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House of Representatives

The House met at 11 a.m. and was called to order by the Speaker pro tempore [Mr. BURTON of Indiana].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker.

WASHINGTON, DC,
April 7, 1995.

I hereby designate the Honorable DAN BURTON to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

With the words of the Psalmist we pray that You would search us, O God, and know our hearts, try us and know our thoughts, and see if there be any wicked way in us, and lead us in the way everlasting.

We pray, Almighty God, that through reflection and meditation, through study and edification, and above all through prayer and renewed faith, we will speak with truth, our minds will point to justice, and our hearts will be full of mercy, that in all things, You will be our God and we will be Your people. Bless us now in all we do and may Your spirit remain with us always. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York [Mr. SOLOMON] come forward and lead the House in the Pledge of Allegiance.

Mr. SOLOMON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 58. Concurrent resolution providing for an adjournment of the two Houses.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1240. An act to combat crime by enhancing the penalties for certain sexual crimes against children; and

H.R. 1345. An act to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority, and for other purposes.''

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 889) ''An Act making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes.''

DESIGNATING THE HONORABLE FRANK WOLF AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH MAY 1, 1995

The SPEAKER pro tempore laid before the House the following communication from the Speaker of the House of Representatives:

WASHINGTON, DC,
April 7, 1995.

I hereby designate the Honorable FRANK R. WOLF to act as Speaker pro tempore to sign enrolled bills and joint resolutions through May 1, 1995.

NEWT GINGRICH,
Speaker of the House of Representatives.

LEGISLATION PASSED BY THE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

(Mr. SHUSTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUSTER. Mr. Speaker, I am pleased to inform the House that I have informed the Speaker that the Committee on Transportation and Infrastructure will be prepared to bring to the floor after our recess three major pieces of legislation that passed the committee: The Clean Water Authorization Act, which passed by a voice vote, the Mine Safety Act, which passed by voice vote, and the clean water amendments, which were adopted by the committee with very strong bipartisan support, a 42-to-16 vote, with over half of the Democrats supporting the bill and an overwhelming 29 Republicans supporting the bill.

Mr. Speaker, we hear somewhere word that the radical environmentalists are preparing an all-out attack on this. In fact, we have been informed that there may be an effort to block this bill in the other body, the thought being that if the bill can be blocked,

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then the flawed old law will apply with continued appropriations.

So I want to particularly thank the distinguished chairman of the Appropriations Committee, the gentleman from Louisiana [Mr. LIVINGSTON], for his statement this week that where authorizations do not exist there will be no appropriations.

So, for those who think that they can somehow block the clean water bill, I would urge them to think twice because that kind of activity could mean that there would be no funding for clean water.

Our bill provides over $3 billion a year authorization. It is a strong environmental bill with overwhelming bipartisan support, and I am pleased to announce this to the House.

ENVIRONMENTAL CLEANUP

(Mr. BROWDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWDER. Mr. Speaker, the American taxpayer is getting it again. There are chemical stockpiles all over the United States that have to be destroyed. The Army and FEMA have been assigned to destroy those stockpiles. Last month GAO came out with a study called Chemical Weapons Emergency Prepared Program Financial Management Weaknesses. This concluded that after 6 years the program, I think, has tripled, the cost has tripled. The communities are not ready to deal with an emergency. The Army and FEMA cannot account for how the money has been spent.

But, Mr. Speaker, I just found out that next month there is a big conference going on, and the Army and FEMA are sending a bunch of people to it. Where are they sending them? France, the Riviera. Congress and the American taxpayer deserve some answers.

TRIBUTE TO ANTHONY F. ''TONY'' TARTARO

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, sitting next to me, as people can see, is someone by the name of Anthony F. Tartaro.

Keep on going there, Tony.

Known simply as ''Tony'' to his many friends, Members of Congress, staff people, and a surprising number of tourists as well, he has announced his retirement as a floor reporter with the Official Reporters of Debates, effective May 1.

Boy, are we going to miss this wonderful guy. He is truly the dean of the Reporters of this House, having joined the staff of the Official Reporters of Committees in 1966, and serving there for a period of time as the Chief Reporter. Tony then transferred to the staff of the floor reporters in the mid-1970's.

A native of Brooklyn, NY, my home State, Tony attended Boys High School there, and he later completed a course in court reporting at the Heffley & Brown School. His fine record of scholastic achievement at that school truly paved the way for his appointment as an instructor there and later to a job offer at the Columbia Reporting Company here in Washington, where he worked for another 19 years.

During World War II, Tony was in the Army, with most of his service taking place at Fort Myer, in Arlington, VA, from 1942 through 1945.

Tony's reputation as a model of old-fashioned values is well known and well deserved on the floor of this House. A true patriot, he feels pride, not embarrassment, in displaying this flag that you see on his lapel right now. And, of course, Tony loved his holidays.

Among Tony's hobbies, perhaps the most prominent has been dancing. Would you believe that? And he has been a lifelong ardent swimmer. One of Tony's other great interests has been the collecting of memorabilia and souvenirs relating to Congress and this Capitol. One of his good friends, noting the size of Tony's collection, once said, ''You know, Tony must have either a museum or a warehouse out there in Falls Church, to house all that material.'' and I feel sorry for his wife, Helen.

A legend in friendliness and outgoing helpfulness, and certainly he has to be the best in my 16 years in this body, Tony has often taken his own time to guide visitors and tourists to their various destinations around the Capitol and to share with them his knowledge and his enthusiasm for the House of Representatives.

But if Tony should be known for one and only one thing, it must be his recognition that having a loving family is truly life's greatest reward. Tony and Helen will celebrate their 50th wedding anniversary—and is that not a wonderful event—on January 6, next year. And Helen is not at all shy to say how lucky she was to have married this guy sitting next to me here.

They have had two daughters, Patricia and Laura, and a set of grandtwins, Ian and Alyssa, to whom they are extremely devoted. Members of Tony's family are with us today, as we note his retirement.

Have you looked around the room here, Tony?

All of the reporters, transcribers, and clerks in HG–60, where Tony has maintained his office for the past 15 years, will feel a keen sense of emptiness when Tony does leave.

We wish Tony and Helen all the best in happiness and health in their coming years of retirement.

They expect to remain in the Washington area, as I understand it, and we look forward to Tony's visiting us as often as he possibly can, because it will not seem right not seeing him here on this floor after all of these years.

Tony Tartaro, ladies and gentleman, is a good man. He is a dear friend. He is a great patriot. He is a true credit to this House, and we sure are going to miss you, Tony. You are a great American.

God bless you.

The SPEAKER pro tempore (Mr. BURTON of Indiana). The gentleman's long 1 minute has expired.

And the House will miss Tony, and the Chair hopes that the transcription is correct.

□ 1110

INTRODUCTION OF BALANCED BUDGET ENFORCEMENT ACT OF 1995

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, now is the time to get serious about balancing the budget. Today I am joined by my colleagues, Representatives CHARLIE STENHOLM, CALVIN DOOLEY, and TOM BARRETT, in introducing legislation that would put in place tough new measures to balance the budget by the year 2002. This bill, the Balanced Budget Enforcement Act of 1995, would force us to make the tough decisions required to balance the budget. It would do so by setting spending caps and using across-the-board cuts if the caps are not met.

There are no exceptions. Everything is on the table and, unlike Gramm-Rudman, it has teeth.

I would say to my colleagues who really want to balance the budget, here is your chance to move beyond the rhetoric. For those of my colleagues who do not want to balance the budget, do not cosponsor this bill because under this legislation, that is exactly what would happen.

Mr. Speaker, it is time to put our money where our mouth is. Let us start balancing the budget now.

WINNERS AND LOSERS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, now that the 100 days are over, and the politics, rhetoric from the Contract With America have been fulfilled, maybe now we can get back to work as Americans and not as Republicans or Democrats.

The Republicans have had their shot and now I hope the American people listen to what Democrats and the President have to offer in the days ahead as alternatives. It is critical that we have alternatives and not be viewed as obstructionists.

Mr. Speaker, who are some of the winners in the first 100 days? Lobbyists, Exxon, people who make over

$200,000, Rupert Murdoch, big business. At times the contract did not seem like a revolution, but an auction.

Who are some of the losers? Kids, students, minorities, women, environmentalists, and the middle class.

Mr. Speaker, I will give this to the Republicans: They deserve credit for their tenacity and discipline. The question is, are they ready to govern in a bipartisan basis or is the 100 days Contract With America simply going to be politics as usual?

LOSERS IN THE REPUBLICAN CONTRACT

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, the first 100 days has made clear what the Republicans are up to. The contract on America gives new meaning to the words ''women and children first.'' Programs that benefit working Americans are being cut, not for deficit reduction, but for rewards and tax reductions to special interests. Who lost? Women, children, students, working middle-class families and the elderly. Spending for school lunches, nutrition programs like WIC, senior housing, and even Medicare have been slashed. Summer jobs programs for disadvantaged youth, low income heating, housing assistance for over 5 million low-income and elderly families have been terminated.

□ 1115

Cuts in the program have taken place for more than 100,000 police on our city's streets. New school loans, programs for students are being targeted and being cut. Even Social Security is at risk.

Half the tax cuts benefit Americans with incomes over $100,000. That is the richest 12 percent of Americans. In fact, the top 1 percent of the wealthy people get more benefits than 65 million families at the bottom.

Repeal of corporate minimum tax provisions will result in many of our largest and most profitable corporations paying no taxes.

The contract effectively repeals major provisions of environmental law meant to preserve human health and the quality of our air, water, soil, and, indeed, our life.

Republicans pushed term limits because they know it could not pass rather than addressing the real problem by reforming our broken campaign finance system.

WHO WON, WHO LOST—A SUMMARY

The story of who and who lost in the first 100 days of the Republican Congress is clear.

Who won: Billionaires, corporate interests, and wealthy Americans who can hire lobbyists to protect and promote their interests in the GOP Congress. They clearly won, as the GOP Congress sought to: Provide special access for GOP lobbyists; provide tax cuts for the wealthiest Americans; wipe out the corporate minimum tax; ignore Democratic efforts to reform lobbying and gift rules and campaign financing; transferred $1.1 billion that was feeding women, infants and children into a windfall profit for big drug companies; and, let lobbyists undo Federal protection for food, health, and safety.

Who has paid for this unprecedented array of special breaks and privileges is equally clear.

Who lost: America's working families and their children, and our senior citizens. They clearly lost, as the GOP Congress sought to: Cut school lunches and nutritional standards for meals served in schools; slash national college scholarships and increase the cost of student loans for almost five million families; cut the 100,000 cops program to put more police in neighborhoods; cut aid for needed school reform; decimate job training and eliminate more than one million summer youth jobs; cut funds for Big Bird and Sesame Street as well as other educational TV programming; weaken Federal protection for our drinking water, food, and automobiles; make huge cuts in Medicare; abandon America's promise to our senior citizens by opposing Democratic efforts to protect Social Security from budget balancing plans; and, eliminate home heating assistance for senior citizens and working * * *.

A CONTRACT ON MICHIGAN

Winners: Billionaires, Washington lobbyists and well-heeled special interests got huge tax breaks and unprecedented access and influence in the GPO's first 100 days.

Who Paid For It: Working families, children and seniors in Michigan.

1. Michigan Loses Education and Job Opportunities.

151,594 Michigan students will pay more for student loans.

620 of Michigan's kids won't participate in national service and earn college tuition.

458,200 Michigan residents will not benefit from an increase in the minimum wage.

527 entire Michigan schools districts will lose money to make schools safe and drug free.

3,800 Michigan special needs students will lose the extra help they need to learn and succeed.

42,900 Michigan kids will lose summer jobs.

2. Michigan Loses: Feeding and Housing Our Children and Senior Citizens.

743,665 Michigan children are in danger of losing their school lunches.

188,089 mothers will lose some or all of the help they receive to provide nutritious food and milk to their infants and children.

9,930 Michigan children are at risk of losing access to safe, affordable child care.

377,883 Michigan senior citizens, families and kids will lose heating assistance they depend on to get through the winter.

32,852 Michigan families who could have counted on an FHA loan to buy their first homes are in danger of losing their only access to an affordable loan.

3. Michigan Loses: Safer Streets.

387 fewer cops will walk Michigan's streets as a result of the Republican Contract.

561 new cops are keeping Michigan communities safer because of Democratic initiatives in 1994.

CONTRACT ON THE ENVIRONMENT

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, with the new Republican majority, Americans had hoped for the best. Now we know, after 3 months, to expect the worst in terms of Republican partisanship, serving special interests, not the American people and family.

As citizens all across America prepare to celebrate the 25th anniversary of Earth Day, the silver anniversary, tarnished and corrosive effect is taking place on the environment. I am deeply troubled, and Americans are, that in our Nation's Capital the 104th Republican Congress is working furiously to destroy almost all that has been accomplished in the last three or four decades.

This Contract on America has turned into a contract on America's landscapes, on our parks, on our wildernesses, on America's air, contract on America's drinking water, on America's rivers and natural and historic resources and this contract will take a terrible toll.

This environmental assault is an insult to the American people. But the American citizens can do something about it the next 3 weeks. You can make our policymakers see the light or feel the heat. They need to be forcefully reminded that environmental policies and laws are not brutally attacked, were not forged through partisan warfare. They were not the work of Democrats or Republicans alone; rather, they are uniquely derived from years of deliberation, of listening and responding to core conservation values.

That is right, let us have some conservation in those that claim to be conservatives in this Congress.

Those environmental laws and policies have been derived from the ethic of the American people. These policies are based on the wisdom of Americans who by experience, education, and ethics understand that there are some areas of this vast Nation that should not be despoiled.

Let us take back the environment. Let us make these individuals that are advancing these policies see the light or feel the heat.

THE NEXT 2,000 DAYS IN CONGRESS

(Ms. JACKSON-LEE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, as I watched the celebration that was misdirected on the Capitol steps this morning, Republicans celebrating what was 100 days of gimmickry, I wondered whether or not we really needed to listen to those who were not able to come to the U.S. Capitol, for as we look at some of the headlines saying ''Senate Battle Lines Forming Over Possible Tax Cuts,'' when we see the headlines ''GOP Gets Mixed Review From Public Wary on Taxes,'' and when we find out that ''Despite Change on Hill, Public Still Remains Critical,'' then we must ask the question, did we come here to follow political polls or to be statesmen and stateswomen.

Thomas Jefferson did not have a poll, but he tried to do what was right, and

Ben Franklin, Abe Lincoln, and Franklin Delano Roosevelt.

This past week marked the 27th anniversary of the killing of Dr. Martin Luther King, a simple American who tried to do what was right.

I wonder what the bus drivers, I wonder what the waitresses and teachers and people who work think about what we have done.

I tell you what they want, and I hope that we go forward to make sure that we have summer jobs for our young people this summer and not long, hot summers. I hope we will get an energy policy that will help create jobs in this Nation so that people can truly work. I hope that we will have job training for those people who have lost their jobs because of transition and technology and put the middle-class working man and woman back to work who have lost their jobs.

And then I hope we do something about children who are being molested in our streets and develop a national registration for child molesters so you will know when they come into your neighborhoods.

Lastly, I hope this country recognizes that each and every American deserves an affordable house to live in.

That is what this Government should be about, not about gimmicks and admiration of one man who is the Speaker, because we think we are following campaign pledges.

I hope the next 2,000 days in the U.S. Congress will be representative of the people of America, diverse, different, speaking different languages, looking differently, but caring about one thing, and that is freedom and opportunity.

CONTRACT WITH AMERICA WAS WILDLY SUCCESSFUL

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, the Contract With America was a wildly successful effort in large part because the American people were promised something specific in terms of legislation, not generalities, but specific promises, and those promises were kept.

Day in and day out on this floor a group of politicians came together and kept their promises to the American people.

Today we have heard the reply of the Democrats on the floor. The Democrats can reply only out of fear and only with negativism.

Time and time again we have brought to the floor pieces of specific legislation, and all we have heard is criticism. They have no program. They have only criticism. They have no positive view of America. They have only negativism. They have no program for the future. They have only fear.

Day in and day out we have heard them bring this to the floor, and we have heard it again today. That is too bad.

If we are going to have a real debate about where America should go, they ought to have a program.

I heard a little bit of a program in one speech earlier today. It sounded to me as though they are willing to countenance across-the-board cuts in Social Security. Now, that would be an interesting debate. I hope that we have that kind of debate on the floor.

Republicans have said in our budget we will protect Social Security. We are going to balance the budget by the year 2002. That is going to be the chief work of the days ahead. We will not touch Social Security.

Today I heard on the floor the beginnings of an effort by some Democrats to say that what they are willing to do is balance the budget and do it by countenancing an across-the-board cut in Social Security. It should be a very interesting debate.

We would like to hear something positive out of them, not just criticism.

YES, AMERICA, WE ARE LISTENING

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, the gentlewoman from Texas spoke about hopes. She enumerated hopes. We all share the hopes for our country. We all have great aspirations. We all are doing our best to meet the challenges of this Nation. I think it is fair to say our hopes are the same.

It is just how we achieve those hopes is a little different. We come to Washington with a plan. We are putting that plan into effect, and we hope it is going to solve problems rather than sustain problems, which is what the program of the previous 40 years has done.

This is a great country, and this is a great Chamber. We can express different views here and still have the same hopes for our great Nation.

The gentlewoman has said that we have followed the polls. That is backwards. The polls have followed us in this.

The gentlewoman has said that our agenda is somehow gimmickry. I do not think so. It has achieved a great deal of bipartisanship and support. If you look at every single vote that was taken, it had people from both sides of the aisle supporting our agenda.

The difference is we have been listening to America while they have been defending 40 years of programs that do not work.

Yes, America, we are listening, and we are beginning, and we are going to go forward, and together in a bipartisan way we are going to achieve reality for those hopes so that everybody in America is truly an American with a quality of life that measures the American dream we all have.

WE KEPT EVERY PROMISE

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. Mr. Speaker, to listen to the strident shrieking, incredibly hard words and tone from the other side of the aisle, you would think there was only one party that was voting for the items that we call the Contract With America.

But when you analyze the votes, you find out some very interesting things. First of all, this had bipartisan support for every single vote that was cast. If you look at the average vote for contract legislation in the House, excluding eight contract items the very first day, you had an average of 316 ''yes,'' 110 ''no.'' If you include those eight items from the first day, you have an average of 337 ''yes,'' 90 ''no.'' Seventy-seven percent, 77 percent of the House voted ''yes'' on contract items.

That means that we were not voting as Republicans and Democrats, but occasionally we were also voting as Americans, Americans first, and when the gentleman from Florida says that we were listening to America, he is absolutely right, because there was another very powerful intuitor of what the American people want, in 1992, and he promised to end welfare as we know it, he promised a middle-class tax cut, he promised to lift the Social Security earnings test, he promised a line-item veto, and he reneged on every single promise, and we have kept every single one of those promises.

JOIN US IN MAKING AMERICA STRONG

(Mr. SHADEGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHADEGG. Mr. Speaker, this is a new day in America, a great new day. It is a day where we talk about promises made and promises kept.

