in America therefore owes \$18,274.80 as his or her share of that debt.

#### COSPONSOR S. 228—BRYAN BILL ON CONGRESSIONAL PENSIONS

Mr. ABRAHAM. Mr. President, during the past year I have repeatedly been approached by citizens of my State of Michigan who have expressed their outrage about the current congressional pension system. Initially, their anger was focused upon what they believed to be an exorbitant level of compensation for Members of Congress. Later in the campaign, another issue also rose; namely, the shroud of secrecy which surrounded congressional pensions themselves.

Because of my experience, during the campaign I pledged to introduce or cosponsor legislation which would bring congressional pension plans into general line with the rest of the Federal Government and with the private sector. I also committed myself to eliminating the shroud of secrecy which has surrounded the pension system by pushing for full disclosure. Consequently, I am today announcing my cosponsorship of S. 228, the bill introduced by the Senator from Nevada, Senator BRYAN, which will bring the pension compensation for Members of Congress in line with that currently available to members of the Federal civil service.

However, because the Senator from Nevada's legislation does not include language on disclosure, I am also today introducing my own legislation which will require that information regarding Members' pensions be made available to the public. When the issue of congressional pension reform reaches the floor, the Senator from Michigan will offer this disclosure bill as an amendment if similar language is not already contained therein.

Mr. President, only when the American people are provided with accurate information can they make informed decisions regarding what level of pension compensation for Members of Congress and their staffs is appropriate.

Mr. President, I yield the floor.

#### REGULATORY FLEXIBILITY AMENDMENTS ACT OF 1995

Mr. BOND. Mr. President, yesterday I introduced S. 350, the Regulatory Flexibility Amendments Act of 1995, to provide for judicial enforcement under the Reg Flex Act. This bill is vitally important to America's small businesses who are suffering from the excessive burdens of Federal Government regulations. In support of my bill, S. 350, I have received letters from the U.S. Chamber of Commerce, the Small Business Legislative Council, and the National Roofing Contractors Association.

Mr. President, I ask unanimous consent that the letters and the bill, S. 350, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 350

*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 "Regulatory Flexibility Amendments Act of 1995".

**SEC. 2. JUDICIAL REVIEW OF REGULATORY FLEXIBILITY ANALYSES.**

(a) AMENDMENT.—Section 611 of title 5, United States Code, is amended to read as follows:

**“§ 611. Judicial review**

“(a)(1) Except as provided in paragraph (2), not later than 1 year after the effective date of a final rule with respect to which an agency—

“(A) certified, pursuant to section 605(b) of this title, that such rule would not have a significant economic impact on a substantial number of small entities; or

“(B) prepared final regulatory flexibility analysis pursuant to section 604 of this title, an affected small entity may petition for the judicial review of such certification or analysis in accordance with the terms of this subsection. A court having jurisdiction to review such rule for compliance with the provisions of section 553 of this title or under any other provision of law shall have jurisdiction to review such certification or analysis.

“(2)(A) Except as provided in subparagraph (B), in the case where a provision of law requires that an action challenging a final agency regulation be commenced before the expiration of the 1-year period provided in paragraph (1), such lesser period shall apply to a petition for the judicial review under this subsection.

“(B) In the case where an agency delays the issuance of a final regulatory flexibility analysis pursuant to section 608(b) of this title, a petition for judicial review under this subsection shall be filed not later than—

“(i) 1 year; or

“(ii) in the case where a provision of law requires that an action challenging a final agency regulation be commenced before the expiration of the 1-year period provided in paragraph (1), the number of days specified in such provision of law, after the date the analysis is made available to the public.

“(3) For purposes of this subsection, the term ‘affected small entity’ means a small entity that is or will be adversely affected by the final rule.

“(4) Nothing in this subsection shall be construed to affect the authority of any court to stay the effective date of any rule or provision thereof under any other provision of law.

“(5)(A) In the case where the agency certified that such rule would not have a significant economic impact on a substantial number of small entities, the court may order the agency to prepare a final regulatory flexibility analysis pursuant to section 604 of this title if the court determines, on the basis of the rulemaking record, that the certification was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

“(B) In the case where the agency prepared a final regulatory flexibility analysis, the court may order the agency to take corrective action consistent with the requirements of section 604 of this title if the court determines, on the basis of the rulemaking record, that the final regulatory flexibility analysis was prepared by the agency without complying with section 604 of this title.

