

helps us provide better service to students, period," Karen Fooks, the financial aid director at the University of Florida, says her whole office threatened to quit if it was ordered to return to the bank system from direct lending.

PAY AS YOU CAN

But bankers argue that doling out money is the easy part. Collecting it is something the government hasn't done very well. Many new loans will be on a "pay as you can" basis letting borrowers pay back a portion of their earnings over many years, rather than a fixed monthly payment. Administrating that will tax even the most efficient agency.

That is why one thoughtful critic, author Steven Waldman, has argued that this upcoming struggle misses the main point. Waldman, who wrote the recently released book, *The Bill*, about the legislative battle over national service, believes Clinton has achieved an enormously beneficial reform in the "pay as you can" scheme. It relieves some of the financial pressure on borrowers and potentially encourages them to choose socially useful—but less-high-paying—careers like teaching because their loans are pegged to their ability to pay. But Waldman argues that Clinton's achievement is jeopardized because neither banks nor the federal education bureaucracy can prevent the program from becoming another boondoggle. His solution: Call in the IRS, the only agency that "could accurately and efficiently assess a person's income and be sure to collect."

An idea like that puts tough-minded Republicans in a bind. If they want to fix a potentially flawed Clinton idea and do right by taxpayers, their best bet is to vest more power in a much-feared federal agency. Who knows, maybe the students who have newfound appreciation for the easier-to-fathom lending system run by the government might not balk too much at paying when the bills come due.

AMERICAN SAMOA ECONOMIC DEVELOPMENT ACT OF 1995

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce the American Samoa Economic Development Act of 1995.

For too many years American Samoa has been receiving assistance from the Federal Government on an annual basis. When 20 percent of a government's funding is dependent on annual appropriations of discretionary funds, it is difficult to make long-term plans.

The bill I have worked on with Congressman ELTON GALLEGLY, chairman of the Subcommittee on Native American and Insular Affairs, provides a secure source of funding for the territory of American Samoa. Coupled with other efforts, I believe we can develop American Samoa's infrastructure and reduce our Nation's annual deficit at the same time.

I want to thank Chairman GALLEGLY for his support and assistance in preparing this legislation. Our bipartisan effort on this bill continues a long history of bipartisan legislation in the subcommittees which have had jurisdiction over the insular areas. As the new ranking Democratic member of the subcommittee, I intend to make every effort to continue this tradition.

Mr. Speaker, I am submitting a copy of the bill for printing in the CONGRESSIONAL RECORD.

H.R. —

*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 "American Samoa Economic Development Act of 1995".

SEC. 2 FINDINGS.

The Congress finds that—

[In millions of dollars]

(1) funding for the United States territory of American Samoa has been based on the joint resolution entitled "Joint Resolution to provide for accepting, ratifying, and confirming cessions of certain islands of the Samoan group in the United States, and for other purposes", as amended (48 U.S.C. 1661), with commitments being made on a yearly basis;

(2) American Samoa is locally self-governing with a constitution of its own adoption and the direct election of the Governor since 1977;

(3) the territory of American Samoa has had difficulty in planning and implementing comprehensive and sustainable infrastructure based solely on annual ad hoc grants; and

(4) the territory of American Samoa and the United States would benefit from a multiyear funding commitment which promotes economic development and self-sufficiency and requires compliance with financial management accounting standards, the establishment of semiautonomous public utility authorities utilizing cost-recovery principles, and the phase-out of Federal subsidies for government operations.

SEC. 3. AUTHORIZATION OF FUNDING.

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of the Interior for the Government of American Samoa \$34,500,000, backed by the full faith and credit of the United States, for each of fiscal years 1996 through 2005. Such amounts shall, subject to the limits specified in the table in subsection (b), be used for—

(1) construction of capital assets of American Samoa;

(2) maintenance and repair of such capital assets;

(3) the operations of the Government of American Samoa; and

(4) reduction of unbudgeted debt incurred by the Government of American Samoa in fiscal years prior to 1996.

(b) TABLE OF MULTIYEAR FUNDING.—The table referred to in this subsection is as follows:

Fiscal year	Year No.	Operations	Construction	Deficit reduction (100% match)	Maintenance and repair (100% match)	Total
1996	1	23.0	5.5	3.0	3.0	34.5
1997	2	23.0	5.5	3.0	3.0	34.5
1998	3	23.0	5.5	3.0	3.0	34.5
1999	4	21.0	7.5	3.0	3.0	34.5
2000	5	18.0	10.5	3.0	3.0	34.5
2001	6	15.0	16.5	.....	3.0	34.5
2002	7	12.0	19.5	.....	3.0	34.5
2003	8	9.0	22.5	.....	3.0	34.5
2004	9	6.0	25.5	.....	3.0	34.5
2005	10	3.0	28.5	.....	3.0	34.5

(c) MULTIYEAR AVAILABILITY OF APPROPRIATIONS.—Amounts not expended in the year appropriated shall remain available until expended.

SEC. 4. ESTABLISHMENT OF TRUST.