The speaker before me made the point this is not a contract that was partisan. It is a contract which captures the American people's dreams and begins the process of starting change in America.

The eight first-day reforms received an average of 397 votes; 160 of my colleagues on the other side joined us in those reforms. The average of the bills in the Contract With America received 316 votes. That is more than 70 of our Democratic colleagues who joined us in passing those reforms.

Our predecessors promised to end welfare as we know it. They promised a middle-class tax cut. They promised to begin making Government smaller and more responsive, and they failed over and over again.

The American people want change. The Contract With America delivered change. It is the beginning of a tremendous process.

Now, the challenge ahead of us is to balance the budget. I invite the American people, I invite my colleagues to join us in that challenge. It is immoral to continue to put the burden of the debt and the deficit they created in the last 40 years on our children and our grandchildren.

Join us, I urge you. We are going forward to make America strong and better and to give it back to the people, the people who own it, the people who made it, the people whose taxes make it run and who believe in this agenda and in us.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE ACT OF 1995

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to take from the Speakers' table the bill (H.R. 1345) to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments:

Page 7, line 2, strike out ''or''

Page 7, line 6, strike out ''States.'' and insert ''States;''

Page 7, after line 6, insert:

(3) to amend, supersede, or alter the provisions of title 11 of the District of Columbia Code, or sections 431 through 434, 445, and 602(a)(4) of the District of Columbia Self-Government and Governmental Reorganization Act (pertaining to the organization powers, and jurisdiction of the District of Columbia courts); or

(4) to authorize the application of section 103(e) or 303(b)(3) of this Act (relating to issuance of subpoenas) to judicial officers or employees of the District of Columbia courts.

Page 10, strike out lines 7 to 9 and insert:

(4) maintains a primary residence in the District of Columbia or has a primary place of business in the District of Columbia.

Page 12, strike out lines 17 to 24, and insert:

(c) INAPPLICABILITY OF CERTAIN EMPLOYMENT AND PROCUREMENT LAWS.—

(1) CIVIL SERVICE LAWS.—The Executive Director and staff of the Authority may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(2) DISTRICT EMPLOYMENT AND PROCUREMENT LAWS.—The Executive Director and staff of the Authority may be appointed and paid without regard to the provisions of the District of Columbia Code governing appointments and salaries. The provisions of the District of Columbia Code governing procurement shall not apply to the Authority.

Mr. DAVIS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. BURTON of Indiana). Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Virginia?

Ms. NORTON. Mr. Speaker, reserving the right to object, I yield to the subcommittee chairman, the gentleman from Virginia [Mr. DAVIS], to explain the nature of the Senate amendments.

Mr. DAVIS. Mr. Speaker, I thank the gentlewoman for yielding.

The Senate has passed the District of Columbia Financial Responsibility and Management Assistance Act with several technical and clarifying amendments and has returned it to the House.

The Houses are not in formal disagreement on the issue. I do not find the amendments to be in conflict with the nature or the purpose of the bill as passed by the House, and I am prepared to accept them and send them, send the bill, to the President for his signature.

The amendments deal with such items as ensuring that the courts are protected, the application of District laws to the Authority, and a clarification of the qualification of the members of the Authority.

Ms. NORTON. Mr. Speaker, I further reserve the right to object.

(Ms. NORTON asked and was given permission to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, further reserving the right to object, I, too, have examined the amendments, and I will not object to them.

I am inserting a statement from the gentlewoman from Illinois [Mrs. COLLINS], the ranking minority member of the Committee on Government Reform and Oversight, and the gentlewoman from Texas [Ms. JACKSON-LEE] at this point in the debate.

Mr. WALSH. Mr. Speaker, will the gentlewoman yield?

Ms. NORTON. Further reserving the right to object, I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I will be very brief.

I just would like to say that it has been my great pleasure to work with the distinguished Delegate from Washington, our Nation's Capital, who serves with such grace and distinction, the gentlewoman from the District of Columbia [Ms. NORTON], and it has been my pleasure also to work on this bill with the gentleman from Virginia [Mr. DAVIS], a freshman Member from Virginia, and the people of Northern Virginia showed great wisdom in sending this young man to us at this time.

This was a bipartisan bill, passed unanimously by the House under the leadership of the committee chairman, the gentleman from Pennsylvania [Mr. CLINGER], who guided all of us in this endeavor.

This will bring closure to the first step in restoring our Nation's Capital City.

I have enjoyed working with all the Members and with the truly responsible members of city government.

Again, it is a bipartisan effort that we all can take pride in, and I urge unanimous support.

Mr. Speaker, I rise in strong support of H.R. 1345, the District of Columbia Financial Responsibility and Management Assistance Act of 1995, as amended by the Senate last night.

The amendments made by the Senate are, for the most part, clarifying in nature. The amendment on page 7 involves the relationship of the Authority with the District of Columbia courts. The amendment on page 12 clarifies the applicability of certain employment and procurement laws to the Authority's Executive Director and staff.

The amendment on page 10 of the House engrossed bill modifies a provision of the legislation dealing with the required qualification for appointment to the District of Columbia Financial Responsibility and Management Assistance Authority. As the bill now before us reads, persons appointed to the Authority must all ''be individuals who maintain a primary residence in the District of Columbia or who have a primary place of business in the District of Columbia.''

This is a useful change because while maintaining the requirement that all appointees have clear ties to the District, it at the same time broadens the pool of persons eligible to be selected. In that regard, I think it is clear that having ''a primary place of business in the District'' is broader than having to own a business here. There are certainly many people who are not the actual owners of a business located in the District, but whose primary place of business is there. For example, an accountant who works for an accounting firm in the District of Columbia can surely be said to have the District as their primary place of business.

Owning a business, and doing business are not necessarily the same thing, and not everyone who has a primary place of business is the owner of that business.

Mr. Speaker, this is a good compromise with the Senate and I urge my colleagues to agree to H.R. 1345 as amended by the State.

Mr. CLINGER. Mr. Speaker, will the gentlewoman yield?

Ms. NORTON. Further reserving the right to object, I yield to the gentleman from Pennsylvania, the distinguished chairman of the full committee.

Mr. CLINGER. Mr. Speaker, I thank the gentlewoman for yielding to me.

I just want to rise and commend you and the gentleman from Virginia [Mr. DAVIS], the gentleman from New York [Mr. WALSH], and the gentleman from California [Mr. DIXON] for a truly, I think, historic bipartisan effort to bring to the District of Columbia the kind of control that I think is going to be necessary to restore the District to fiscal sanity.

□ 1130

You have been absolute giants in achieving this, and I think it is so important this has been a bipartisan effort. I think it was absolutely essential that we got together as a Congress to accomplish this, so my hat is off to all of you. It was not an easy job. I know the hours, the days, the weeks that were involved in it. The gentleman from Virginia [Mr. DAVIS] particularly who was the chief architect of this, he deserves all the credit that he is going to receive for accomplishing this, and to the gentlewoman from the District of Columbia [Ms. NORTON] I say, ''Again thank you so much for all you have done to make this happen.''

Ms. NORTON. Mr. Speaker, I thank the distinguished gentlemen for their kind and gracious remarks and for all of their unyielding help and determination during this very difficult process. I am pleased that it is at an end and it has received such remarkable support in this House, in the Senate, and I applaud especially the efforts of the subcommittee chairman, the gentleman from Virginia [Mr. DAVIS], who has worked untiringly for fair results.

Ms. NORTON. Mr. Speaker, in the bill originally passed by the House, we set out to require that members of the Authority have a stake in this city, and used as evidence the payment of personal income or business taxes in the District. As part of the technical amendments adopted in the Senate, this language, for the purpose of clarification, was modified to require members to maintain a primary residence or have a primary place of business in the District. As with the original House provision, it is intended that members of the Authority have a clear tax-based stake in the District. Such a stake exists where a person pays personal income taxes or, because his or her primary place of business is headquartered in the District, pays business taxes to the District. Such a stake, however, clearly does not exist where a person merely, by virtue of employment, works in the District but pays no business taxes in the District. As an indication of this intent, the Senate agreed to eliminate a requirement of employment in one of its proposals. By so doing they agreed to the elimination of individuals who work for the government or for private employers but live elsewhere and pay no personal or business taxes in the District of Columbia. As reiterated in each of the hearings on this legislation held by the House Subcommittee on the District of Columbia, such basic stakeholdership is critical to the ultimate legitimacy and success of such authorities.

Section 202(g) allowing line-item authority by the Mayor and the city council is necessary during the control period because the finances all of the revenue of the District must be treated as a whole and the same financial discipline applied in the same fashion to all units that are funded by the District of Columbia government. Home rule requires that first the school board and then the Mayor and the city council initiate any necessary designation and realignment of expenditures before any action may be taken by the Authority. Therefore, there was no way to avoid line-item authority by any of the city's elected leaders. However, Congress intends no interference with the Home Rule Act jurisdiction of the elected board of education. Although no agency is protected from cuts that may be necessary to bring the city's budget as a whole into line, Congress does not intend that there be raiding of the school system budget. The Authority and, if necessary, the Congress itself will enforce the board of education's existing legal prerogatives.

Nor does the Congress endorse recent implications that it would be best for the Board of Education, the school system, or the Superintendent to be under the jurisdiction of other elected officials. The residents of the District, elected officials, or the Authority may make appropriate recommendations in this regard. However, it is not appropriate for Congress to make such a significant change without receiving a recommendation pursuant to hearings and a thoughtful process, and Congress has no evidence that would warrant such a change at this time. In H.R. 1345, Congress has made only those changes necessary to meet the financial emergency that is the subject matter of this legislation.

The Home Rule Charter establishes the Board of Education as an independent agency of the District government and gives it the statutory authority and jurisdiction to determine all questions of general policy related to the schools, direct expenditures, appoint the superintendent of schools, enter into negotiations and binding contracts, provide state certification for personnel, and control the use of public school buildings and grounds. While H.R. 1345 gives line-item authority over the school system's budget to the Mayor and city council, it is not intended to change the relationship between the board of education and city council. Just as the Authority should not be able to reorder the priorities of the Mayor and the city council, the Mayor and the council should not be able to reorder the board of education's educational priorities.

Elected officials and the Authority need to be especially vigilant in guarding the school board's independence. Because there is no bright line between budget and policy, it would not be difficult to trespass into the legitimate areas reserved for the school board. One important way to avoid this problem is, before a final decision is made on any line-item cut in the school system's budget, there should be collaboration and an effort to reach consensus among elected officials and the superintendent of schools. This is how the Mayor and the council will relate to the Authority and it is how they in turn should relate to the schools.

We note that District of Columbia elected officials have worked collaboratively in the past to establish a formula for public school funding similar to funding formulas in many school districts, and these efforts should be continued.

Since Congress gave the district authority to cut the school system's budget during the fiscal year, that authority has been used to make large cuts in the school system's budget late in the fiscal year. September is the time in the fiscal year when the city scrambles to balance its budget by ordering cuts to make up for agency overspending. These actions destabilize school operations and directly impact on local funding. While it is true that the school system spends most of its budget at the beginning of the fiscal year, and spending activities drop during the summer months, the system needs its budgeted money to reopen schools in September, the last month in the fiscal year. If the council is able to raid the school system's budget late in the fiscal year, the board may be unable to balance its budget. Every effort should be made to do careful planning to avoid sudden and unplanned cuts.

Finally, the Congress is particularly concerned that there be no political influence in the operation of the schools or in matters such as the awarding of contracts.

Mrs. COLLINS of Illinois. Mr. Speaker, I am delighted that the District of Columbia Subcommittee's ranking member, ELEANOR HOLMES NORTON, and the subcommittee's Chair, TOM DAVIS, were able to reach agreement with members of the other body on minor technical changes in this bill. Their determination to produce a bipartisan and bicameral piece of legislation has paid off for them and for the residents of the District of Columbia. These two members are to be commended for their fine work.

H.R. 1345, the District of Columbia Financial Responsibility and Management Assistance Act, is a carefully crafted bill which balances the interests of the District and Federal Governments. It provides the District with the relief it desperately needs from the extreme financial crisis confronting it, while it also assures the continued delivery of essential public services to local residents, Federal agencies, and the many millions of our constituents who visit the Nation's Capital each year.

I will continue to work closely with Chairmen CLINGER, TOM DAVIS, and ELEANOR NORTON, to ensure that the Congress does its fair share to help restore the District's financial health and bring an end to the need for this new Authority. I want to see the District back on its feet, and soon.

I am pleased that this bill won the unanimous support of our Members when it was considered on the House floor earlier this week. It deserved the same here today.

Ms. JACKSON-LEE. Mr. Speaker, I rise today in support of the District of Columbia Financial Responsibility and Management Assistance Act. This act will create a presidentially-appointed Financial Control Board to oversee the budget and finances of the District of Columbia government.

The city of Washington, DC, is our Nation's Capital and I believe that the U.S. Congress has a responsibility to ensure that this city remains financially solvent and a shining example of our Nation's commitment to cities.

As a former member of the city council of the city of Houston, TX, I clearly understand the critical issues confronting many of our Nation's cities, such as a shrinking tax base, high unemployment, an increase in crime and, in many instances, a loss of hope among many residents.

Some Americans believe that we should abandon our cities. However, I still strongly believe in our Nation's cities. They deserve our unequivocal support to become economically viable again. Our cities also deserve our support because they serve as central places where all Americans can assemble to celebrate our common cultural heritage.

I applaud my colleagues, ELEANOR HOLMES NORTON of the District of Columbia and THOMAS DAVIS of Virginia for their efforts to secure passage of this bill. After this bill becomes law and the Financial Control Board completes its work, I believe that the District of Columbia will emerge as an even greater city and a powerful symbol of our Nation's promise.

Ms. NORTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. BURTON of Indiana). Is there objection to the initial request of the gentleman from Virginia?

There was no objection.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, MAY 3, 1995

Mr. WALSH. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, May 3, 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZING THE SPEAKER AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS NOTWITHSTANDING ADJOURNMENT

Mr. WALSH. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Monday, May 1, 1995, the Speaker and the minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

[Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 5 minutes.

[Mr. BILIRAKIS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. WYNN] is recognized for 5 minutes.

[Mr. WYNN addressed the House. His remarks will appear hereafter in the Extensions of Remarks].

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Idaho [Mrs. CHENOWETH] is recognized for 5 minutes.

[Mrs. CHENOWETH addressed the House. Her remarks will appear hereafter in the Extensions of Remarks].

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

[Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks].

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks].

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

[Mr. LIPINSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks].

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FILNER] is recognized for 5 minutes.

[Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CONGRESS MUST ACT NOW TO PRESERVE INTEGRITY OF DEPOSIT INSURANCE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, today I am introducing several bills designed to address the serious problems posed for the Savings Association Insurance Fund [SAIF] by the current obligations imposed on the thrift industry and the pending disparity between the premiums paid by BIF-insured and SAIF-insured institutions.

Not too many weeks ago, many were denying that a problem even existed. The discussion has now proceeded past that stage, and I believe there is a substantial consensus the problem is real and should be addressed quickly—before it becomes a crisis.

There are a multitude of competing interests involved in the resolution of this difficult problem. These bills need not, and are not intended to, satisfy anyone's or everyone's concerns, and the options I have incorporated are not exhaustive, nor are they mutually exclusive. But I believe they do set forth the major issues we must address, and provide mechanisms for doing so that are reasonably calculated to put this problem behind us. They are intended to move the dialog on this issue to the next stage.

The regulators have now presented quite clearly the nature, extend, and urgency of the problem, and discussed a range of options available to the Congress in general terms. It is my hope that these bills will now move us to focus more concretely on the elements of any meaningful resolution, and allow us to begin to work with the administration, the regulators, and affected parties to identify the specifics of alternative solutions, assess and evaluate them, and then select a course of action.

I. THE PROBLEM

The art of governance is not addressing crises. It is anticipating them and developing public policy options that will preclude their occurrence. In this sense, the Congress now has a rare opportunity.

Had we anticipated and addressed the problems posed by an undercapitalized thrift insurance fund in the mid-1980's, we would never have faced the thrift crisis of 1989. Despite warnings from myself and others, the Congress did not anticipate, and the result was an enormous burden placed on the American taxpayer in the FIRREA legislation.

A. DIFFICULTIES CONFRONTING SAIF

How, different but related problems confront us again. All of the relevant regulators, the Treasury Department, and the GAO—in a report commissioned by myself and Senator D'AMATO—have officially alerted the Congress that we have serious problems which must be addressed in the near term. In summary, those problems are as follows:

The SAIF insurance fund is seriously undercapitalized just at the point it will newly have to assume responsibility for thrift failures from the RTC effective July of this year; the mechanism by which thrift premiums are diverted to pay the interest on the FICO bonds, which were issued to pay for the thrift failures of the 1980's, is no longer viable. According to the FDIC, there is no question that there will eventually not be sufficient thrift premium income to service the FICO obligations. The only question is when that deficiency will occur; and, finally, within the next few months there will be a premium disparity between BIF-insured and SAIF-insured institutions of as much as 20 basis points. Such a substantial differential could adversely affect the thrift industry in a number of ways, inhibiting its ability to raise capital; placing it as a serious competitive disadvantage; causing higher rates

of thrift failures; and providing incentives for legal and regulatory maneuvering that will further reduce the moneys available to recapitalize the SAIF and service the FICO obligations.

B. FINDING A SOLUTION

Some have voiced concerns that the regulators or the administration have not recommended a specific solution. I believe they have done as they should have done, at least thus far—alerted us to the problem, defined it fairly and clearly, and provided several alternative solutions which would address it, which discussing the policy advantages and disadvantages of each. None of the alternatives is clearly substantively correct, intuitively appealing, or politically easy. No regulatory or administration imprimatur will make them so.

Others have suggested that the affected industries need to sit down at the table and arrive at an agreed-upon solution. I welcome the input of the affected thrift institutions, and I believe the industry has behaved responsibly in helping to bring the problem to our attention. I also believe the banking industry has both a policy and a political interest in helping to craft an intelligent and fair solution. But we cannot allow any industry's opinion to finally shape our views. Bank and thrift industry members have an obvious interest in minimizing their own losses. That is a legitimate interest on their part. But it is not our interest as policymakers.

The choice between the various alternatives is a choice for the Congress to make. In making that choice, we must be concerned about questions of equity and ensure that we do not place an undue burden on members of either the thrift or banking industry, and certainly that we not place an inappropriate burden on the taxpayer. But I believe we must not take any reasonable option off the table at this point. Our primary goal must be to safeguard the depositor and preserve the integrity of the deposit insurance system.

Both industries also have an interest in our doing that successfully. No one wins there is a crisis of confidence in the deposit insurance system. Any alternative that will maintain that confidence merits serious consideration.

In preparing these bills, I have explored a multitude of options. I am open to suggestions of other options, but I see only three realistic sources which can provide the funds to solve these problems: The thrift industry; use of the resources already authorized and appropriated to the RTC to handle thrift failures; and some form of participation by BIF-insured institutions. I am willing to consider seriously any and all of these approaches, and combinations thereof, and welcome recommendations about how best to refine them. The best solution may well be that which combines some or all of these options. The best solution clearly will be one on which a majority of the House and the Senate can agree before June 30.