“(6) If, by the end of the 90-day period beginning on the date of the order of the court

pursuant to paragraph (5) (or such longer period as the court may provide), the agency fails, as appropriate—

“(A) to prepare the analysis required by section 604 of this title; or

“(B) to take corrective action consistent with the requirements of section 604 of this title.

the court may stay the rule or grant such other relief as it deems appropriate.

“(7) In making any determination or granting any relief authorized by this subsection, the court shall take due account of the rule of prejudicial error.

“(b) In an action for the judicial review of a rule, any regulatory flexibility analysis for such rule (including an analysis prepared or corrected pursuant to subsection (a)(5)) shall constitute part of the whole record of agency action in connection with such review.

“(c) Nothing in this section bars judicial review of any other impact statement or similar analysis required by any other law if judicial review of such statement or analysis is otherwise provided by law.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act, except that the judicial review authorized by section 611(a) of title 5, United States Code (as added by subsection (a)), shall apply only to final agency rules issued after the date of enactment of this Act.

CHAMBER OF COMMERCE  
OF THE UNITED STATES OF AMERICA,  
*Washington, DC, February 2, 1995.*

Hon. CHRISTOPHER BOND,  
*Chairman, Senate Small Business Committee,  
Russell Senate Office Building, Washington,  
DC.*

DEAR MR. CHAIRMAN: The U.S. Chamber of Commerce Federation, representing 215,000 businesses (96% of whom are small businesses), 3,000 state and local chambers of commerce, 1,200 trade and professional associations, and 69 American Chambers of Commerce abroad, is pleased to endorse your legislation, the Regulatory Flexibility Amendment Act, which would strengthen the Regulatory Flexibility Act (RFA) by allowing judicial review of agency compliance.

The importance of judicial review cannot be overstated. The original RFA was designed to provide the small business community respite from the ever-growing hindrance of excessive regulation by requiring federal agencies to consider the impact of proposed regulations on small entities. Its intent was to ensure that the least burdensome approach for regulatory implementation was adopted. The lack of judicial review, however, has meant that agencies do not have to answer to any compelling authority. As a result, agencies routinely give the RFA minimal attention, if any at all.

Too often, small businesses have borne the brunt of the cumulative impact of unreasonable and costly federal mandates. Given their importance to our struggling economy, we need to ensure not just their survival but their growth as well. Judicial review as part of the RFA will place us closer to that goal. That is why your legislation is so critical. It could mean the difference between job creation and job lay-offs.

We look forward to working with you and your colleagues in ensuring passage of this badly needed legislation.

Sincerely,

R. BRUCE JOSTEN.

SMALL BUSINESS LEGISLATIVE COUNCIL,  
*Washington, DC, February 2, 1995.*

Hon. CHRISTOPHER BOND,  
*Chairman, Committee on Small Business, Russell Senate Office Building, Washington, DC.*

DEAR MR. CHAIRMAN: On behalf of the Small Business Legislative Council (SBLC) we wish to express our support for your version of legislation to enact amendments to the Regulatory Flexibility Act (RFA). As long-time supporters of the RFA, we know from first-hand experience that agencies have been able to ignore the law due to the lack of judicial review. At the time of the enactment of the original RFA, we thought it was a risk we could reluctantly accept in order for us to overcome the then formidable resistance of the bureaucracy to the entire law. Time has proven that the price was too much to pay.

The original concept of the original law is still sound. The goal is to have agencies undertake an analysis of proposed rules to determine whether they have an adverse impact on small business. If such a determination is made, then the agency must explore alternatives to mitigate the impact on small business.

In fact, for several years, we have said Congress should apply the same standard when considering proposed legislation, that is, analyze the impact on small business, and consider alternatives. We are pleased that the Senate has passed S. 1, the unfunded mandate reform bill. It goes a long way towards establishing such a discipline.