(a) IN GENERAL.—The Government of American Samoa shall establish a trust into which the amounts appropriated pursuant to section 3 are placed.

(b) TRUSTEE.—

(1) IN GENERAL.—A trustee to administer the trust established by this section shall be nominated by the Governor of American Samoa and passed by both Houses of the Legislature of American Samoa pursuant to local law and shall be a nongovernmental entity, bonded in an amount no less than 110 percent of the maximum amount of funds which will be held in trust during any given fiscal year (hereafter in this Act referred to as the "trustee"). The trustee shall not be

the independent auditor required by section 7.

(2) REPLACEMENT.—The trustee may be terminated only by mutual agreement, or at the end of its contract for services as trustee, or for good cause. Termination of a trustee for good cause must be recommended by the Governor of American Samoa and approved by both Houses of Legislature of American Samoa.

(3) OTHER TERMS AND CONDITIONS.—The trustee shall be subject to such other conditions as the Government of American Samoa may provide under local law.

(c) TRUST FUNDS.—

(1) DEPOSIT; INVESTMENT.—The trust funds shall be deposited in an account or accounts of a financial institution insured by the Federal Deposit Insurance Corporation, and may be invested by the Government of American Samoa, or the trustee if so designated, in

only federally insured accounts or issues of bonds, notes or other redeemable instruments of the Government of the United States.

(2) USE OF INTEREST AND DIVIDENDS.—Interest or dividends earned from investment of trust funds under paragraph (1) may be used for projects contained on the approved master plan of capital needs developed under section 5, or for the costs of managing the trust.

(3) AVAILABILITY AND USE OF FEDERAL FUNDS.—Federal funds made available for the purposes described in section 3(a)(1) may be used only on projects from the approved master plan of capital needs.

(d) REPORTS.—Within 90 days after the end of each fiscal year, the trustee shall submit an annual report to the chairmen and ranking minority members of the Committee on Energy and Natural Resources and the Committee on Appropriations of the United

States Senate, the Committee on Resources and the Committee on Appropriations of the United States House of Representatives, and the Government of American Samoa. The report shall include at a minimum the financial statements of the account or accounts in which it holds trust funds pursuant to this Act.

#### SEC. 5. USES OF TRUST FUNDS.

##### (a) CAPITAL NEEDS.—

(1) MASTER PLAN OF CAPITAL NEEDS.—For fiscal year 1997 and all following years, no funds appropriated pursuant to this Act shall be released by the trustee for construction of capital assets without the submission by the Government of American Samoa to the trustee of a master plan of capital needs that ranks projects in order of priority for at least five years. The master plan shall be approved by the Governor and passed by both Houses of the Legislature of American Samoa pursuant to such laws as the Government of American Samoa may enact. The master plan of capital needs may be amended at any time, but all amendments must be approved by the Governor and passed by both Houses of the Legislature of American Samoa. The plan shall include the capital needs of all the islands of American Samoa.

(2) FUNDS FOR CONSTRUCTION OF CAPITAL ASSETS.—Funds for the construction of capital assets shall be paid to the Government of American Samoa only after approval by the trustee. The trustee shall approve the release of funds only for construction projects for a public purpose in the areas of communications, electrical power, water, waste water, roads, schools, school transportation system, air, water and surface transportation, ports, harbors, storage and transportation facilities of fuels or other forms of energy, health, and construction of government-owned buildings. Funding made available pursuant to section 3(a)(1) for construction of capital assets may only be used for projects listed on the master plan of capital needs as set forth in this section. To the extent an appropriation is available, the projects contained on the master list with the highest priority are to be funded.

(3) REQUIREMENT OF SEMIAUTONOMOUS AGENCIES.—Beginning with fiscal year 1997, no funds for the construction of capital assets shall be released by the trustee in the areas of communications, electrical power, public health, transportation, water, and waste water until there is established by local law semiautonomous government agencies of the Government of American Samoa.

(4) MAINTENANCE PLAN AND FUNDING.—For fiscal year 1997 and all following years, no funds appropriated pursuant to this Act shall be released by the trustee for the construction of capital assets until the Government of American Samoa, or the appropriate semiautonomous government agency if required, submits to the trustee a maintenance plan covering the anticipated life of the project and the project is initially funded. The maintenance plan shall include the estimated cost of maintaining and repairing the project and identify a source to fund the estimated maintenance and repairs for the anticipated life of the project. The initial funding for this maintenance plan shall be in the amount of 10 percent of the cost of the project. Federal funds made available for the purposes described in section 3(a)(2) may be used for one-half of the initial funding. Other Federal funds made available pursuant to this Act may not be used for this purpose. Funds set aside pursuant to this paragraph may be used for the maintenance and repair of any capital asset within the purview of the government or the appropriate semiautonomous agency.

(b) DEBT REDUCTION.—Any funding made available pursuant to section 3(a)(4) used to

reduce the unbudgeted debt of the Government of American Samoa must be matched, on a dollar for dollar basis, by funds provided by the Government of American Samoa from revenue raised from non-Federal sources.