There is, however, yet another option—lowering the standards which govern the reserves which must be held by the insurance funds to protect the depositor. That is an option I would hope we'd reject.

Some of the options I put forward may be viewed as hitting the thrifts too hard. Others may be seen as placing unjustified burdens on the banking industry. Still others may be criticized for their reliance on excess RTC funds which have already been authorized and appropriated for what I believe are comparable purposes. Those criticisms are not my key concerns, although I will certainly take any legitimate criticism into account. But our primary goal must be to safeguard depositors and ensure the integrity of our deposit insurance system.

Any solutions advanced, or any combinations thereof, will necessarily be subject to legitimate criticism and can easily be tossed aside as politically unfeasible. The challenge for the Congress is to avoid the easy path of naysaying and risk avoidance, and work together to craft a reasonable solution.

C. TIMING OF A RESPONSE

Because this issue will be politically difficult to address, it may prove virtually impossible to move independent legislation. Some have suggested attaching a solution to the pending financial services modernization bill or regulatory consolidation legislation. But I believe these bills will move too slowly for us to address the BIF–SAIF problem in a timely manner—that is, before June 30.

I believe a more appropriate legislative vehicle would be the pending regulatory relief bill. Such relief, if properly crafted, is long overdue and the legislation can be expected to move quickly. I also believe the BIF–SAIF issue appropriately arises in this context. It is reasonable, as part of an effort to reduce regulatory and supervisory burdens, to also move to ensure that the deposit insurance program is stabilized and any risks to that system are removed.

We must act quickly. As a policy matter, the problem is upon us. The FDIC has already issued draft regulations which will reduce bank premiums substantially, while leaving thrift premiums at current high levels. In doing so, the FDIC is meeting its statutory obligation. But the premium disparity will be in place in just a few months, and will exacerbate existing thrift industry problems. Politically, it is essential that we act before a change in the premium structure is put in place. Should Congress choose to require any financial participation by the banking industry, it would be much more difficult to impose new financial obligations than to make slight changes in the level of reduction of those existing obligations.

Most importantly, on June 30 of this year, the SAIF will assume responsibility for thrift failures. According to the FDIC, it will do so in a seriously undercapitalized state. A serious economic downturn or the unanticipated failure of a large thrift could bankrupt the fund. We cannot afford to run that risk.

As we move to devise a solution, we must have an eye to the longer term. Some have suggested that it is time to stop talking about banks and thrifts and start talking about moving toward one industry, one charter, and one regulator. That is an issue which merits serious deliberation, and issues like the bad debt reserve which could inhibit such movement from occurring naturally warrant examination.

But if that is our ultimate goal—a question we have yet to decide—we must have an intelligent approach to making the transition. It cannot be achieved by default, because public policy toward the thrift industry is so bankrupt that flight from the industry is the only sensible business solution. In the nearer term, we must make sure our policies do not inadvertently destroy an industry before we even have an opportunity to determine if and how we might wish to restructure it as part of a broader restructuring of our financial services system.

If we are to legislate intelligently on a solution, we must have some perspective regarding how we got to where we are today and some criteria to govern our action going forward. In the balance of my statement, I will discuss the source of the problems we face, the criteria which should govern our search for a solution, and the major issues we must confront as we continue our deliberations.

II. THE SOURCE OF THE PROBLEM

A. STATUS OF THE DEPOSIT INSURANCE FUNDS

In the late 1980's and early 1990's, the Banking Committee and the Congress focused considerable attention on enhancing regulatory oversight of the thrift and banking industries and stabilizing the condition of their insurance funds, through passage of FIRREA in 1989 and FDICIA in 1991.

THE BANK INSURANCE FUND [BIF]

We have arguably been more successful in the context of the Bank Insurance Fund [BIF]. The FDIC reports that the BIF is in very good condition and its prospects are favorable. The BIF is expected to reach its designated reserve ratio, 1.25 percent of insured deposits—the amount reserved to handle anticipated losses and protect depositors—within the next few months. Current law requires that the FDIC move to reduce bank premiums when that occurs, and the FDIC is proposing to lower premiums from the current level of about 24 basis points to approximately 4.5 basis points.

THE SAVINGS ASSOCIATION INSURANCE FUND [SAIF]

In contrast, the FDIC and the OTS report that, while the thrift industry itself is in very good condition, the Savings Association Insurance Fund [SAIF] is deeply troubled. On June 30 of this year, the SAIF must newly assume responsibility for thrift failures

from the RTC, yet it is seriously underfunded. While the BIF is approaching its 1.25 reserve ratio, the SAIF has only $1.9 billion, or 28 cents in reserves for every $100 in insured deposits. Faced with that situation, the FDIC is constrained to keep thrift premiums at current levels. The result will be a premium disparity in the neighborhood of 20 basis points.

Such a disparity will place thrift institutions at a significant competitive disadvantage, inhibiting their ability to raise capital, encouraging them to look to other funding sources which will reduce the assessment base even further, and providing incentives to escape the industry, its charter and its problems. We have already seen Great Western and several other thrift institutions make initial moves to obtain new bank charters. Such efforts are legally permissible and market driven. But they will exacerbate the industry's problems.

B. STRUCTURAL PROBLEMS CONFRONTING THRIFT INDUSTRY

The premium disparity is in fact only an outward manifestation of more fundamental difficulties which become obvious when we examine why the SAIF is so underfunded. Certainly, it should be the industry's obligation to adequately capitalize its insurance fund, and capitalizing that fund should be our priority as policymakers. From 1989 to 1994, SAIF assessment revenue amounted to $9.3 billion. If that revenue had been put solely toward recapitalizing the SAIF, the thrift insurance fund would have been fully capitalized long before now. However, $7 billion of that money—95 percent of SAIF assessments—were diverted from the SAIF to pay off obligations from thrift failures in the 1980s through either the Resolution Funding Corporation—REFCORP—$1.1 billion; the Federal Savings and Loan Insurance Corporation Resolution Fund—FRF—$2 billion; or the Financing Corporation—FICO—$3.9 billion to date. REFCORP and FRF no longer have claims on the SAIF, but the FICO claim will remain as an impediment to recapitalizing SAIF for 24 years.

Establishing parity between the BIF and the SAIF today would require approximately $15.1 billion—$6.7 billion to move the SAIF to the $8.6 billion which would constitute the amount necessary to achieve the designated reserve ratio, and $8.4 billion, which is the amount necessary at current interest rates to defease the FICO obligation. As OTS Director Jonathan Feichter points out, simple mathematics indicates that SAIF members will be unable to generate sufficient premium flows to both recapitalize the SAIF and service the FICO obligations. The SAIF assessment base is declining, and is likely to decline further, and that will worsen both problems.

The situation is further aggravated by the fact that the premiums from the so-called Oakar and Sasser banks are considered unavailable for FICO purposes—making a large portion of the assessment base unavailable for that purpose. Yet making those funds available—if done alone—provides no real solution as it just depletes the funds available to capitalize the SAIF.

1. FICO

The FICO Program was flawed from its inception. I was one of the few Members of Congress to finally vote against the CEBA legislation incorporating this change in 1987. First of all, the level of funding provided—$10.8 billion—was totally insufficient to meet the need. Further, such stringent restrictions were imposed on the expenditure of the money as to render the funding almost useless. The legislation placed an annual $3.75 billion cap on the issuance of FICO bonds in response to industry pressure to minimize the industry's burden of servicing the bonds. In a letter to President Reagan urging him to veto the legislation, I urged that the amount provided was woefully inadequate and would require the Congress to revisit the issue. I noted at the time, ''a poorly funded plan is guaranteed to perpetuate the crisis atmosphere and could eventually result in a taxpayer bailout.''

2. FIRREA

Unfortunately, we have revisited the issue—again and again and again—and the taxpayer bailout devised in the FIRREA legislation became a cornerstone of what proved to be only another partial solution. I opposed FIRREA as I had opposed the 1987 legislation for a number of reasons, but most basically because I not only believed it would not work, but I strongly believed it would make the situation far, far worse. I believed in 1987, and in 1989, and I believe today that a fully funded recapitalization scheme is the only way to restore public confidence in the thrift insurance fund and in the deposit insurance program more generally. Despite repeated efforts, we have still not achieved that goal.

The FIRREA legislation had many laudable goals. Unfortunately it did not strike the proper balance in achieving them. It was no accident that under FIRREA the thrifts remained responsible for the FICO obligation. There was an intentional effort to place as much of the burden of paying for failed thrift institutions and recapitalizing the thrift insurance fund on the thrift industry as possible, so as to minimize the taxpayer contribution.

In the abstract, these are laudable goals. But they are meaningless if the plan devised to achieve them does not work. The ability of the thrift industry to sustain these and other obligations placed on it was justified by FIRREA's proponents on the basis of economic and other assumptions that have proved grievously flawed. Most notably, in 1989 the administration projected annual thrift deposit growth of 6 to 7 percent a year. Since SAIF's inception, however, total SAIF deposits have declined an average of five percent annually.

That should not have been surprising, and I questioned these assumptions and others at the time. The FIRREA legislation was otherwise so punitive to the industry that I believe it forced potentially viable thrifts into failure. The result was to leave fewer thrifts and a smaller assessment base to bear the brunt of the obligations imposed, and increase pressures on the declining number of healthy thrifts which remained.

The previous administration and the Congress constructed a solution that has not worked. The obligations imposed on the thrift industry are not obligations it alone can sustain without once again posing a risk to the taxpayer. We have revisited this issue time and again. It appears we must now do so one more time. If we are to sustain confidence in the Government's ability to manage its deposit insurance system and meet its commitment to depositors, it is imperative that this time we construct a workable and permanent solution.

III. STANDARDS TO BE BROUGHT TO BEAR IN FORMULATING SOLUTIONS

In attempting to do so, we should bring certain standards to bear on the solutions we examine. Most basically, any solution we devise should not rely on optimistic assumptions and projections about what will happen sometime in the future—whether about economic growth, thrift failures, thrift profits, deposit growth, et cetera—for its success. The solution should be workable and permanent.

Beyond that basic point, I concur with the standards that the FDIC has suggested. First of all, any solution should reduce the premium disparity and eliminate to the extent possible the portion of SAIF premiums diverted to FICO assessments. Optimally, the SAIF institutions should and can capitalize their own insurance fund. However, they cannot do so if other obligations eat up a substantial portion of the premium flow. Second, any solution should result in SAIF being capitalized relatively quickly. Third, any solution should address the immediate problem presented by the fact that on June 30 of this year, the SAIF will take over from the RTC the responsibility of handling thrift failures in a seriously undercapitalized state.

I have tried to be sensitive to all of these standards in crafting the various solutions I am putting forward. Not all of them meet all of these goals to the maximum degree I would hope. But I believe if we give serious attention to the specific problems and opportunities posed by various solutions, we can craft an ultimate solution which will.

I am hopeful that the bills I have introduced will focus attention on the relative legitimacy and effectiveness of various specific alternatives. I would now like to discuss some of the major issues we must consider in making the necessary judgments.

IV. THE MAJOR ISSUES

A. BURDENS ON THE THRIFT INDUSTRY

1. UTILITY OF A SPECIAL ASSESSMENT

There is much to comment some reliance on a reasonable one-time special assessment on the thrift industry, as part of a broader solution which otherwise addresses the current problems. Such an assessment could never be sufficient to solve the problems we confront, or even to fully capitalize the fund. Any onerous assessment would simply place the industry, and especially weaker institutions, in an even more difficult position than the one in which they now find themselves. But a reasonable assessment provides a real opportunity to frontload the capitalization of the SAIF and that is an important goal.

Certain principles should govern any such assessment. It should be reasonable. It should be structured to be paid in installments so it is not necessarily an immediate hit on capital. Some flexibility should be granted to institutions in terms of the payment schedule. The FDIC should be given some discretionary authority to exempt, or reduce the assessment for, institutions which are troubled or would become troubled if the assessment were imposed.

Any special assessment should be structured so as to capture current members of the SAIF. Otherwise, the potential for such an assessment will simply provide yet another incentive for thrifts to move out of the system.

2. CAPITALIZATION OF THE THRIFT FUND

There are various approaches to sharing the two primary obligations which arise—capitalizing the SAIF and servicing the FICO obligations. However, from my point of view it is more intuitively appealing and has more substantive merit to have the thrifts focus their primary effort on recapitalizing their insurance fund. Premiums are intended for insurance fund purposes and ideally we should minimize diversion of those monies, in either fund, for other purposes. We may not be able to totally honor that standard and solve the problem, but we should try, and in the future we should avoid diverting insurance fund premiums to multiple uses.

It is also true that the FICO bond servicing imposes the more onerous obligation, not so much in overall amount—although the amount needed to defease the bonds is somewhat greater than the amount needed to recapitalize the fund—but because it creates the prospect of a long-term and substantial premium disparity if the thrifts alone must service the bonds. These bonds are 30-year bonds and noncallable. They will not be paid off until 2019. Such a long-term disparity is fundamentally debilitating for the thrift industry and will simply create greater incentives for legal and regulatory maneuvering.

3. PREMIUM DIFFERENTIAL

Any solution should attempt to minimize the premium differential between BIF and SAIF institutions. A differential of the size currently pending places thrifts at a serious competitive disadvantage, will reduce thrift ability to raise capital, and could induce additional failures, creating further problems for the industry and its fund.

I believe the ability of the thrifts to sustain the adverse impact of such a differential depends on its size and longevity: a modest disparity—nothing as large as the pending disparity—might be manageable for three or four years, if the certainty of parity were to follow. But a long-term disparity of any consequence—for example, double digits—is fundamentally debilitating and only provides incentives for thrifts to reduce their assessment base, change their charter, or otherwise remove themselves from the line of fire.

I have tried to generally construct options that would keep any disparity at no more than a 9-basis-point level. Even that may be too high. Moreover, I am disposed toward those options which minimize not only the size but the term of the differential.

B. APPROPRIATE USE OF EXCESS RTC FUNDS

Some argue that it is politically impossible for the Congress to make any use of the taxpayer money represented by the estimated $10 to $14 billion in excess RTC funds that have been authorized and appropriated, but not expended, on thrift losses. If there is conceptual justification for utilizing those resources—and I believe there is—we should not be too timid to even discuss it. I am unwilling to take any option completely off the table without some reasonable substantive discussion. Some or all of these moneys could, in theory, be made available to help capitalize the SAIF or help service the FICO obligations, or at least to provide a backstop against thrift losses while the SAIF fully recapitalizes.

I have always tried to minimize the adverse impact of the SAIF recapitalization effort on taxpayers. In fact, I voted against FIRREA because I believed that, in two important respects, it did not minimize the taxpayer burden.

First of all, I believed that borrowing to pay for the legislation unnecessarily increased the costs to the taxpayer and passed those costs on to future generation. I believed that borrowing was both fiscally and morally irresponsible, and I offered an amendment on the House floor which would have required that we pay for what we were doing. Unfortunately that amendment failed, the final legislation required that the Government once again borrow, and the cost to the taxpayer—and burden on future generations—has been greater as a result.

My opposition to FIRREA was also based on the fact that I believed that the rapid imposition of much stricter standards on thrifts precipitated the failure of otherwise viable institutions, increasing the cost of thrift failures and the burden on the taxpayer. Had more thrifts survived, the then optimistic projections about deposit growth and the size of the assessment base might have proved more accurate and we might not be confronting the problems we face today.

While I believe we must try to minimize the burden on the taxpayer, that does not mean we should not consider using moneys already authorized and appropriated for the purposes it was intended to be used. It is clear from the legislative history that Congress fully realized that its assumptions in FIRREA might prove overly optimistic, and that additional Treasury funds would be required to fully capitalize the SAIF. The legislation did in fact provide for that contingency.

FIRREA authorized the appropriation of funds to the SAIF in an aggregate amount of up to $32 billion to supplement assessment revenue by ensuring an income stream of $2 billion each year through 1999 and to maintain a statutory minimum net worth through 1999. Subsequent legislation extended the date for receipt of Treasury payments to 2000. Despite repeated requests by the FDIC, however, appropriations for these purposes were never requested and SAIF never received any of these intended funds. Had they been received, the SAIF would have been capitalized by now.

The FDIC again raised the looming problems in the thrift industry at the time Congress considered the RTC Completion Act. As the FDIC noted at that time, the legislation left ''unresolved issues regarding the viability and the future of the thrift industry and the SAIF.'' The failure to address the issue then has only postponed the inevitable.

The fundamental tension on this issue is reflected in existing legislative provisions intended to deal with the possibility that additional Treasury moneys might be necessary, although these provisions limit their use to covering losses. The excess RTC money is technically available to pay for losses until 1998. In fact, two other funding sources are in theory available to pay for losses: First, an authorization for payments from the U.S. Treasury of up to $8 billion for losses incurred by the SAIF in fiscal years 1994 through 1998; and second, unspent RTC money during the 2 years following the RTC's termination on December 31, 1995.

However, to obtain these funds, the FDIC must certify to Congress that an increase in SAIF premiums would reasonably be expected to result in greater losses to the Government, and that SAIF members are unable to pay assessments to cover losses without adversely affecting their ability to raise and maintain capital or maintain the assessment base. The certification requirement was made onerous to make taxpayer money the last resort. In theory, that is appropriate. But I believe that the standard was made so high that certification is virtually impossible.

There is ample evidence that Congress anticipated the need for, and attempted in various ways to provide for, greater use of taxpayer dollars to capitalize the SAIF or cover losses. Moneys to help capitalize the SAIF were, however, never requested of the Congress or made available by it, and FDIC access to additional resources even for purposes of covering losses has been unduly restricted. Using excess RTC moneys to service FICO obligations, help capitalize the SAIF, or serve as a backstop against losses while the fund recapitalizes are conceptually consistent with that original congressional intent and merit consideration.

It was also anticipated in FIRREA that the bulk of thrift failures would have been resolved by the time the SAIF assumed responsibility from the RTC. However, repeated delays in providing adequate funds to the RTC delayed the resolution process. As a result, the burden and risk the SAIF will be assuming this summer is greater than it might have been. At the very least, we should therefore consider using excess RTC funds as a backstop for the SAIF to cover additional losses until the SAIF is better capitalized.

There may indeed be some intractable Budget Act or pay-go problems associated with using the excess RTC funds, although the problems may be more readily addressed if the funds are somehow used as a backstop. Whether, and to what extent, these problems exist, and how they might be resolved, merit exploration before the option is dismissed. If the administration and the Congress believed use of these funds in any of these fashions were appropriate, and were committed to such an option, I would imagine a solution to these problems might be found.

C. POSSIBLE USE OF FUNDS FROM BIF-INSURED INSTITUTIONS

Some have suggested that BIF-insured institutions participate financially in the solution, either through participation in the FICO obligation, a fund merger, or both. I appreciate their reluctance to be called upon to do so. They argue it is not their industry and not their problem, and that they have committed substantial resources to putting their own insurance fund on a sound footing. These arguments have substantial merit. But they are not the whole story.