The Small Business Legislative Council (SBLC) is a permanent, independent coalition of nearly one hundred trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of small businesses in such diverse economic sectors as manufacturing, retailing, distribution, professional and technical services, construction, transportation, tourism, and agriculture. Our policies are developed through a consensus among our membership. Individual associations may express their own views. For your information, a list of our members is enclosed.

Sincerely,

JOHN S. SATAGAJ,  
*President.*

Attachment.

MEMBERS OF THE SMALL BUSINESS  
LEGISLATIVE COUNCIL

Air Conditioning Contractors of America.  
Alliance for Affordable Health Care.  
Alliance of Independent Store Owners and Professionals.  
American Animal Hospital Association.  
American Association of Nurserymen.  
American Bus Association.  
American Consulting Engineers Council.  
American Council of Independent Laboratories.  
American Gear Manufacturers Association.  
American Machine Tool Distributors Association.  
American Road & Transportation Builders Association.  
American Society of Travel Agents, Inc.  
American Subcontractors Association.  
American Textile Machinery Association.  
American Trucking Associations, Inc.  
American Warehouse Association.  
American Wholesale Marketers Association.  
AMT—The Association for Manufacturing Technology.  
Architectural Precast Association.  
Associated Builders & Contractors.  
Associated Equipment Distributors.  
Associated Landscape Contractors of America.

Association of Small Business Development Centers.  
 Automotive Service Association.  
 Automotive Recyclers Association.  
 Bowling Proprietors Association of America.  
 Building Service Contractors Association International.  
 Christian Booksellers Association.  
 Cincinnati Sign Supplies/Lamb and Co.  
 Council of Fleet Specialists.  
 Council of Growing Companies.  
 Direct Selling Association.  
 Electronics Representatives Association.  
 Florists' Transworld Delivery Association.  
 Health Industry Representatives Association.  
 Helicopter Association International.  
 Independent Bakers Association.  
 Independent Bankers Association of America.  
 Independent Medical Distributors Association.  
 International Association of Refrigerated Warehouses.  
 International Communications Industries Association.  
 International Formalwear Association.  
 International Television Association.  
 Machinery Dealers National Association.  
 Manufacturers Agents National Association.  
 Manufacturers Representatives of America, Inc.  
 Mechanical Contractors Association of America, Inc.  
 National Association for the Self-Employed.  
 National Association of Catalog Showroom Merchandisers.  
 National Association of Home Builders.  
 National Association of Investment Companies.  
 National Association of Plumbing-Heating-Cooling Contractors.  
 National Association of Private Enterprise.  
 National Association of Realtors.  
 National Association of Retail Druggists.  
 National Association of RV Parks and Campgrounds.  
 National Association of Small Business Investment Companies.  
 National Association of the Remodeling Industry.  
 National Association of Truck Stop Operators.  
 National Association of Women Business Owners.  
 National Chimney Sweep Guild.  
 National Association of Catalog Showroom Merchandisers.  
 National Coffee Service Association.  
 National Electrical Contractors Association.  
 National Electrical Manufacturers Representatives Association.  
 National Food Brokers Association.  
 National Independent Flag Dealers Association.  
 National Knitwear Sportswear Association.  
 National Lumber & Building Material Dealers Association.  
 National Moving and Storage Association.  
 National Ornamental & Miscellaneous Metals Association.  
 National Paperbox Association.  
 National Shoe Retailers Association.  
 National Society of Public Accountants.  
 National Tire Dealers & Retreaders Association.  
 National Tooling and Machining Association.  
 National Tour Association.  
 National Venture Capital Association.  
 National Wood Flooring Association.  
 Opticians Association of America.

Organization for the Protection and Advancement of Small Telephone Companies.  
 Passenger Vessel Association.  
 Petroleum Marketers Association of America.  
 Power Transmission Representatives Association.  
 Printing Industries of America, Inc.  
 Professional Lawn Care Association of America.  
 Promotional Products Association International.  
 Retail Bakers of America.  
 Small Business Council of America, Inc.  
 Small Business Exporters Association.  
 SMC/Pennsylvania Small Business.  
 Society of American Florists.  
 Turfgrass Producers International.