(c) MAINTENANCE AND REPAIR.—Any funding made available pursuant to section 3(a)(2) used for the maintenance or repair of the capital assets of the Government of American Samoa must be matched, on a dollar for dollar basis, for funds provided by the Government of American Samoa from revenue raised from non-Federal sources.

(d) PROHIBITED USES OF FUNDS.—Neither the funds appropriated pursuant to this Act, nor any interest or dividends earned on those funds may be transferred to other accounts, or loaned to other accounts or agencies, nor may these funds, interest or dividends be used as collateral for loans made by the local governments.

#### SEC. 6. DISBURSEMENT OF TRUST FUNDS.

(a) OPERATIONS.—Trust funds to be used for the operations of the Government of American Samoa shall be disbursed in equal amounts on a monthly basis, on the first business day of each month of the fiscal year. An extra drawdown may be made once each fiscal year in an amount not to exceed ten percent of the amounts appropriated for the fiscal year for the purposes of section 3(a)(3), and only for purposes caused by extreme or national emergencies deemed unforeseeable by the trustee.

(b) CONSTRUCTION.—Trust funds to be used for the construction of capital assets shall be released by the trustee—

(1) to the Government of American Samoa, only upon completion of identifiable portions of the construction work if the work is performed by employees of the Government of American Samoa, or

(2) a bona fide contractor of the Government of American Samoa pursuant to the terms of a construction contract, on an invoice presented to the Government of American Samoa and approved by an appropriate official of the Government of American Samoa.

(c) DEBT REDUCTION; MAINTENANCE REPAIR.—Trust funds to be used for unbudgeted debt reduction or maintenance and repair made available under sections 3(a)(2) and 3(a)(4) shall be released by the trustee on submission by the Government of American Samoa of proof of payment from non-Federal sources for either debt reduction, maintenance, or repair, and proof acceptable to the trustee of an obligation due and owing for the appropriate category.

#### SEC. 7. AUDITS.

(a) IN GENERAL.—Beginning with fiscal year 1996, the Government of American Samoa must obtain, at its own expense, a comprehensive financial audit meeting the requirements of chapter 75 of title 31, United States Code, and subtitle A of title 43, Code of Federal Regulations, and upon which an independent auditor expresses an opinion that the financial statements of the Government of American Samoa present fairly, in all material respects, the financial position of the Government of American Samoa, and were prepared in conformity with generally accepted accounting principles. The audit shall include the funds held in trust pursuant to the Act.

(b) SUBMISSION OF AUDIT REPORT TO UNITED STATES.—Reports of audits required in this section shall be transmitted by the Governor of American Samoa to the chairmen and ranking members of the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States Senate, and the Committee on Resources and the Committee on Appropriations of the United States House of Representatives within 180 days of the end of each fiscal year

for which the United States provides funding under this Act.

(c) FAILURE TO OBTAIN AUDIT.—In the event the Government of American Samoa does not obtain the audit within the time required by this section, the trustee shall not disburse additional funds pursuant to a section 3(a)(3) for the operations of the Government of American Samoa until such time as a qualifying audit is received and the report of that audit is forwarded as required by this section. Notwithstanding the preceding sentence, one emergency disbursement may be made per year under the provisions of section 6 of this Act, even if a qualifying audit report is not obtained.

#### SEC. 8. AUTHORITY OF UNITED STATES TO AUDIT.

The Comptroller General of the United States and the Inspector General of the Department of the Interior shall have the authority to conduct audits of all funds of all branches and semiautonomous authorities of the Government of American Samoa. Nothing in this Act shall be construed to restrict the authority of these or other Federal agencies to audit government funds as authorized by Federal law.

#### SEC. 9. SETTLEMENT OF DISPUTES.

The High Court of American Samoa is authorized to resolve disputes which arise under this Act pursuant to its rules of procedure.

TRIBUTE TO ANTHONY P.  
MANGINELLI

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 23, 1995

Mr. MARTINI. Mr. Speaker, I would like to take this opportunity as a member of Moose International to congratulate a man of great accomplishment and the fine charitable organization that he represents.

Anthony P. Manginelli, supreme governor of Moose International will be coming to my hometown of Clifton tomorrow night to welcome a new class of members into the fraternity. A resident of Syracuse, NY, Mr. Manginelli has been a member of the fraternity since 1946, and just last year attained our organization's highest rank, that of supreme governor. In this role, he has led our 1.2 million-member organization with pride and dignity, advancing the high goals of the Moose on an international level.

As a relative newcomer to the Moose myself, I can say that I am nothing but proud to be associated with my fellow members both in my local chapter, and in the much larger international organization. But Moose International is so much more than a medium through which outstanding men and women can socialize. It is a perfect way to get involved in challenges faced by our local towns and cities, and through its Mooseheart and Moosehaven communities, to make an impact on a much larger scale. Every day, Mooseheart and Moosehaven provide support for the neediest associated with our organization in a loving and nurturing way.

Congratulations to my newly inducted brothers in the Moose, and to Supreme Governor Anthony Manginelli. Please continue your fine work in spreading the compassionate message of Moose International around the country, and around the world.