First of all, I believe both the banking and thrift industries have a common interest in the integrity of the deposit insurance program. No constituent of mine has ever spoken of the confidence generated in his financial institution by the soundness of the BIF or the SAIF. In most cases, consumers have little idea which fund insures their deposits. What they have confidence in is the fact that their deposits are FDIC insured. A breach of that confidence adversely affects both thrifts and banks.

Moreover, we have only to look at the degree to which the FIRREA legislation and associated taxpayer costs have poisoned the well as we have considered legislation on financial modernization and safety and soundness issues affecting our banks to know that a problem in one industry is a problem for both. We have yet to pass modernization legislation. We may yet be unable to do so, because of concerns about safety and soundness and putting taxpayer dollars at risk. While FDICIA incorporated some real accomplishments, it was also in many ways an extreme regulatory overreaction to the thrift crisis that we are still trying to ameliorate. The relationships drawn in the public's mind between these issues demonstrates that neither industry can afford to be indifferent to the concerns of the other.

On a more practical level, the relationships between the industries, and the desire for fuller relationships, are real. Banks hold at least one-third of SAIF deposits. They use the Federal Home Loan Bank advance window. They have purchased thrifts—often less expensively than might otherwise been possible because onerous burdens placed on the industry put many thrifts on the auction block at the same time—to enhance their branching network or make use of the benefits of a broader thrift charter. Banks can and do become Federal savings banks which, while BIF-insured, constitute a variant of the thrift charter. Bank holding companies have thrift subsidiaries. It seems then unreasonable to suggest that thrift holding companies cannot form comparable relationships with banks.

Many banks support modernization legislation that would remove arbitrary barriers between types of financial institutions—yet they seem to want to maintain some arbitrary barriers in this instance. These industries are not two completely segregated subgroups that have nothing to do with each other. Clear relationships exist. It is somewhat disingenuous to suggest that those relationships should only exist when they are of benefit to the banking industry.

I do have great sympathy for the desire of the banking industry to see bank premiums reduced substantially later this year. I believe such a reduction is rightfully expected and warranted, given the provisions of current law. It has also been earned by the substantial contributions the banks have made to their fund in recent years. Many banks have already incorporated such anticipated changes into their business plans, as they might reasonably do. Once the fund is appropriately recapitalized, moneys which have been put into premiums can usefully be made available to provide loans to bank customers.

In my view, any solution involving the banks should not delay a reduction, or substantially intrude upon the level of such a reduction. I do believe, however, a reasonable argument can be made that it might be prudent not to take the premiums below 6 basis points this year until a solution to the broader problems the FDIC has identified in the thrift component of the deposit insurance program is found.

I also believe that the idea of merging the funds merits serious discussion. Even if this is not effected in the near term, I believe an eventual move to one fund, one charter, and one Federal regulator is something we should seriously consider. Were we to consider such an option in the short term, however, it would need to be done with great care. In order for bank premiums to come down substantially this year, as the industry has a right to expect, additional time might be required to allow the combined fund to meet its designated reserve ratio, and a special assessment on the thrifts might reasonably be considered in order to provide coverage for any new risks they bring to the combined fund.

I understand and appreciate the banking industry's argument that it did not solve the thrift industry problems of the 1980's and should not be responsible for solving them. But the healthy thrifts which remain did not create those problems either. Moreover, a focus on placing blame makes no meaningful contribution to the debate. Banking industry funds may or may not need to be part of any solution to pending thrift industry problems, but in either case I believe the quality of the solution will be enhanced by their participation in the discussion.

D. FDIC AUTHORITY

1. RESERVE RATIO

In recent testimony before the Banking Committee, one of the witnesses, Professor Kenneth Thomas of Wharton, argued that the 1.25 reserve ratio was an inadequate safeguard and should be increased to 1.5. I have not proposed that such a change be made, and the bills I am introducing do not include a proposal that the reserve ratio be increased. Nor should any proposal I am including delay a premium reduction once the BIF reaches the 1.25 reserve ratio. I do believe, however, that the proper level of that ratio is a serious issue which merits examination.

Some have characterized such a suggestion as outrageous. I believe it is only responsible and prudent. It is critical that the insurance funds maintain sufficient reserves to protect depositors and taxpayers. To the best of my knowledge, there has been no meaningful analytical work demonstrating clearly that 1.25 is the appropriate ratio. Certainly, no fund could realistically be sufficient to address the kinds of structural problems both the banking and thrift industries have faced in the past decade, and that should not be our goal. We should also try to avoid excessive fund build-up. Once the fund is adequately protected, resources are better used for lending and community investment than to an unnecessary piling up of reserves. Nevertheless, we should be prudent. I will be looking to

the FDIC and the GAO for more substantial analysis of this important issue.

I do believe, however, that it is important to clarify that the 1.25 ratio is not an absolute and precise target. It should be viewed as a floor, with some limited discretion available to the FDIC to maintain a cushion above that level without permitting an excessive build-up. I believe it is excessive to require that the FDIC establish significant risk of substantial future losses to the fund for the year before being permitted to increase the reserve even very modestly above that level.

Chairman Helfer has made a convincing argument that the FDIC should refocus its mission, seeing its role less as resolving failed institutions and more as anticipating future problems. I believe there is overwhelming merit in that argument. Economic conditions change, as do the risks posed by bank portfolios. If the FDIC is to effectively play that new role, it must have some flexibility. There have in fact been recent indications that bank investment strategies have changed, some of the sources fueling bank incomes will not continue to be available over the long-term and some banks might be at risk in an economic downturn. We cannot ignore the lessons of the past.

We must however balance concerns about protecting depositors with the need to increase credit availability. Money going into an insurance fund is not going to consumers. I believe the FDIC should proceed to reduce bank premiums substantially, as planned, once the BIF reaches the 1.25 ratio set under current law. If a further cushion is deemed prudent, it can be built up gradually without impeding the near-term reduction.

2. FDIC DISCRETION

I also believe it is time to examine the issue of FDIC discretion more broadly. As Chairman Helfer has emphasized, the FDIC is precluded by a variety of statutory provisions from addressing the problems it has identified on its own authority. I would not casually give congressional authority over to a regulatory agency. However, I believe that some of the strictures under which the FDIC is currently operating are excessive and unnecessary. One of the legislative options I suggest would clarify or expand the FDIC's regulatory authority in a number of regards: provide it with greater authority to administer the FICO bond obligation; modify the certification requirements; provide discretionary authority to impose a modest special assessment on thrift institutions to frontload the capitalization of the fund; provide greater discretion to maintain a small cushion beyond the target reserve ratio in each fund; and provide limited authority to transfer resources between funds.

The last item may be particularly controversial. But that does not mean we should not examine it. In general, I concur that the premium levels for each fund should be set independently. However, the job of the FDIC is not to manage two funds. It is to manage a deposit insurance program and protect depositors of both banks and thrifts. It cannot do so effectively if its hands are tied so that it is forced to explicitly ignore the impact that the status of one fund has on the members of the other. The FDIC should have some flexibility to address that problem.

E. POSSIBLE PROBLEMS POSED BY GOODWILL CASES

Some of the bills I have introduced address the issue of creating a reserve to have available should adverse judgments against the Government be made in the pending goodwill cases. These cases point out yet again that the consequences of FIRREA are with us still.

In the 1980's, some healthy thrift institutions entered into contracts with the Government under which they purchased failed or failing thrift institutions the then thrift insurance fund—FSLIC—did not have the funds to resolve. Since the Government could not make depositors whole by covering the loss, the acquiring institutions were instead permitted to count as tangible capital for a limited period of time an intangible asset called ''supervisory goodwill'' which they were to work off their books over time, thus absorbing those losses slowly.

In FIRREA, supervisory goodwill was no longer permitted to count as tangible capital and institutions holding this asset were required to remove it from their books precipitously. I never questioned that the Government could break these contracts. But I consistently argued that it could not do so without being subject to damages. Recent court cases indicate the courts have considerable sympathy for my argument. The FDIC has already paid out claims on two such cases; many others are pending. Rulings adverse to the Government could cost the taxpayer additional billions.

Again, this is a problem we should have anticipated. I argued that an undue emphasis on being tough on the thrift industry in FIRREA would result in yet greater cost to the taxpayer in the long-term, and argued against the rapid imposition of the new standards, unfortunately to no avail. The possibility I foresaw may unfortunately now become a reality.

It is sometimes cost effective to be temperate, and I hope the lessons of the past will help encourage some temperance as we deal with current problems.

V. CONCLUSION

The problems are real, and I believe we have an obligation to address them now. It is my hope that placing some more specific options on the table will generate useful information, reactions, discussion, debate, and then, resolution.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

[Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extension of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. SANDERS] is recognized for 5 minutes.

[Mr. SANDERS addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

CALL FOR CLARIFICATION OF ETHICS COMMITTEE'S RULES

The SPEAKER pro tempore. There being no designee of the majority leader, under the Speaker's announced policy of January 4, 1995, the gentleman from New Jersey [Mr. TORRICELLI] is recognized for 60 minutes as the designee of the minority leader.

Mr. TORRICELLI. Mr. Speaker, several weeks ago in one of those moments that comes to define an individual's values and sense of responsibility, several members of the executive branch came to me with extraordinary information. It was revealed to me that several years ago an American citizen in Guatemala was murdered by a contract employee of the Central Intelligence Agency. It was further revealed to me that in the years that passed there was a conscious effort to prevent that information from being known. Indeed the person responsible for the murder of an American citizen was never brought to justice. This was, Mr. Speaker, a difficult moment because I recognized the importance of maintaining confidentiality of sources of intelligence information, and indeed, as a member of the Intelligence Committee, I signed an oath not to reveal classified information. It was my judgment to ascertain from the Intelligence Committee confirmation that I never participated in classified briefings and had never received classified information with regard to Guatemala. This was a measure of how seriously I took my oath to preserve confidentiality.

I then proceeded to consult with the ranking member of the Committee on International Relations where I serve and with the minority leader, the gentleman from Missouri [Mr. GEPHARDT], to receive their advice and good counsel before proceeding in writing to the President of the United States to reveal this rather extraordinary information. Their counsel was that I should be guided by my own sense of ethics and responsibility, but proceed in informing the President and the American people.

In the days that have followed this country has learned a good deal. Indeed the President and this Congress have learned a great deal about activities of the Central Intelligence Agency in Guatemala, their adherence to the law,

the intelligence community's sense of responsibility, informing the President and this institution.

In more recent days the Speaker of the House and the chairman of the Permanent Select Committee on Intelligence have raised the issue that while indeed I may never have participated in classified briefings or had classified information as a member of the Intelligence Committee, that since the 103d Congress each Member of this institution has also had a separate oath not to disclose classified information. That oath is no less serious. It is, however, in my judgment, under these circumstances, where the issue is criminal activity on behalf of an intelligence agency of this Government, that involves a question of the taking of life and a felony, and potentially concealing that information from law enforcement authorities; that oath is in direct conflict with the oath every Member of this Congress also takes as prescribed in the Constitution of the United States to adhere to the Constitution and the laws of the United States. It also is in direct conflict with the statutory responsibility of every American citizen to uphold the laws of our country and not to engage in conspiracies, to maintain silence in the face of criminal activity or indeed take any action that would maintain silence regarding those activities. It also in my judgment is in conflict, Mr. Speaker, with the basic ethical responsibility of Members and their duty to reveal illegal activities and the inherent oversight responsibilities of the U.S. Congress to assure that the agencies of this Government are adhering to the laws.

Finally, Mr. Speaker, in my judgment, in this day while the majority is celebrating the conclusion of the 100 days of their Contract With America, invites the most ironic conflict of all. On the 1st day of this 104th Congress on a bipartisan basis this Congress came to the judgment that we would live by the laws that govern all other Americans. All other Americans have a duty, Mr. Speaker, not to conceal criminal activity, to take no action to further a criminal conspiracy.

Mr. Speaker, when I faced the ethical dilemma of whether to disclose the murder of an American citizen by a contract employee of a member of the Central Intelligence Agency, I was guided by my oath as a Member of this institution as prescribed by the Constitution of the United States, the statutes of this country governing the duty not to participate in concealing criminal activity, by my own ethical sense of responsibility as a citizen of this country, and finally by my duty to abide by the laws that govern all other Americans. I do not, however, make light of the speaker's observation that there is an obligation for these last 2 years to also, as a Member of this institution, not to disclose classified information, though I do so while vigorously denying, as I think is now beyond question, that I never did receive classified information as a member of the Intelligence Committee and am, therefore, not in violation of this separate and distinct oath.

Recognizing that there is this conflict of judgment between my interpretation and interpretation shared by the minority leader, Mr. GEPHARDT, and, I believe, many Members of this institution and the public, and a judgment that appears to be shared by the Speaker of the House, Mr. GINGRICH, and the gentleman from Texas, Mr. COMBEST, I have informed Mr. GINGRICH and Mr. COMBEST of my intention to write to the Ethics Committee on this day, inform them what I believe is a legitimate conflict of laws and obligations, that I should receive, and this institution should receive, some guidance in what I think is a clear conflict of responsibility between those oaths and the governing authorities and that the Ethics Committee should reach some judgment, if only for guidance purposes, because the conflict that I received, the conflict in which I found myself, is unlikely to be the last time a Member of this institution faces exactly the same circumstances.

Mr. Speaker, while I welcome the Ethics Committee's addressing of this issue, I want finally to simply say to my colleagues on both sides of the aisle that reforming government, the new relationship this Congress seeks with the American people is not simply about reforming budgets or governmental programs. The most important reform that this Congress requires to restore faith to the American people is to tell the truth. If we cannot tell the truth to the American people, when one of our own citizens is murdered, in violation of our laws, by an intelligence community that is operating at variance with our national purpose, when there has been a clear conspiracy to prevent the truth from being known, and our Government has not proceeded with the prosecution of the person who was known and is responsible, Mr. Speaker, how can we ever keep faith with the American people?

□ 1145

I know that people take issue with my own moral judgment in this instance, but I believe on reflection they will find that in the final analysis I had no choice, and that to keep faith with the American people, my colleagues who find themselves in the same dilemma in the future would do best for our country and this institution to do the same.

Mr. Speaker, there are times in the life of this country, and indeed in any republic, when no matter how noble our purposes, there are compromises that must be made. The first obligation of any free people is to preserve their system of government and their freedom.

There are times of great international struggle, and indeed of the cold war, when it was necessary for our Nation to compromise some of our most important principles. We did things and we made agreements with people, we compromised judgments, because we had no choice. Indeed, in some instances that will still be the case. But no one can argue that the struggle in Guatemala requires a compromise that involves shielding the murder of an American citizen.

Indeed, when this controversy passes, I hope if nothing else is achieved, it is that this Congress and this President face the threshold issue that there simply in nations like Guatemala, in places that were the battleground of the cold war, no great issue is at stake that involved the expenditure of our national treasures, the compromise of principles, or the taking of lives, of Americans or others, for what are certainly internal struggles with legitimate purposes by other nations that do not involve the United States.

I do not take issue with clandestine, covert operations or contract relationships in foreign intelligence or military services when it involves the security of the United States. But I do take issue with doing so when our national security is not involved, and when the laws of this country are violated.

We were not protecting the security of the United States by maintaining secrecy in Guatemala. We were protecting the Central Intelligence Agency from the laws of the United States and embarrassment by our own people.

Mr. Speaker, we did not come to this institution as Members, Democrats or Republicans alike, to defend an agency of this Government. We came here to protect the interests of the American people. Whether the Central Intelligence Agency long endures, whether it exists decade to decade, is of no great moment. What matters is whether the people of this country keep faith with this Government. Lying to our people, covering the crimes of any agency of this Government, will not keep faith with our people.

I know that different Members in the same circumstances may have reached a different judgment. I did what I thought was right, I did what I think is consistent with the laws of our country, my oath of office under the Constitution of the United States, in keeping with what I think are the great traditions of our country and the desires of my constituents. In that I make no apology.

But I do ask now that the Speaker, the chairman of the committee, join with me and the minority Members of this institution in seeking guidance from the Committee on Ethics to assure that we have a common understanding of how to deal with this conflict of oath and this ethical question in the future.

Mr. Speaker, I thank you for this opportunity, and yield back the balance of my time.

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. TORRICELLI) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

Mr. SANDERS, for 5 minutes, today.

(The following Member (at the request of Mr. WALSH) to revise and extend her remarks and include extraneous material:)

Mrs. CHENOWETH, for 5 minutes, today.

(Mr. GINGRICH (at the request of Mr. WALKER), and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,275.)

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore (Mr. KIM). Pursuant to the provisions of House Concurrent Resolution 58, 104th Congress, the House stands adjourned until 12:30 p.m. on Monday, May 1, 1995.

Thereupon (at 11 o'clock and 53 minutes a.m.), pursuant to House Concurrent Resolution 58, the House adjourned until Monday, May 1, 1995, at 12:30 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

697. A letter from the Under Secretary of Defense, transmitting the Secretary's Selected Acquisition Reports [SARS] for the quarter ending December 31, 1994, pursuant to 10 U.S.C. 2432; to the Committee on National Security.

698. A letter from the Secretary of Education, transmitting a draft of proposed legislation entitled, ''Carl D. Perkins Career Preparation Education Act;'' to the Committee on Economic and Educational Opportunities.

699. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation entitled, ''Amtrak Restructuring Act of 1995'', pursuant to 31 U.S.C. 1110; to the Committee on Transportation and Infrastructure.

700. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation entitled, ''Interstate Commerce Commission Sunset Act of 1995;'' to the Committee on Transportation and Infrastructure.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDWARDS (for himself and Mr. MONTGOMERY):

H.R. 1468. A bill to amend title 38, United States Code, to revise and improve veterans' health care programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY:

H.R. 1469. A bill to amend the Internal Revenue Code of 1986 to clarify the tax treatment of certain contributions made pursuant to veterans' reemployment; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 1470. A bill to provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1471. A bill to provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1472. A bill to provide for sufficient funding to cover the costs of the Financing Corporation, to provide funds to carry out the purposes of the Savings Association Insurance Fund, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1473. A bill to provide for claims against the United States arising from changes in the statutory treatment of supervisory good will on the books of saving associations; to the Committee on Banking and Financial Services.

H.R. 1474. A bill to amend the Federal Deposit Insurance Act to improve the requirements relating to the designated reserve ration for the deposit insurance funds and the procedures for funding the reserves in such funds, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1475. A bill to imerge the Bank Insurance Fund and the Savings Association Insurance Fund, to require savings associations to continue to pay assessments to the Financing Corporation, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1476. A bill to merge the Bank Insurance Fund and the Savings Association Insurance Fund, to improve funding for the Financing Corporation, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1477. A bill to merge the Bank Insurance Fund and the Savings Association Insurance Fund, to improve funding for the Financing Corporation, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1478. A bill to provide for adequate funding for the Savings Association Insurance Fund, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1479. A bill to provide for adequate funding for the Savings Association Insurance Fund and the Financing Corporation, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1480. A bill to stabilize the condition of the Savings Association Insurance Fund, and for other purposes; to the Committee on Banking and Financial Services.