NATIONAL ROOFING  
 CONTRACTORS ASSOCIATION,  
 Washington, DC, February 2, 1995.

Hon. CHRISTOPHER BOND,  
 Chairman, Committee on Small Business, U.S.  
 Senate, Washington, DC.

DEAR CHAIRMAN BOND: NRCA recently testified before the House Small Business Committee in support of strengthening the Regulatory Flexibility Act of 1980 (Reg Flex). Judicial review for Reg Flex is a priority for us, and we are pleased that it's a key component of the new Republican congressional majority's agenda for regulatory relief. We are also pleased to inform you that NRCA strongly supports the Regulatory Flexibility Amendments Act of 1995.

I am certain that I speak for the Regulatory Flexibility Act Coalition, consisting of some 60 organizations representing small business and small government entities, when I state that we stand ready to assist your committee's effort to amend Reg Flex to help control excessive government regulation.

Please call if there's anything I can do.

Best wishes.

Sincerely,

CRAIG S. BRIGHTUP.

#### IMPORTANCE OF INTELLECTUAL PROPERTY TO AMERICA'S TRADE

Mrs. MURRAY. Mr. President, tomorrow is a critical date in United States trade relations with the People's Republic of China [PRC]. The United States Trade Representative has found that the PRC is seriously deficient in its protection of intellectual property rights. Talks have broken off, and unless the Chinese change their laws and improve their enforcement at this eleventh hour, the United States will impose steep tariffs on a number of products imported from the PRC, starting tomorrow.

I am disappointed that the situation has deteriorated to this point. More than 1 year ago I invited the Chinese Ambassador, United States executives and other Members of the Washington congressional delegation to my office to discuss this issue. I spoke with President Clinton and U.S. Trade Ambassador Michael Kantor as well. I encouraged all sides to get together and work toward a solution to the problem.

As a proponent of free trade, I am hopeful talks will be resumed and the Chinese Government will take serious steps to protect intellectual property rights. Hard-working people in the State of Washington are losing too

much money to international pirates. This must end, and our relationship with this important trading partner must resume as quickly as possible.

It is up to the Clinton administration, and, more importantly, to the Chinese, to show some leadership. If China wants to be a global economic player, they have to play by the global economic rules. And those rules don't allow piracy.

Mr. President, as you know, I come from a State which is, per capita, the largest exporting State in the country. Washington State is home to America's single largest exporting company—the Boeing Co. We send the literal fruits of our labors—our apples and wheat—to every corner of the globe.

And, we are the site of some of America's most forward-looking, cutting-edge industries. We have big companies like the Microsoft Corp and Nintendo of America as well as small concerns all along the I-5 corridor which specialize in a dazzling array of high technology and biotech products.

These companies produce goods rich in intellectual property, the cornerstone of American innovation. Protecting these inventions through intellectual property rights is vital. Enforcing copyrights, patents and trademarks means that when you build a better mousetrap, you can reap the rewards of innovation. That's why we need and have strict laws in this country which protect inventions and punish thievery.

I am pleased that intellectual property has been included as a new discipline in the General Agreement on Tariffs and Trade [GATT]. Accordingly, it is important that all our trading partners uphold and enforce the strongest intellectual property laws possible, especially those countries that wish to join the GATT.

That is why the looming deadline is so disheartening. I sincerely hope China will address this situation, and prove they deserve a place in the global economic community.

WILLIAM J. BAROODY, JR.

Mr. MOYNIHAN. Mr. President, for a quarter century I have been involved with the Woodrow Wilson International Center for Scholars. I was a member of its first board of trustees in 1969, and served as vice chairman from 1971 to 1976. During the center's existence, five remarkable men have served as chairmen of its board: Hubert H. Humphrey, 1969-72; William J. Baroody, Sr., 1972-79; Max M. Kampelman, 1979-82; William J. Baroody, Jr., 1982-94; and now Joseph H. Flom, 1994- .

William J. Baroody, Jr.'s term on the board expired just this week, and I would like to join his colleagues at the Wilson Center in honoring his remarkable tenure. A dinner was given in Bill's honor following the last board meeting in October, when he stepped down from its chairmanship, and I ask unanimous consent that the text of the