H.R. 1481. A bill to clarify the regulatory authority of the Federal Deposit Insurance Corporation with respect to deposit insurance fund management, and for other purposes; to the Committee on Banking and Financial Services.

By EVANS (for himself, Mr. MONTGOMERY, Mr. MASCARA, Mr. FILNER, and Mr. GUTIERREZ):

H.R. 1482. A bill to amend title 38, United States Code, to improve certain veterans programs and benefits; to the Committee on Veterans' Affairs.

By Mr. EVANS (for himself, Mr. MASCARA, Mr. FILNER, and Mr. GUTIERREZ):

H.R. 1483. A bill to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error; to the Committee on Veterans' Affairs.

By Mr. KILDEE:

H.R. 1484. A bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions; to the Committee on Economic and Educational Opportunities.

By Mr. VENTO:

H.R. 1485. A bill to exclude certain electronic benefit transfer programs established by State or local governments from provisions of the Electronic Funds Transfer Act; to the Committee on Banking and Financial Services.

By Mr. HERGER (for himself, Mr. FAZIO of California, Mr. DOOLEY, Mr. RIGGS, Mr. GALLEGLY, Mr. POMBO, Mr. CALVERT, Mrs. SEASTRAND, Mr. MATSUI, Mr. FARR, Mr. CONDIT, Mr. THORNTON, Mr. BISHOP, Mr. BROWN of California, and Mr. THOMAS):

H.R. 1486. A bill to provide for a nationally coordinated program of research, promotion, and consumer information regarding kiwifruit for the purpose of expanding domestic and foreign markets for kiwifruit; to the Committee on Agriculture, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BAKER of Louisiana (for himself and Mr. CHRYSLER):

H.R. 1487. A bill to reform and modernize the Federal Home Loan Bank System; to the Committee on Banking and Financial Services.

By Mr. BARR (for himself, Mr. MCCOLLUM, Mr. BRYANT of Tennessee, Mrs. CHENOWETH, Mr. STOCKMAN, Mr. BARTLETT of Maryland, Mr. BREWSTER, Mr. TAUZIN, and Mr. VOLKMER):

H.R. 1488. A bill to control crime by increasing penalties for armed violent criminals; to the Committee on the Judiciary.

By Mr. BONILLA:

H.R. 1489. A bill to designate the U.S. Post Office building located at 508 S. Burleson, McCamey, TX, as the ''Claude W. Brown Post Office Building;'' to the Committee on Government Reform and Oversight.

By Mr. VENTO:

H.R. 1490. A bill to expedite the naturalization of aliens who served with special guerrilla units in Laos; to the Committee on the Judiciary.

By Mr. CASTLE (for himself, Mr. LAFALCE, Mr. MCCOLLUM, Mr. BAKER of Louisiana, Mr. KING, Mr. FRANK of Massachusetts, Mr. ROYCE, Mrs. MALONEY, Mr. CHRYSLER, and Mr. FOX):

H.R. 1491. A bill to expand credit availability by lifting the growth cap on limited service financial institutions, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. CRANE:

H.R. 1492. A bill to amend the Internal Revenue Code of 1986 to provide that service performed for an elementary or secondary school operated primarily for religious purposes is exempt from the Federal unemployment tax; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. RANGEL, and Mr. COX):

H.R. 1493. A bill to amend the Internal Revenue Code of 1986 to allow nonitemizers a deduction for a portion of their charitable contributions and to exempt the charitable contribution deduction from the overall limitation on itemized deductions; to the Committee on Ways and Means.

By Mr. DIAZ-BALART (for himself, Mr. BURTON of Indiana, Ms. ROS-LEHTINEN, and Mr. FUNDERBURK):

H.R. 1494. A bill to amend the National Security Act of 1947 to establish the positions of Director, Deputy Director, and Senior Directors of the National Security Council and to require that their appointments be subject to confirmation by the Senate, and for other purposes; to the Committee on National Security, and in addition to the Committees on International Relations, and Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FIELDS of Texas (for himself and Mr. MARKEY):

H.R. 1495. A bill to amend the Investment Company Act of 1940 to promote more efficient management of mutual funds, protect investors, and provide more effective and less burdensome regulation; to the Committee on Commerce.

By Mr. FIELDS of Texas (for himself, Mr. MCDERMOTT, Mrs. MINK of Hawaii, Mr. KING, Mr. FATTAH, Mr. YATES, Mr. OXLEY, Mr. LIPINSKI, Mr. CALVERT, Mr. FRAZER, Mr. BROWN of Ohio, Mr. GENE GREEN of Texas, Mr. JEFFERSON, Mr. HANSEN, Mr. HALL of Texas, Mrs. CLAYTON, Mr. FOX, Ms. DELAURO, Ms. LOFGREN, Mr. MONTGOMERY, Mrs. KENNELLY, Mr. HORN, Mr. PALLONE, Mr. JACOBS, Ms. LOWEY, Mr. FROST, Mr. EVANS, Mrs. MEEK of Florida, Mr. OLVER, Ms. PELOSI, Mr. SANDERS, Mr. SCHUMER, Mr. ENGEL, Mr. GUTIERREZ, Mr. GEJDENSON, Mr. ROMERO-BARCELÓ, Mr. BORSKI, Mr. WYNN, Mr. HALL of Ohio, Mr. BOUCHER, Mr. MCHALE, Mr. JOHNSON of South Dakota, and Mr. FOGLIETTA):

H.R. 1496. A bill to amend title XVIII of the Social Security Act to provide for coverage of early detection of prostate cancer and certain drug treatment services under part B of the medicare program, to amend chapter 17 of title 38, United States Code, to provide for coverage of such early detection and treatment services under the programs of the Department of Veterans Affairs, and to expand research and education programs of the National Institutes of Health and the Public Health Service relating to prostate cancer; to the Committee on Commerce, and in addition to the Committees on Ways and Means, and Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FILNER (for himself and Mrs. CHENOWETH):

H.R. 1497. A bill to amend the Internal Revenue Code of 1986 to revise the limitation applicable to mutual life insurance companies on the deduction for policyholder dividends and to exempt small life insurance companies from the required capitalization of certain policy acquisition expenses; to the Committee on Ways and Means.

By Mr. HAMILTON:

H.R. 1498. A bill to modernize the Federal Reserve System, to provide for a Federal Open Market Advisory Committee, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. HEINEMAN (for himself, Mr. COBLE, Mr. TAYLOR of North Carolina, Mr. BURR, Mr. JONES, Mrs. MYRICK, Mr. ACKERMAN, Mr. BLUTE, Mr. BONO, Mr. BRYANT of Tennessee, Mr. CALVERT, Mrs. COLLINS of Illinois, Mr. COOLEY, Mr. CUNNINGHAM, Mr. FOX, Mr. HOKE, Mr. HOLDEN, Mr. KING, Mr. LIPINSKI, Mr. MCHUGH, Mr. METCALF, Mr. PAXON, Mr. SENSENBRENNER, Mr. SMITH of Texas, and Mr. BALLENGER):

H.R. 1499. A bill to improve criminal law relating to fraud against consumers; to the Committee on the Judiciary.

By Mr. HINCHEY (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BROWN of Ohio, Mr. CONYERS, Mr. DELLUMS, Mr. EVANS, Mr. FARR, Mr. FILNER, Mr. FRANK of Massachusetts, Ms. FURSE, Mr. JACOBS, Mr. JOHNSTON of Florida, Mr. KLUG, Mr. LANTOS, Mr. LEWIS of Georgia, Ms. LOFGREN, Mrs. LOWEY, Mr. MARTINEZ, Mr. MCDERMOTT, Mr. MEEHAN, Mr. MINETA, Mrs. MINK of Hawaii, Mr. MORAN, Mrs. MORELLA, Mr. MURTHA, Mr. NADLER, Mr. OWENS, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. RANGEL, Ms. ROYBAL-ALLARD, Mr. SANDERS, Mrs. SCHROEDER, Mr. SERRANO, Mr. SHAYS, Ms. SLAUGHTER, Mr. SMITH of New Jersey, Mr. SPRATT, Mr. STARK, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. WAXMAN, Ms. WOOLSEY, Mr. DEFAZIO, Ms. NORTON, and Mr. SKAGGS):

H.R. 1500. A bill to designate certain Federal lands in the State of Utah as wilderness, and for other purposes; to the Committee on Resources.

By Mr. ISTOOK (for himself, Mr. BAKER of Louisiana, Mr. BOEHNER, Mr. BONO, Mrs. CHENOWETH, Mr. DOOLITTLE, Mr. HUTCHINSON, Mr. INGLIS of South Carolina, Mr. SAM JOHNSON, Mr. KASICH, Mr. KIM, Mr. KLUG, Mr. MCINTOSH, Mr. MILLER of Florida, Mr. NORWOOD, Mr. PORTER, Mr. SAXTON, Mr. SCARBOROUGH, Mr. TALENT, Mr. WATTS of Oklahoma, and Mr. WELLER):

H.R. 1501. A bill to amend the Federal Credit Reform Act to improve budget accuracy of accounting for Federal costs associated with student loans, to phase out the Federal Direct Student Loan Program, to make improvements in the Federal Family Education Loan Program, and for other purposes; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. LINCOLN:

H.R. 1502. A bill to amend title XIX of the Social Security Act to prohibit a State from requiring any child with special health care needs to receive services under the State's plan for medical assistance under such title through enrollment with a capitated managed care plan until the State adopts pediatric risk adjustment methodologies to take into account the costs to capitated managed care plans of providing services to such children, and to direct the Secretary of Health and Human Services to develop model pediatric risk adjustment methodologies for such purpose; to the Committee on Commerce.

H.R. 1503. A bill to amend title XIX of the Social Security Act to require State Medicaid plans to cover services of certain clinics operated by children's hospitals and to reimburse such clinics for such services in an amount equal to 100 percent of the costs which are reasonable and related to the cost of furnishing such services; to the Committee on Commerce.

By Mr. MATSUI (for himself, Mr. CRANE, Mrs. JOHNSON of Connecticut, Mr. JACOBS, Mr. LEVIN, Mr. PORTMAN, Mr. CHRISTENSEN, Mr. STARK, Mr. SAM JOHNSON, Mr. KLECZKA, Mr. ENGLISH of Pennsylvania, Mrs. KENNELLY, Ms. ROS-LEHTINEN, and Mr. BENTSEN):

H.R. 1504. A bill to amend the Internal Revenue Code of 1986 to modify the treatment of governmental plans under the rules governing retirement plans; to the Committee on Ways and Means.

By Mr. MCKEON (for himself, Mr. GOODLING, Mr. CUNNINGHAM, and Mr. RIGGS):

H.R. 1505. A bill to amend the Portal to Portal Act of 1947 to limit the award of liquidated damages to employees of States and political subdivisions; to the Committee on Economic and Educational Opportunities.

By Mr. MOORHEAD (for himself, Mr. HYDE, Mr. CONYERS, and Mr. GEKAS):

H.R. 1506. A bill to amend title 17, United States Code, to provide an exclusive right to perform sound recordings publicly by means of digital transmissions, and for other purposes; to the Committee on the Judiciary.

By Ms. NORTON (for herself, Mrs. MALONEY, Mr. NADLER, Miss COLLINS of Michigan, Ms. VELAZQUEZ, Mr. SERRANO, Mrs. SCHROEDER, Mr. FILNER, Ms. ROYBAL-ALLARD, Mr. PAYNE of New Jersey, Mr. MARTINEZ, Mr. TUCKER, Mr. GONZALEZ, Mr. FROST, Mr. LEWIS of Georgia, Mrs. MINK of Hawaii, Mr. EVANS, Ms. MCKINNEY, Mr. HINCHEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. LOWEY, and Ms. BROWN of Florida):

H.R. 1507. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Ms. NORTON:

H.R. 1508. A bill to require the transfer of title to the District of Columbia of certain real property in Anacostia Park to facilitate the construction of National Children's Island, a cultural, educational, and family-oriented park; to the Committee on Resources, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. NORTON (by request):

H.R. 1509. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit certain tax revenues of the District of Columbia to be pledged to pay debt service on obligations issued by an agency or instrumentality of the District government to finance certain costs of a downtown sports arena and convention center; to authorize such agency or instrumentality of the District government to expend such tax revenues without the requirement that such tax revenues be appropriated by the District of Columbia and the Congress; to provide that the obligations issued by any such agency or instrumentality

of the District government shall not be considered general obligations of the District of Columbia for purposes of calculating limitations on borrowing and spending by the District of Columbia, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. ROEMER (for himself, Mr. DOYLE, Mr. JACOBS, and Mr. KLUG):

H.R. 1510. A bill to prohibit the Department of Energy from acting as the agency of implementation, with respect to nondefense Department of Energy laboratories, for certain environmental, safety, and health regulations, and to require reduction in personnel at such laboratories; to the Committee on Science.

By Mr. SANDERS:

H.R. 1511. A bill to provide for the termination of nuclear weapons activities, and for other purposes; to the Committee on National Security, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON (for himself, Mr. TORRICELLI, Mr. LOBIONDO, Mr. MARTINI, Mr. ROEMER, Mr. UPTON, and Mrs. VUCANOVICH):

H.R. 1512. A bill to amend the Indian Gaming Regulatory Act to bring more balance into the negotiation of Tribal-State compacts, to require an individual participating in class II or class III Indian gaming to be physically present at the authorized gaming activity, and for other purposes; to the Committee on Resources, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON:

H.R. 1513. A bill to amend title 38, United States Code, to change the date for the beginning of the Vietnam era for the purpose of veterans benefits from August 5, 1964, to December 22, 1961; to the Committee on Veterans' Affairs.

By Mr. TAUZIN (for himself, Mr. HALL of Texas, Mr. CRAMER, Mr. ROEMER, Mr. BLUTE, Mr. GILLMOR, Mr. STUMP, Mr. EMERSON, Mr. HANCOCK, Mr. GEJDENSON, Mr. MINGE, Mr. CALLAHAN, Mr. GENE GREEN of Texas, Mr. BAESLER, Mr. COLLINS of Georgia, Mr. BISHOP, Mr. EVERETT, Mr. BEVILL, Mr. TAYLOR of North Carolina, Mr. BACHUS, Mr. KLUG, Mr. HILLIARD, Mr. PARKER, Mr. JEFFERSON, Mr. LEWIS of Kentucky, Mr. PAXON, Mr. BONILLA, Mr. MCINTOSH, Mr. TRAFICANT, Mr. OXLEY, Mr. TALENT, Mr. BROWDER, and Mr. JACOBS):

H.R. 1514. A bill to authorize and facilitate a program to enhance safety, training, research, and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS:

H.R. 1515. A bill to amend the Internal Revenue Code of 1986 to provide for fair treatment of small property and casualty insurance companies; to the Committee on Ways and Means.

By Mr. VISCLOSKY (for himself, Mr. STENHOLM, Mr. DOOLEY, and Mr. BARRETT of Wisconsin):

H.R. 1516. A bill to achieve a balanced Federal budget by fiscal year 2002 and each year thereafter, achieve significant deficit reduction in fiscal year 1996 and each year through 2002, establish a Board of Estimates, require the President's budget and the congressional budget process to meet specified deficit reduction and balance requirements, enforce those requirements through a multiyear congressional budget process and, if necessary, sequestration, and for other purposes; to the Committee on the Budget, and in addition to the Committees on Ways and Means, Rules, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WATERS:

H.R. 1517. A bill to amend title XII of the National Housing Act to establish a national property reinsurance program to ensure the availability and affordability of property insurance in underserved areas; to the Committee on Banking and Financial Services.

H.R. 1518. A bill to amend the Internal Revenue Code of 1986 to provide an incremental investment tax credit to assist defense contractors in converting to nondefense operations; to the Committee on Ways and Means.

H.R. 1519. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the construction and renovation of nonresidential buildings in distressed areas; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H.R. 1520. A bill to amend the National Foundation on the Arts and the Humanities Act of 1995; to establish the American Cultural Trust Fund and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. WYDEN (for himself, Mrs. MORELLA, and Mr. FOX):

H.R. 1521. A bill to amend the Public Health Service Act to provide for the training of health professions students with respect to the identification and referral of victims of domestic violence; to the Committee on Commerce.

By Mr. TORRES (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BRYANT of Texas, Mr. DELLUMS, Ms. ESHOO, Mr. EVANS, Mr. FATTAH, Mr. FAZIO of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. LIPINSKI, Ms. LOWEY, Mr. MCDERMOTT, Mr. MILLER of California, Mr. MINETA, Mr. MORAN, Ms. PELOSI, Mr. ROMERO-BARCELO, Ms. ROYBAL-ALLARD, Mrs. SCHROEDER, Mr. SERRANO, Ms. SLAUGHTER, Mr. VENTO, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES):

H.R. 1522. A bill to amend the Solid Waste Disposal Act to provide management standards and recycling requirements for spent lead-acid batteries; to the Committee on Commerce.

By Mr. TORRES (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BRYANT of Texas, Mr. DELLUMS, Ms. ESHOO, Mr. EVANS, Mr. FATTAH, Mr. FAZIO of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. KLECZKA, Mr. LIPINSKI, Ms. LOWEY, Mr. MCDERMOTT, Mr. MILLER of California, Mr. MINETA, Mr. MORAN, Ms. PELOSI, Mr. ROMERO-BARCELÓ, Ms. ROYBAL-ALLARD, Mrs. SCHROEDER, Mr. SERRANO, Ms. SLAUGHTER, Mr. VENTO, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES):

H.R. 1523. A bill to amend the Solid Waste Disposal Act to require producers and importers of newsprint to recycle a certain percentage of newsprint each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such newsprint, and for other purposes; to the Committee on Commerce.

By Mr. TORRES (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BRYANT of Texas, Mr. DELLUMS, Ms. ESHOO, Mr. EVANS, Mr. FATTAH, Mr. FAZIO of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. LIPINSKI, Ms. LOWEY, Mr. MCDERMOTT, Mr. MILLER of California, Mr. MINETA, Mr. MORAN, Ms. PELOSI, Mr. ROMERO-BARCELO, Ms. ROYBAL-ALLARD, Mrs. SCHROEDER, Mr. SERRANO, Mr. VENTO, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES):

H.R. 1524. A bill to amend the Solid Waste Disposal Act to require producers and importers of tires to recycle a certain percentage of scrap tires each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such tires, and for other purposes; to the Committee on Commerce.

By Mr. TORRES (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BRYANT of Texas, Mr. DELLUMS, Ms. ESHOO, Mr. EVANS, Mr. FATTAH, Mr. FAZIO of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. KLECZKA, Mr. LIPINSKI, Ms. LOWEY, Mr. MCDERMOTT, Mr. MILLER of California, Mr. MINETA, Mr. MORAN, Ms. PELOSI, Mr. ROMERO-BARCELO, Ms. ROYBAL-ALLARD, Mrs. SCHROEDER, Mr. SERRANO, Mr. VENTO, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES):

H.R. 1525. A bill to amend the Solid Waste Disposal Act to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out recycling of used oil, and for other purposes; to the Committee on Commerce.

By Mr. HASTINGS of Washington (for himself, Mr. WAMP, Mr. GRAHAM, Mr. NETHERCUTT, and Mr. DICKS):

H.R. 1526. A bill to authorize the Secretary of Energy to enter into privatization arrangements for activities carried out in connection with defense nuclear facilities, and for other purposes; to the Committee on Commerce, and in addition to the Committees on National Security, Government Reform and Oversight, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HYDE (for himself, Mr. MCCOLLUM, and Mr. SCHUMER):

H. Con. Res. 61. Concurrent resolution expressing the sense of the Congress regarding certain recent remarks that unfairly and inaccurately maligned the integrity of the Nation's law enforcement officers; to the Committee on the Judiciary.

By Mr. SERRANO (for himself, Mr. ACKERMAN, Mr. FROST, Mr. GONZALEZ, Mr. GENE GREEN of Texas, Mr. HILLIARD, Mr. JEFFERSON, Ms. EDDIE

Bernice Johnson of Texas, Mr. MCDERMOTT, Mrs. MALONEY, Mr. MANTON, Mrs. MEEK of Florida, Mr. MOAKLEY, Mr. NADLER, Mr. OWENS, Mr. RICHARDSON, Mr. ROMERO-BARCELÓ, Mr. STUDDS, Ms. VELAZQUEZ, Mr. WAXMAN, and Mr. YATES):

H. Con. Res. 62. Concurrent resolution expressing the sense of the Congress with respect to pediatric and adolescents AIDS; to the Committee on Commerce.

By Mr. SOLOMON (for himself, Mr. TORRICELLI, Mr. LANTOS, Mr. BURTON of Indiana, Mr. ACKERMAN, Mr. BROWN of Ohio, Mr. DEUTSCH, Mr. GEJDENSON, and Mr. FALEOMAVAEGA):

H. Con. Res. 63. Concurrent resolution relating to the Republic of China (Taiwan)'s participation in the United Nations; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 28: Mr. KLUG.

H.R. 367: Mr. BARRETT of Wisconsin.

H.R. 460: Mr. ROHRABACHER, Mr. PETERSON of Minnesota, Mr. MINGE, Mr. ORTON, Mr. CAMP, and Ms. LOFGREN.

H.R. 530: Mr. SAM JOHNSON, Mr. TALENT, Mr. GREENWOOD, Mr. ENGEL, and Mr. GEKAS.

H.R. 540: Ms. RIVERS, Mr. BISHOP, Mr. CONYERS, Mr. FATTAH, Mr. OBERSTAR, Mr. KILDEE, Mr. SERRANO, Mr. MCDERMOTT, Mr. MCHUGH, Mr. CLYBURN, Mr. BARCIA of Michigan, Ms. VELAZQUEZ, Mr. GILMAN, Mr. ACKERMAN, Mr. MANTON, Mr. DEUTSCH, Ms. BROWN of Florida, and Mr. GEJDENSON.

H.R. 563: Mr. RIGGS and Mr. POMBO.

H.R. 682: Mr. LAUGHLIN and Mr. MINETA.

H.R. 770: Mr. FAZIO of California.

H.R. 931: Mr. SPENCE, Mr. GILMAN, Mr. CLYBURN, Mrs. MINK of Hawaii, Mr. BISHOP, Mr. FATTAH, Mr. SERRANO, and Mr. MARTINEZ.

H.R. 942: Mr. ENGEL.

H.R. 997: Mr. DICKEY, Mr. CALVERT, Mr. ANDREWS, Mr. ACKERMAN, and Mr. BENTSEN.

H.R. 1020: Mr. EVERETT, Mr. ROTH, Mr. DEAL of Georgia, Mr. KINGSTON, Ms. RIVERS, Mr. CRAMER, Mr. HAYES, Mr. MONTGOMERY, Mr. SISISKY, Mr. SAXTON, Mr. HOLDEN, Mr. KING, Mr. LAZIO of New York, Mr. JONES, Mr. CHAPMAN, Mr. STUMP, Mr. TRAFICANT, Mr. BURTON of Indiana, Mr. ROSE, Mr. SOLOMON, Mrs. MEYERS of Kansas, Mr. MCCOLLUM, and Mr. ROGERS.

H.R. 1023: Mr. MCCOLLUM.

H.R. 1172: Mr. GREENWOOD, Mr. ACKERMAN, Mr. MEEHAN, Mr. KLUG, Mr. HYDE, Mr. SCHUMER, Mr. DOYLE, and Mr. BALLENGER.

H.R. 1233: Mr. DOYLE, Mr. GENE GREEN of Texas, Mr. POMEROY, and Mr. TORRES.

H.R. 1234: Mr. STENHOLM.

H.R. 1251: Mr. FRANK of Massachusetts, Mr. FROST, Mrs. COLLINS of Illinois, Mr. STUDDS, Mr. BISHOP, Mr. LIVINGSTON, and Mr. LIPINSKI.

H.R. 1255: Mr. FIELDS of Texas, Mr. ROHRABACHER, and Mr. STOCKMAN.

H.R. 1302: Mr. TORRES.

H.R. 1386: Mr. SOLOMON, Mr. HANCOCK, Mr. ROHRABACHER, Mr. PAXON, Mr. TALENT, Mr. CHRISTENSEN, Mr. BARTLETT of Maryland, Mr. EHLERS, and Mr. MCCRERY.

H.R. 1400: Ms. NORTON.

H.R. 1405: Mrs. COLLINS of Illinois and Mr. TORRES.

H.J. Res. 84: Mr. CLAY and Mr. BERMAN.

H. Con. Res. 4: Mr. CALVERT, Mr. HOSTETTLER, and Mr. BILIRAKIS.

H. Con. Res. 5: Mr. FUNDERBURK.

H. Con. Res. 12: Mrs. MORELLA.

H. Con. Res. 21: Mr. JOHNSON of South Dakota.

H. Res. 122: Mr. COSTELLO, Mr. HILLIARD, Mr. PALLONE, and Mr. SANDERS.

PETITIONS, ETC.

Under clause 1 of rule XXII,

5. The SPEAKER presented a petition of Marlene Y. Green from Pittsburgh, PA, relative to national health care: which was referred to the Committee on the Judiciary.

DISCHARGE PETITIONS

Under clause 3 of rule XXVII, the following discharge petition was filed:

Petition 3, April 5, 1995, by Mr. VOLKMER on H.R. 920, was signed by the following Member: Harold L. Volkmer.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 1 by Mr. CHAPMAN on H.R. 125: J.D. Hayworth and Tom A. Coburn.

Petition 2 by Mr. STOCKMAN on House Resolution 111: John E. Ensign, Dave Weldon, Bernard Sanders, John T. Doolittle, Wally Herger, Randy Tate, Jim Bunn, Robert K. Dornan, Joel Hefley, Steven C. LaTourette, James M. Talent, and Phil English.

Petition 3 by Mr. VOLKMER on H.R. 920: Harold L. Volkmer.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

Vol. 141 WASHINGTON, FRIDAY, APRIL 7, 1995 No. 65

Senate

(Legislative day of Wednesday, April 5, 1995)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Lord God, Sovereign of this Nation, we praise You for the gift of authentic hope. More than wishful thinking, yearning, or shallow optimism, we turn to You for lasting hope. We have learned that true hope is based on the expectation of the interventions of Your spirit that always are on time and in time. You are the intervening Lord of the Passover, the opening of the Red Sea, the giving of the Ten Commandments. You have vanquished the forces of evil, death, and fear through the cross and the resurrection. All through the history of our Nation, You have blessed us with Your providential care. It is with gratitude that we affirm, ''Blessed is the Nation whose God is the Lord''—Psalm 33:12.

May this sacred season culminating in the Holy Week before us, including both Passover and Easter, be a time of rebirth of hope in us. May Your spirit of hope displace the discordant spirit of cynicism, discouragement, and disunity. Hope through us, O God of hope. Flow through us patiently until we hope for one another what You have hoped for us. Then Lord, give us the vision and courage to confront those problems that have made life seem hopeless for some people. Make us communicators of hope. We trust our lives, the work of the Senate, and the future of our Nation into Your all-powerful hands. In the name of the Hope of the World. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

Mr. DOLE. Mr. President, has leader time been reserved?

The PRESIDENT pro tempore. Leadership time is reserved.

Mr. DOLE. I have two brief statements. I will use part of my leader time.

THE FIRST 100 DAYS

Mr. DOLE. Mr. President, it's been 40 years since a Republican-controlled Congress had the opportunity to mark any milestones. But when Republicans became the majority party after all those years, we wasted no time in making history.

As we approach the end of the first 100 days of the Republican Congress, I want to take a moment to offer my congratulations to House Speaker NEWT GINGRICH and the House Republican majority for their spectacular success with the Contract With America. In his 1992 campaign, Bill Clinton promised to start his administration with ''an explosive 100-day action period.'' Obviously, he had not met NEWT GINGRICH or a Republican Congress.

Last November, the American people sent a powerful message to Washington. They told us they wanted a Government defined by its limit, not by its reach. They demanded a return to freedom and a renewal of opportunity. And they told us they were tired of Government promising too much, and delivering too little.

From day one, the new Republican Congress demonstrated its commitment to something all too rare in this town—keeping our promises to the American people. On January 4, we rolled up our sleeves, and started turning the message from the people into action.

They gave us the message on last November 8, and now we are turning it into action.

Action is precisely what House Republicans provided with the Contract With America. They can be proud that they did what they said they would do—all ten initiatives were put to a vote, with dramatic, and often bipartisan, results.

If people didn't already know that the Senate is a far different institution with different rules, they know now. At times, it seemed like the Democrat minority wanted to spend 100 days on every bill. But, despite all the filibusters and delays, the Senate also achieved what I believe will be seen as remarkable success.

Instead of taking most of January off, we got right down to business. Like the House, we acted immediately to lead by example, forcing Congress to live under the same laws we apply to everyone else. President Clinton quickly signed this long overdue initiative. With a strong bipartisan majority, we approved S. 1, to stop Congress from passing unfunded mandates on to States and local governments, unless we send the money to pay for them. I'm proud to say that the unfunded mandates bill is now the law of the land, and has been signed by President Clinton.

Again, leading by example, Senate and House Republicans put our budget cutting zeal to the test right here on Capitol Hill. Senate Republicans cut staff and overhead, reducing committee budgets by 15 percent.

We voted to give the President the line-item veto, a long overdue tool in our efforts to rein in Government. To bring real discipline to Federal spending, the House approved the balanced budget amendment to the Constitution. Regrettably, the Senate fell one vote short. But, we're not giving up, and we hope one of our colleagues,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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somebody out there, wherever, who may have voted ''no'' will understand, if we are going to have the discipline and force the Congress to make these tough decisions, the balanced budget amendment is very, very important.

And I must say I welcome anyone who wanted to be converted on that issue because I think it is critical. To me it is sort of the centerpiece of all the efforts we are making on both sides of the aisle. It is not a partisan issue. There is a new poll out today indicating that 78 percent of the American people support the balanced budget amendment. I believe they understand probably better than we do that we need the discipline. We need to be able to say to people, Oh, we cannot do that. It is a great idea, but we have a constitutional amendment now for a balanced budget and we cannot start a lot of new programs, which start low and end up in the millions and billions of dollars.

So it is my hope that, before this Congress ends, the balanced budget amendment will be before the States for ratification. It seems to me that is very, very important.

Then just last night, we made a very important downpayment on deficit reduction by cutting $16 billion in unnecessary Government spending—not over 5 years. The President advocated $16 billion over 5 years. This year it is $16 billion in the Senate bill and $17 billion in the House version. They will go to conference when we return after the recess. My view is that we will have a very tough but a very fair spending reduction proposal to send to the President. I hope that he will see fit to sign it.

We acted swiftly to ease burdens on working Americans, and those who create jobs and opportunities. We restored the tax deduction for more than 3 million self-employed Americans for the cost of health insurance premiums. We eased burdens on job-created businesses by approving the Paperwork Reduction Act. And we took an important first step in regulatory reform by approving a 45-day congressional review of excessive regulations which cost America money and jobs.

The Republican Congress' first 100 days stand in stark contrast to the first 100 days of the Clinton administration. Instead of an explosive action period, President Clinton's first 100 days in office will be remembered for big Government policy bombs, such as the biggest tax increase in American history, including retroactive tax increases and tax hikes on Social Security recipients, and a misguided, unpaid-for stimulus package that would have added billions to the deficit Americans are demanding we control.

And in 1995, while Republicans were reining in Government during our first 100 days, the Clinton administration was at it again, producing a budget that gave up on trying to ever balance the Nation's books. And the President protected Washington's chronic wild spending by fighting the balanced budget amendment, and the will of the American people.

The good news is, during the next 100 days, the Republican Congress is determined to protect our children, grandchildren, and future generations of Americans by producing a budget plan that will lead to balance budget by 2002. It would be a lot easier if we had that one more vote on the Democratic side, and I do not think anyone in this Chamber would think that it would make it much easier for us to do that if we had that discipline. I really believe that someone will see the light, I hope.

Mr. President, while the focus during the past 100 days has been on the House—and rightfully so—I believe the next 100 days will belong to the Senate, probably maybe the next 100 nights, too. There will be fewer recesses on the Senate side. The House is going out for 3 weeks. We are going out for 2 weeks. We have to catch up.

I do not quarrel with that because the Founding Fathers realized that they needed one body that could move very quickly. They wanted another Chamber where they would be more deliberate and certainly nobody can argue the point that we are very deliberate.

In fact, we deliberate and deliberate and deliberate sometimes. We are not setting any deadlines. And no one expects the Senate to be a rubberstamp for the House. But we will continue to be guided by the common principles of reining in Government, returning power to the people and expanding opportunity.

It is my hope that the Senate will address many of the following issues, putting the budget on a path to balance: welfare reform. That is a big issue, not partisan. It is bipartisan, as it should be. The President says he supports welfare reform; cutting taxes for families. There will be a tax cut, a substantial tax cut measure passed in the Senate; reforming our legal system, regulatory reform, tough anticrime measures, voting on term limits and protecting U.S. interests in U.N. peacekeeping.

Mr. President, on January 4, I walked across the Capitol to the floor of the House because I had never had the privilege of seeing a Republican Speaker. Now I have, and I know I speak for all of my Republican colleagues when I say I like the change. Tonight, Speaker GINGRICH will report to the Nation on the historic first 100 days of the Republican Congress. I look forward to watching, and I look forward to tackling the important work that remains ahead.

Mr. President, I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. COVERDELL). Under the previous order, there will now be a period for the transaction of morning business that will not extend beyond the hour of 1 p.m., with speakers permitted to speak therein for up to 5 minutes each.

Mr. CONRAD. Mr. President, I ask unanimous consent that I be able to proceed for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. I thank the Chair.

REPUBLICAN ACTION TO BALANCE THE BUDGET

Mr. CONRAD. Mr. President, this week does mark the final action in the House of Representatives on the so-called Contract With America. This week, there will be all kinds of analysis of what the Contract With America has meant, and I wanted the chance to take stock and share my view as people comment on the first 100 days of the so-called Contract With America.

Let me say, as I said in a speech in January, there are some parts of the contract that are good, some parts of the contract that I strongly support. In fact, we already have two parts of it that have become law—the Congressional Accountability Act that will apply to Members of Congress the laws that apply to everyone else. I support it. We tried to get it passed last year. It is now the law of the land. That is positive; and the unfunded mandates bill, which will make it more difficult for the Federal Government to send orders out to the States to fund something that we deem necessary and appropriate. That had gone too far. We have reined it in through legislation that is now also the law of the land. Those are both positive things, in my view.

When we turn to the fiscal side of the House, when we look at how the Contract With America impacts the long-term economic health of America, quite a different picture emerges. Very frankly, the numbers just do not add up.

The proponents of the contract have said they are going to balance the budget; they are going to cut taxes; they are going to increase defense spending, and it is all going to work.

Mr. President, we heard that same old song back in the 1980's, when the Republicans captured control of the Senate, they had the White House, and they told us they could cut taxes dramatically, increase defense spending, and balance the budget.

What happened? Well, they cut taxes. They increased defense spending, but the deficit and the debt of this country exploded. And now, Mr. President, we are seeing a repeat of that tragic, tragic economic policy for this country. Now we are seeing a repeat, deja voodoo. We saw the economic policy of the 1980's referred to as voodoo economics, and indeed it was because it told the American people, when we already had a deficit, that we could cut taxes, raise defense spending and somehow it would all add up. It did not add up then, it is not going to add up now, and we ought not to repeat that experience.

That dug a deep hole for America—quadrupled the national debt in this country. Now we are faced with a circumstance in which we see the same sold economic nostrums peddled to us once again.

Mr. President, I think it helps if we look at what is our current circumstance. This chart shows what it would take to balance the budget over the next 7 years. What are the cuts necessary to balance the budget if we do nothing to make the problem worse before we begin to solve it? This chart shows it would take $1.2 trillion of cuts over the next 7 years to balance the budget.

Mr. President, unfortunately, our friends in the Contract With America, before beginning to solve this problem, have taken the first steps which are to make it worse. It makes no sense. Just this week, they passed in the House tax cuts of $345 over the next 7 years. So instead of starting by reducing the deficit, they have started by digging the hole deeper instead of starting by filling in the hole.

Mr. President, this chart shows on top of the $1.2 trillion of cuts necessary to balance the budget over the next 7 years, our colleagues in the House have added $345 billion of tax cuts over that period, so now we have a hole that is $1.555 billion.

Mr. President, one might ask: Where are the spending cuts from our friends in the House of Representatives, from those who are advocates of the Contract With America, where are the spending cuts to match the problem that we have of balancing the budget over the next 7 years?

Mr. President, here is what they have come up with so far, $485 billion—$485 billion of cuts matched up against the need of $1.54 trillion necessary to balance the budget over the next 7 years.

Unfortunately, the full picture is even more serious. Let us just go to the next chart because the charts I have shown before this one assume we are going to take Social Security trust fund surpluses to reduce the size of the deficit over this next 7 years.

If instead we were to balance the budget honestly and not be raiding Social Security trust funds to balance the budget, what we find is instead of a $1.5 trillion hole to fill, we have a $2.2 trillion hole to fill. We have the $1.2 trillion of spending cuts necessary to balance the budget over the next 7 years, we have $636 billion of Social Security trust fund surpluses that will be generated over that period, and now because of House action we have the $345 billion of tax cuts that they have passed. To balance the budget honestly over the next 7 years we would need a whopping total of $2.191 trillion.

Mr. President, again, let us see what they have done with the Contract With America in terms of meeting that need. We need nearly $2.2 trillion of cuts. They have come up with $485 billion so far. That looks to me like a $1.6 trillion gap.

Our friends with the Contract With America have a $1.6 trillion—not million, not billion—$1.6 trillion credibility gap with the people of America, because if we are going to honestly balance the budget, we are going to close the gap between spending and revenue over the next 7 years, that takes $1.2 trillion. If we are not going to use Social Security surpluses, that is another $636 billion, and now they have stacked on top of that $345 billion in additional tax cuts—nearly $2.2 trillion necessary to balance the budget over the next 7 years and they have come up with a measly $485 billion of cuts.

Mr. President, they are not getting the job done.

Now, if we look at the spending over the next 7 years, the projection is that we will spend $13.2 trillion over the next 7 years.

Remember, we need now, based on the action they have taken over in the House, to save $2.2 trillion. We are intending to spend $13.2 trillion over that period of time.

Well, that looks like a manageable thing to do. Look at where the money is going. Interest on the debt, over $2 trillion. In fact, we are going to spend more on interest on the debt over the next 7 years than we are going to spend on the national defense. We are going to spend $2.072 trillion on defense. We are going to spend $2.082 trillion on the interest on the debt.

What are the other big areas of spending? Well, Social Security is the biggest—$2.894 trillion on Social Security. We have Medicare, $1.847 trillion over the next 7 years; Medicaid, $962 billion. So those are real, the big pots of money. And domestic discretionary spending, just over $2 trillion. Those are the big pots—Social Security, interest on the debt, defense, Medicaid, Medicare, and domestic discretionary spending.

In fact, one of the interesting things you find is in just five areas on the budget, we are spending 75 percent of the money—Social Security, interest on the debt, defense, Medicare, and Medicaid.

But our friends have said, well, there are parts of this that we cannot touch. Obviously, you cannot cut interest on the debt. That is owed. We have to pay that. That is $2 trillion over the next 7 years. So that is off the table.

In addition, our friends have said Social Security is off the table. We are not going to touch that, because that is the most fundamental contract with America. We have taken taxes from people in order to assure that they receive the benefits they have been promised. That is $2.9 trillion over the next 7 years. That is off the table.

In addition, in the Contract With America, they have said we are not going to touch defense. It is off the table. That is over $2 trillion over the next 7 years. In fact, they say we ought to increase defense spending.

Well, when you take Social Security, interest on the debt, and defense off the table, you have to achieve those $2 trillion of savings out of about $6.2 trillion of spending, because we have taken half of the budget off the table.

Mr. President, that means we would have to cut everything that is left by a third in order to achieve the savings. Everything else would have to be cut by a third.

I do not think that makes much sense—cut the highway program in this country by a third; cut veterans benefits by a third, after we made a solemn promise and pledge to them; cut education by a third; cut every nutrition program; every program to make this country a better place, cut them all by a third.

Mr. President, there has to be a better way of going about this. The Contract With America so far is certainly not delivering on its promise to make the economic lives of Americans better. One of the most disturbing aspects of what has been done is to look at how they have targeted the tax benefits.

Because, let us be frank, they have targeted the tax benefits right at the richest, wealthiest people in this country. They have said to those who are at the top, ''You get the lion's share of benefits.'' And they have said to everybody else, ''You get the scraps.''

Mr. President, let me just make this clear. We have had 100 days of the Contract With America, and the tax plan that they have passed gives 100 times the benefits to somebody earning over $200,000 as it gives to a family earning $30,000. If you are earning over $200,000 in America today, you get an $11,200 tax cut under what they have done in the other House under the Contract With America.

If you earn over $200,000, you get an $11,200 tax cut. If you are a family earning $30,000, you get a $124 tax cut. That is nearly 100 times as much going to those earning $200,000 as to those earning $30,000.

This is their idea of tax equity. This is their idea of fairness. This is their idea of somehow making America better.

Mr. President, this is the same old trickle-down economics that we have seen before. It is great if you make a lot of money, but it does not do much for you if you are in the middle income in this country.

Frankly, the middle-income taxpayer will really pick up the tab, because we know what happened in the 1980's with this economic theory. The debt exploded, the deficits exploded, and interest rates exploded and, as a result, the things that cost middle Americans money—home mortgage, college tuition—all of those things skyrocketed. So they get a $124 tax reduction. They will get many times that in increased expenses because of increased interest rates.

Mr. President, this shows the Republican contract. Fifty-two percent of the proposed tax cuts go to the top 12 percent of our population. Taxpayers with incomes of less than $100,000, 48 percent

of the proposed Republican tax cut goes to taxpayers with incomes of less than $100,000. The 12 percent at the top, those earning more than $100,000, they get 52 percent of the benefits.

Again, I think a lot of people wonder: Gee, how is it? I read that in this Contract With America, they had a $500 tax credit for children. How could it be that a family earning $30,000 a year only gets $124 of benefit?

Well, you know why that is true, Mr. President? Because they have played a little trick. They played a little trick in this tax plan. They did not make that credit refundable. And so if you look at what people are paying now and the tax relief they will get, you find that it is a big hoax; it is a big trick.

A family earning $30,000 gets $124 of benefits. Those with $200,000 of income get $11,000 of benefit. That is fair? I do not think so. I do not think that is what the American people had in mind when they were told there was this Contract With America. I do not think they had in mind, when they talk about a 50-percent cut in the capital gains tax, that 75 percent of the benefit goes to the top 12 percent in this country; and that the other 88 percent of the people in this country get 25 percent of the benefit. I do not think that is what they had in mind.

Mr. President, this last chart shows what is happening to the deficit. I thought under the Contract With America, they were going to balance the budget. But let us look at, after the enactment of the Contract With America, what is happening with the deficit.

Do you know what one finds? The deficit is going up. The deficit is not going down. The deficit is going up.

I thought with this Contract With America, they were going to be reducing the deficit. I thought they were going to be moving toward a balanced budget.

They have now passed the whole Contract With America and the deficit is going up. What happened? What happened? They said in this Contract With America that they were going to reduce the deficits, reduce the debt, and balance the budget.

But after the Contract With America is passed, the deficit is not going down, the deficit is going up. It is because the same old voodoo economics does not add up. It does not add up.

Mr. President, this is going to be pretty sobering for the American people to find out that they put their trust in something and, once again, they are disappointed. It is time for us to honor the most basic Contract With America, the pledge we took to uphold and defend the Constitution of the United States.

That is the real Contract With America that every Member of the House and the Senate have. And we have a duty and an obligation to secure the economic future of this country—a duty and an obligation. We ought to move immediately upon our return to balance the budget of this country, to do it in an honest way without raiding Social Security trust funds and to secure a future for our children that is as full of promise and hope as what was turned over to us by previous generations.

Mr. President, I think the Contract With America has some good points—congressional accountability, the notion that we are no longer going to put off responsibilities on States that are beyond their ability to pay for. But this economic game plan is bankrupt. It does not add up. It is not fair, and it must be rejected. Then we must turn in a bipartisan way to doing what we all know must be done: to get our fiscal house in order, to get America back on track and to create economic opportunity for the people that we all represent.

I thank the Chair and yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. HUTCHISON). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Madam President, it is my understanding that, under a previous order, each Senator is allowed to speak up to 5 minutes.

The PRESIDING OFFICER. The Senator is correct.

BUDGET DEFICITS

Mr. COVERDELL. Madam President, I have been presiding, as you are, over the Senate for the last couple of days, and I would like to make some remarks about what I have heard from the other side, not the least of which we just heard from the good Senator from North Dakota.

First, I will say that the charts that he has described do one thing. They very clearly paint a picture of the enormous financial crisis that our country faces. It was just the other morning that I spoke before the Senate and I pointed out that within 10 years, Madam President—and that puts virtually every American I have spoken with at the table—all U.S. revenues will be consumed by just five things: Social Security, Medicare, Medicaid, Federal retirement, and the interest on our debt. Every dime of U.S. revenue will have been expended by those five outlays in just 10 years. So it is going to be this generation that has to come to grips with this issue.

We cannot pass the baton to anybody else. It is going to happen on our watch. The clock has run out. It will be this generation of Americans that come to grips with this.

But as I listened to the Senator from North Dakota as he was analyzing what our side of the aisle is coming with, he left out a couple salient facts.

The first is that the new majority's budget has yet to be presented. He was talking about the tax cut provisions that have come from the House, but we do not yet have the budget that has been presented from the House or Senate Budget Committees.

I am comfortable that both those committees are going to come with budgets that move toward balance and do not add to the deficit. After all, it was the new majority that had to fight through this body the rescission cuts from the House which were $17 billion and, as the majority leader noted this morning, on the Senate side late last night, $16 billion. I might add, that is a stark contrast from what the President came to Washington to do, which was to add $16 to $19 billion just 2 years ago straight to the deficit if it had not been defeated by our side of the aisle. So he failed to address the fact that the new budgets have yet to be seen.

The second point he left out is that the only budget that has been given that we have seen has been given to us by the President of the United States. We do have that budget. That budget adds $200 billion to the deficit for as far as the eye can see. If he had put the President's proposal on his chart, it would have had to have reached clear to the top of the ceiling. The President has totally ignored the deficit—totally ignored it.

The President was in Atlanta just this past week, and the President and the Secretary of the Treasury both said—this is an unbelievable statement—but they both said that the United States is actually operating in an operational surplus. That is a stunning statement from the President, the Chief Executive of the United States of America, that we are actually operating—he told a group of 2,000 students that we are actually operating with a surplus.

He went on to say—asterisk—''that is, if you do not count the interest on the debt.''

Of course, most people I go to work with every day and who live in my hometown and my State recognize that if they go to the bank and they ask for a loan and the loan officer says, ''Your financial statement just won't allow the loan,'' they would say to the loan officer, ''Yeah, but if you don't add all the interest I am paying on my mortgage, I'd be in great shape,'' you would either be laughed out of the loan office or thrown out of the loan office.

Madam President, I am just going to leave two points: One, the Senator from North Dakota completely overlooked that the budget they presented is $200 billion in debt for as far as the eye can see; that this administration, through the budgets that they have offered and the actions they have taken, are doing the equivalent of adding $2.2 trillion to the debt—$2.2 trillion to the debt. He left that completely out of his remarks.

And the second point I want to make is you cannot talk about what the new

majority planned until the new majority puts its budgets on the table. They will be here soon, and they will move to a balanced budget by the year 2002.

I might also add, if the Senator from North Dakota had voted for a balanced budget amendment, we might be on a near course to getting this job done. I yield the floor.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

U.S. INTELLIGENCE AND MEDICAL COMMUNITY PARTNERSHIP

Mr. KERREY. Madam President, I rise to issue a challenge that I hope will be answered with the creation of a stimulating partnership between business, medicine, and the Government, in this case the Federal Government. An important relationship is developing today between U.S. intelligence and the medical communities.

Technology to support intelligence analysis is being adapted to improve significantly a doctor's ability to detect breast cancer in its earliest stages. Over 46,000 women die each year. The early estimates are, with this technology, that up to one-third of these women could be saved as a consequence of this technology conversion.

The technology being developed is simple to describe but very difficult to achieve. Daily, intelligence analysts deal with the problem of detecting changes in photographic images they are reviewing. As they watch foreign airfields, they want to know arrivals, bed-down, and departures of aircraft. As they watch foreign seaports, they want to know the arrivals, unloading, and departures of ships carrying cargo of interest. Computer software can be of great assistance in automatically detecting these sorts of changes at airfields and at seaports. It is this intelligence technology that is being adapted for the medical community.

Early detection of breast cancer currently relies heavily on the judgment and professional experience of doctors who review mammograms and magnetic resonance images. A significant part of their judgment is based on comparing previous images with the current image of a woman's breast. As in the intelligence world, detecting change is fundamental to understanding what is going on.

Through some exciting developments managed by the National Information Display Lab at the David Sarnoff Labs in Princeton, NJ, computer analytical techniques are being developed for the medical community. Relying on the technology developed for intelligence, they are adapting the technology to combat a dreaded disease that attacks 1 in 8 women in America today.

Madam President, I want to emphasize that the tens of thousands of lives that already have been saved as a result of intelligence technology by providing more effective national defense will be complemented by the thousands of lives that will be saved through the earlier detection of breast cancer.

This is an excellent example of the sound investment of taxpayers' dollars being paid off by saving thousands of lives in both national defense and medicine.

The National Information Display Lab, or NIDL, is an inspiring arrangement that needs to be duplicated by other Government/private-sector relationships. NIDL provides the bridge between Government/civilian-sector requirements and Government/civilian-sector technology. By understanding both requirements and technologies, NIDL is able to help close the gap between the Government and the private sector. Perhaps the most significant part of NIDL's story is their funding. NIDL relies on Government funding to begin to develop technology, which is then spun off to the commercial world for civilian and Government applications.

On Tuesday of this week, Madam President, the chairman of the Intelligence Committee, Senator ARLEN SPECTER, and I announced intelligence community funding to begin the technology transfer for breast cancer research. The community is providing $375,000 to the NIDL to push the technology ahead. We are all aware of the intelligence community's keen sense of urgency, great technical expertise, and excellent planning skills which will ensure that the push forward has an effective start.

I also want to personally thank President Clinton for making all of this happen. His commitment to breaking down the walls between defense technology and commercial technology, and his passion to attack the Nation's health problems with every weapon in our arsenal are the reasons this project is going forward. Once he knew that intelligence systems could bring earlier detection of breast cancer, this Government acted with determination and dispatch.

I began, Madam President, by saying that I was issuing a challenge. The challenge is this: Will all the interested parties—Government, medical, and commercial—now pick up the ball that has been put into play and carry it forward so that within 12 to 24 months—I emphasize this, Madam President, because this start will not come to completion unless we set a deadline and say that within 12 to 24 months, we are going to carry this technology forward into the clinical labs and clinics of this country, so that within this period of time, more women's lives will be saved through the earlier detection of breast cancer. The National Information Display Lab must be put on a sound financial basis, and everyone must help. I hope the challenge will be met.

I yield the floor.

Mr. BENNETT. Madam President, I ask unanimous consent that I be allowed to speak in morning business for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

GUIDE TO SMALLER GOVERNMENT

Mr. BENNETT. Madam President, I have several matters I would like to call to the attention of the Senate.

First, in this morning's Wall Street Journal, we have "A Bureaucrat's Guide to Smaller Government."

The following was sent in by a Federal employee who asked to remain anonymous so she can keep her cushy Government job.

She describes the way in which she talked to her other Federal employees or fellow Federal employees, asking them, "How will you know that the Government is truly shrinking?" They came up with their top 10 list.

These are the top 10 ways we can know that the Government is truly shrinking:

(10) When the Equal Employment Opportunity [EEO] office has a layoff.

She says:

Our EEO chief gets paid more than $70,000 a year to coordinate "diversity" events and spout aphorisms at meetings. When that sacred cow gets a real job, I'll know the change has come. Which brings me to * * *

(9) No more paid time off for diversity or charity events.

She says employees can get away with murder because of the Federal culture. It lacks an urgency to produce.

A lazy but savvy employee can spend most of his or her workweek attending such vital events as Earth Week, Women's Equality Day, AIDS Awareness Day, or helping in the annual United Way shakedown.

She says:

I'll know the cuts have had an impact when agencies like mine no longer can afford to have an $80,000-a-year employee take "a few months off" to work on the United Way fund drive.

(8) When upper management is replaced for not making cuts fast enough.

(7) When the entourage for agency heads disappears.

She says:

My agency has about 600 people—small by Federal standards. Even so, the guy who runs the place has a scheduler who's paid $70,000 a year, a public relations staff to write his speeches and press releases, and a clutch of assistants and advisers * * *. A Congressman or Senator can get by with fewer helpers. Why not a bureaucrat?

(6) When the newspaper subscriptions stop. Scientific or trade journals are one thing, but why does the Federal Government need to buy thousands of subscriptions to The Washington Post or the New York Times?

(5) When somebody gets canned—and quickly—for running a business from his desk.

This one struck me, interestingly. She says:

I saw my first answering machine in 1979 on the desk of a Federal employee who was running a real estate business "on the side." Moonlighting on the job is still lucrative, as the chance of being punished, let alone fired, is very small. If the White House caves in to union pressure and won't push for streamlined firing procedures, then the Hill should do it and get these thieves off the payroll.

(4) When top management takes cuts, too.

She talks about the hiring freezes at lower levels, but not at the top.

(3) When nobody says ''because we've always published this report.''

''Hundreds of Federal documents,'' she says, ''are published out of habit, not need.''

No. 2, Madam President, as to how we will know the Government is being cut back:

When they take ''solitaire'' off the computer.

And (drum roll) the No. 1 way Federal workers will be able to tell when big Government is being cut: When there's nobody in the cafeteria at 2 p.m.

She says:

I believe the Federal culture can change. But does the GOP Congress have the guts to give the Federal bureaucracy a long-overdue kick in the pants? Some of us will be watching for the signs.

I found that amusing, and having served in the executive branch myself, somewhat familiar, Madam President.

I ask unanimous consent to have the entire article printed at this point in the RECORD.

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

A BUREAUCRAT'S GUIDE TO SMALLER GOVERNMENT

The following was sent in by a federal employee who asked to remain anonymous so she can keep her cushy government job:

Does tough, bureaucracy-busting talk from the new Congress and the White House scare the average federal worker? I'm a federal employee and have yet to see any signs of fear among my colleagues. Perhaps that's because I have yet to see any signs of real change in the federal government.

Yes, there are some grumblings about pensions. But we've seen administrations and Congresses come and go, with their blue-ribbon commissions on cutting budgets, pay and jobs. Yet, budgets always continue to grow, hiring expands, and people get paid more for doing less.

I recently asked a few of my federal-worker friends, ''How will you know that the government is truly shrinking?'' Here's our top 10 list:

(10) When the Equal Employment Opportunity (EEO) office has a layoff. Our EEO chief gets paid more than $70,000 a year to coordinate ''diversity'' events and spout aphorisms at meetings. When that sacred cow gets a real job. I'll know the change has come. Which brings me to . . .

(9) No more paid time of for diversity or charity events. Today, the lazy but savvy employee can spend most of his or her workweek attending such vital events as Earth Week, Women's Equality Day, AIDS Awareness Day, or helping in the annual United Way shakedown.

Employees can get away with this because the federal culture, in general, lacks an urgency to produce, I'll know the cuts have had an impact when agencies like mine no longer can afford to have an $80,000-a-year employee take ''a few months off'' to work on the United Way fund drive.

(8) When upper management is replaced for not making cuts fast enough. Politically appointed managers serve at the pleasure of the president. If he's displeased by an appointee's not being willing to cut, the appointee should go. Likewise, the appointee should threaten transfers or demotions to senior civil servants who don't or won't hustle.

(7) When the entourage for agency heads disappears. My agency has about 600 people—small by federal standards. Even so, the guy who runs the place has a scheduler who's paid $70,000 a year, a public-relations staff to write his speeches and press releases, and a clutch of assistants and advisers. These people are mostly civil servants, and they represent a bloat at the top as they pamper and package their boss. A congressman or senator can get by with fewer helpers. Why not a bureaucrat?

(6) When the newspaper subscriptions stop. Scientific or trade journals are one thing, but why does the federal government need to buy thousands of subscriptions to the Washington Post or the New York Times?

(5) When somebody gets canned—and quickly—for running a business from his desk. I saw my first answering machine in 1979 on the desk of a federal employee who was running a real estate business ''on the side.'' Moonlighting on the job is still lucrative, as the chance of being punished, let alone fired, is very small. If the White House caves in to union pressure and won't push for streamlined firing procedures, then the Hill should do it and get these thieves off the payroll.

(4) When top management takes cuts too. Hiring freezes and ''reductions-in-force'' are two tricks politicians and upper-level civil servants use, probably because lower-level employees get shuffled around while the top-heavy structure remains intact. Corporate America has known for years that a flatter management structure is more efficient. A smaller budget coupled with a results-oriented Congress might do the trick for the federal sector.

(3) When nobody says ''because we've always published this report.'' I heard Mike Espy did something right at the Agriculture Department. He stopped publishing the agency's yearbook because nobody read it. Hundreds of federal documents are published out of habit, not need.

The original need for all this paper came from the days when the federal government was one of the few reliable sources of information—and when the kind of information it provided was difficult to get otherwise. Economists call that ''market failure,'' since the market couldn't give the service. Today, there is no market failure in information, thanks to modems and the Internet. Except for the Census (which is constitutionally mandated), the feds should stop handing out information for free, cut the staffs, and let the market take over.

(2) When they take ''solitaire'' off the computer. Gov. George Allen of Virginia did it to his state's computers, and he was right. He didn't think Virginia could afford to have such addictive time-wasters on people's desks, and the same goes for the federal government.

And (drum roll) the No. 1 way federal workers will be able to tell when big government is being cut: When there's nobody in the cafeteria at 2 p.m.

There's a story that now-Supreme Court Justice Clarence Thomas was hated when he was a commissioner at the Equal Employment Opportunity commission, because he would scour the coffee shops in the afternoons and order people back to work. Someday, I hope a manager will find an empty cafeteria at 2 p.m. because his employees can't afford to goof off.

I believe the federal culture can change. But does the GOP Congress have the guts to give the federal bureaucracy a long-overdue kick in the pants? Some of us will be watching for the signs.

SENATE VOTES $16 BILLION IN CUTS

Mr. BENNETT. Now, Madam President, I rise this morning to talk about what happened in this Chamber last night.

I am interested in the fact that neither the Washington Post nor the New York Times—the paper that considers itself the paper of record in the United States—took proper notice of what happened here last night.

I would like to correct that and talk about it for just a minute. I have here a copy of the Washington Times, the upstart newspaper, and it says in the headline ''Senate Votes 99 to 0 for $16 Billion in Cuts.''

Now, Madam President, we were here 2 years ago, when the Senate was fighting about $16 billion—interesting symmetry in numbers—for a stimulus package which we were told was absolutely essential to get the economy on its feet. Indeed, we were told on this floor that if we did not pass this stimulus package of $16 billion in increased spending, the economy would collapse, people would be out of work, everything would fall apart.

We Republicans opposed the stimulus package. We did not have enough votes to defeat it, but we had enough votes to prevent cloture, and we kept talking about it and ultimately it was taken down.

That is, for those who do not understand the language of this place, ''taken down'' means that the majority leader removed it from the floor and it was left for dead.

We were told at that time, we have dealt the economy a serious blow. Indeed, that stimulus package was an appropriations bill referred to as ''an emergency.'' It was an emergency appropriations bill, the advantage of that being that it did not have to come under the budget requirements.

You see, we have budget caps here and they say this is what is required. But if you have an emergency appropriation, that goes above the budget caps. We had this $16 billion stimulus emergency before us and promises of all kinds of dire disastrous events that would occur if we did not pass it. We did not pass it. The disastrous events did not come to pass. And then, in this Congress, to show the difference, we had a bill on the floor, a rescission bill—meaning we were cutting out of the present fiscal year's activities $16 billion. In business terms this is a $32 billion turnaround.

While we were debating these $16 billion in rescissions, in cuts, we were told, again on this floor: Disaster. If you make those cuts you will be throwing children out into the snow. If you make those cuts you will be trying to balance the budget on the backs of those people least equipped to handle it. We were told how terrible that would be. And we persisted. We stood firm.

When I came on the floor last night to vote I expected the vote on this bill

to be as close, if you will, as the vote on the stimulus package was, because we had heard all these terrible things. Then, when the vote started to come in, I was stunned to hear the people who were voting for these $16 billion in cuts. I thought maybe I am on the wrong side. Maybe this is a motion to table, because I am going to vote for this. But the other kinds of Senators, who are voting for it, are not the ones I expected to be for these cuts, having heard all this rhetoric. But I looked around—no, everybody was voting for it. As the headline says in this morning's paper, ''Senate Votes 99 to Zero for $16 Billion in Cuts.''

That demonstrates the change that has occurred in just 2 years. We have gone from $16 billion in a stimulus package that we had to have or the economy would collapse, bitterly fought over, highly partisan, narrow vote—to a unanimous vote in the Senate that says $16 billion can come out of the current fiscal year's activities without hurting the economy. Indeed, I would suggest, it would help the economy.

So I am delighted to have been 1 of the 99 that voted for those cuts. I am delighted to welcome the new converts to the side of those of us who believe that the Government can survive, that we can downsize the bureaucracy, that we can get some progress toward bringing our fiscal affairs in order, regardless of the rhetoric that has gone around.

SMALL BUSINESS

Mr. BENNETT. There is another point I want to make, Madam President. During the debates 2 years ago there was a lot of conversation about small business. Everyone loves small business. Everyone recognizes that small business is the engine that drives the economy, because all of the new job growth comes not in the big businesses but in small business. The new job growth comes from the entrepreneurial effort, the young man or young woman who starts his or her own business, hires a couple of neighbors, then takes on a few more and pretty soon you have 8, 10, 12 employees where you had none before.

If you multiply that by the thousands, tens or hundreds of thousands of opportunities around the country, you realize that is where the new jobs come from. As the big businesses are downsizing, the small businesses are providing the new job engine and opportunity.

In the debate that went on with respect to the economy 2 years ago, everyone said kind things about small business. But when it came to talking about the realities of small business I, as a former small businessman, found an enormous amount of misunderstanding or, frankly, plain ignorance about the way small businesses work. Two areas concerned me the most and I am hoping that this vote that occurred last night signals as big a change in understanding of these two areas as it does with respect to how we are going to handle our fiscal affairs.

The first area that upsets small business people the most, as I go around and talk to them, is the area of regulation, overregulation, but perhaps even more frustrating, simply stupid regulation—lack of common sense. It has been my experience that we in the Congress write legislation and we have a relatively focused attitude as to what will be regulated—about the distance between my two hands. We legislate to this regard.

Then, when the people in the executive branch receive that piece of legislation they move the hands out and they start writing regulations within these parameters—like the fish that got away, when it is being discussed later on around the campfire. Then, after these regulations are sent out the enforcers get ahold of them and they enforce them as if there are no parameters, and the hands spread even wider. So the small business person comes to us in Congress and says, ''What are you doing to us?''

We say, ''This is the legislation that we wrote''—back to the original distance between the hands.

And they say, ''But we are faced with inspectors who are regulating as if there are no parameters at all.''

We have, within this Congress, a proposal that would say after we legislate, and then the regulations are written, the regulations have to come back before the Congress and for 45 days we get an opportunity to cut them back to the level that we had in mind when we passed the law. If we can make that stick we will make a significant contribution to the health and welfare of every small business in this country and, indeed, back to my comments about the anonymous Federal bureaucrat, we might even see some signs that Government is being brought under control, and not so many people are in the cafeteria after 2 p.m.

The second area that was discussed last year with respect to small business that frustrated me as a small businessman coming to the Senate had to do with tax policy. It was very clear to me, with all of the wonderful things people were saying about small business, that most of the Members of this body did not understand how small businesses really operate, and did not understand the impact of our tax changes on small businesses. We were told, for example, that the tax increase would fall only on the rich. I remember clearly the chart which President Clinton referred to in his address to the Nation, where he had a series of bar graphs and the bar graphs at this end were very small. He said these are the people in this income bracket who will pay more taxes and these are the people in this income bracket who will pay more taxes. These are the people in this income bracket.

Now look at the people in this income bracket. These are the people who earn over $250,000 a year. They are going to pay all the increased taxes and that is what we want. It is for the rich people to pay the taxes. As if only Michael Jordan was going to have to pay more taxes; nobody else was going to have to pay any more taxes.

Now, $250,000 a year is a lot of money for an individual, but it is not a lot of money for a small business that is growing. Many times, $250,000 a year is a problem. Why? Because the business is growing and it needs money for inventory, it needs money for receivables, it needs money for additional facilities. Where is the money going to come from? It is going to come from the profits being generated. And the business, for tax reasons, is being taxed as an individual.

I said in this body before, has anyone here ever heard of a K–1? That is the tax form that a small businessman or small businesswoman uses to report that income on his or her individual tax return. I pointed out in that bar graph that the President pointed to, 77 percent of the tax returns filed by people who were represented in that bar graph contained K–1 income. They were people who were reporting business income as if it were personal income in order to avoid double taxation. Yet, in this body, we were saying they were the rich and they had to have the tax increase put on them.

I hope that on the basis of last night's vote, we will recognize that the way to balance the budget is not to say let us soak the rich, let us soak those who show this kind of income on their personal tax returns, ignoring the fact that in many, many instances, it is not personal income, it is business income that is being reported. And the business needs that money desperately to continue the job creation pattern.

We would say, on the basis of last night's vote, the way to balance the budget is the way we did it last night, with a 99–0 vote in favor of spending cuts rather than the siren song of tax increases.

I conclude with this comment, Madam President, with respect to this question of tax increases and spending cuts.

In a business, you know what your costs are. And I look at what would happen if you were to cut your costs, cut your overhead. You can project that with some degree of accuracy. The thing you cannot project in a business with any degree of accuracy—well, maybe some degree, but it is pretty dicey—is how your sales are going to go, how your revenue is going to go up.

So if you were facing a shortfall in your business, you can cross your fingers and hope that the sales will go up to cover that shortfall. I assure you, I have done that many times in my career, hoping against hope that the sales will go up. But the one thing you can be sure of is that if you cut your overhead, those savings will be there in the

following month even if the increased profits that you are hoping for, the increased revenues that you are hoping for are not there in the following month.

Last night, we cut the overhead in ways that are predictable. When we raise taxes we are doing the same thing a business does when it raises prices and then hopes that the customers will not react negatively, hopes that it can raise prices and still continue to sell the same number of units it sold before the price increase. We in the Federal Government have a miserable track record of projecting how those price increases are going to work.

I will give you two quick examples. Back as a result of the 1990 budget summit, we raised prices—''we,'' the Government—raised prices on two items, luxury boats and luxury cars. We projected that we would get more revenue out of both of these. To show what wonderful forecasters we are, on the luxury boat side, we took an industry that had over capacity, that desperately needed a price cut to survive, and mandated a price increase that destroyed the industry, caused massive layoffs and huge unemployment compensation bills. We missed that forecast terribly.

But before we say, ''Oh, is that not awful that we missed that forecast,'' let us look at the forecast for the price increase on luxury cars. We missed that one just as bad, Madam President. But fortunately, for the Treasury, we missed that one on the other side. The revenue that came in from the increase in tax on luxury cars was three times what we forecast it would be.

What is the lesson to be drawn from that? To me, it is very simple; it is that the Federal Government, regardless of how much we have invested in computers and economists and experts, does a lousy job of forecasting what will happen as a result of its changes in tax policy. But we can do a better job of forecasting what will happen as a result of changes in spending policy.

So I think the lesson that comes out of last night's action and our examination of the contrast between this year and 2 years ago is this: We can get our fiscal affairs under control. We can cut through all of the rhetoric and the crying wolf and the horror stories and produce bipartisan support for spending cuts. Let us put the primary emphasis, like good business people would, on controlling the spending rather than crossing our fingers and hoping for the increased sales.

If we do that, we are on the right course. And I, for one, take great comfort out of what happened here last evening and hope it will be the harbinger for many more headlines that say that the Senate votes unanimously for substantial spending cuts.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Chair, in her capacity as a Senator from Texas, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that I be allowed to speak for up to 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROMISES KEPT

Mrs. HUTCHISON. Mr. President, I think it is a phenomenal thing that happened in America. In the last 3 months, the people asked for something different. And in the last 3 months, we have done exactly what the people asked.

If you ask a person to bring down to one or two words what the last 3 months mean, I would say ''promises kept.'' I think the people of America were despairing that ever again, a politician would promise something and deliver.

That is what is happening right now in the Congress of the United States. I commend the House of Representatives for giving themselves a very heavy load and then succeeding in doing what they said they would do.

There are those who disagree with what the House did. Probably no one agrees totally with what the House did. But if you look at the spirit and the intent and the strain of what they did, I think the people of America agree that they did what they said they were going to do, and I think the Senate of the United States will agree with many of the concepts that the House has put forward.

If we are going to let the people of this country know that in fact their voices did make a difference in 1994, that the signal was received in Washington, DC, that the people want a different Congress and a different Government, then I think we are going to have to continue into the second and third 100 days going in the same direction that we are now going.

What does that mean? First and foremost, Mr. President, it is what you just talked about on the floor of the Senate a minute ago, a balanced budget. First and foremost, we have to start showing that we are serious about balancing the budget. Last night, we started on that road. We took some very serious and tough steps right in this 1995 budget, and we cut almost $16 billion that will not be able to be spent between now and October 1 of this year.

So that is a beginning. It is a very small beginning when you look at what we really must do. We must get on a track that says between now and the year 2002 we are going to go toward a balanced budget, that the $5 trillion debt that is sitting out there will not be increased but in fact we will start whittling away at the deficit so that in the year 2002 we can start looking at the long-term solutions to bringing down the actual debt.

A lot of people do not realize that when we get to the balanced budget in 2002, we still have the massive debt that we have to decide exactly how much of which we are going to pay down. But that is for the second phase. The first phase is to come to a balanced budget every year, and that is our first commitment.

The second commitment is a reform of Congress. If we are going to look at the long term, if we are going to look at the future, we are going to have to look at the reforms of Congress that will keep from happening what we have seen over the last 30 years, which is a buildup of this massive intrusion of the Federal Government on our States, on our local governments, and on the lives of our people, especially our small business people. If we are going to do that, it is going to be not only bringing down the bigness and vastness of Government, not only bringing down the arrogance of Washington, DC, but it is bringing down the power base of Congress.

I think the most important first step that was made by the House of Representatives was on the first day—hardly any press about it, but the reform of their leadership when they voluntarily voted themselves term limitations on chairmanships and the Speaker of the House himself. That began the process of bringing down the vast power that has accumulated in these Halls and really caused the massive increases in spending in the Federal bureaucracy. So when the Speaker says voluntarily I am not going to serve more than 8 years, and when committee chairs say I am not going to serve more than 6 years, you have really taken away a lot of the incentive to do things that build power bases and instead have given the incentive to do what is right from the public policy standpoint.

The Senate is now looking at just such changes, and I think it is going to be healthy for us to also in this body look at ways that we can pass the leadership around. It is a very important reform. It is internal. It will not be that well known outside the beltway. But it is a very important internal reform that will have far-reaching consequences.

The third area that I think is most important to get our country back on track is regulatory reform. If we are going to free our businesses to compete in this new global marketplace, we must have the harassment of Federal regulatory excesses stopped now. Stop right now. By every standard, the cost of complying with Federal regulations is holding down our small business and our large business from growing and expanding and creating the new jobs that will get this economy going again.

By conservative estimates, they say that business costs of regulatory compliance are about $430 billion a year. If you add the cost of regulatory compliance of States and local governments, it is about $900 billion a year.

To put that in perspective, Mr. President, the income tax brings in just under $800 billion a year. So as you are getting ready on April 15 to send your tax bill in, when you sign that tax bill, you should remember that what you are giving to the Federal Government is less than the stealth tax of regulatory compliance. That is the cost that is holding our business down, from growing and creating the new jobs. So if we are going to free our business to compete, we must take off those regulatory excesses.

Does that mean we are going to stop striving for clean air, clean water, protection of endangered species, safety in the workplace? Heavens no. Of course, not. What we must put in the equation is common sense. We are getting horror stories every day about some silly, stupid thing a regulator does that is unnecessary, that does not help the Government and most certainly hurts business. And it is the business that is the economic engine of America. So if we can stop that regulatory excess, that will be the most important thing we can do to get this economy going once again.

So these are the areas that I think we must address in the second 100 days. These are the areas that I think are going to be very difficult as we go forward. I have heard Democrats in the Chamber here, I have heard Democrats on radio programs talk about starving the children. The people of America are smarter than that. The people of America understand that we are not starving children when we give the States the responsibility for school lunch programs instead of running it from the Federal Government. The people of America are tired of silly, ridiculous statements like that that underestimate their intelligence, because I think the people of America who are raising our children understand that if our children are going to have a future at all, it is only if we begin to act responsibly in getting this huge Federal debt off the backs of those very children.

If they are going to have jobs in their future, if they are going to have education in their future, it is going to be only if we get this economy going again. We cannot do it if we have a program of spend now and pay later. That is what our program has been for the last 30 years in this country, save 1 or 2 years of responsibility.

Mr. President, I think the people of America need to listen very carefully. As we are going home for the next 2 weeks in the Senate, 3 weeks in the House, I hope that the people of America will listen carefully to what their elected representatives are saying because the messages could not be more different. Our message is one of providing for the future, of trying to make sure that there is a healthy America for our children, of trying to get the 10th amendment back in place, which says the powers not specifically given to the Federal Government will be left to the States and to the people. We must return the 10th amendment and we must let the States do what they know best, which is the needs of their people, rather than somebody in Washington sitting in an office who may not have ever been to Iowa or New Hampshire or Texas or California or Utah deciding what the priorities in that State should be.

My Governor, a Yale graduate, said, ''You know, I'm beginning to be a little offended by those people up in Washington. Do they think I'm going to serve potato chips to the children of Texas? Come on. I think the people are smarter than that.''

So, Mr. President, I think we have had a very exciting beginning. I think the people of America can say one thing right now and that is: things are changing in Washington. Their voices are being heard.

Is it easy? No. It is going to be very tough. But is it a commitment on our part to do what is right, not necessarily for tomorrow but for the long-term, for 3 years, for 5 years, for 10 years? That is the commitment that the people of America must see and that is what we must talk about as we go home and get the input from our constituents.

I hope that every one of us will take this opportunity to do that, because I think we have had a great beginning. I think the people of America should be assured that things are changing inside the beltway. And, with their support, we are going to keep right on plugging and try to make sure that the small business people of this country are able to grow and create the jobs that will let every American family see a better future for their children.

Thank you, Mr. President.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. CRAIG assumed the chair).

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

POLICY PROLONGS BOSNIAN HERZEGOVINA WAR

Mr. DOLE. Mr. President, this week marks the third anniversary of the war against Bosnia and Herzegovina. It also marks the third anniversary of the international community's failure in Bosnia—a failure the United States, under both the Bush and Clinton administrations, has participated in.

The biggest mistake made by world leaders was extending, in practice, the arms embargo on the former Yugoslavia to the Government of Bosnia and Herzegovina—which is an internationally recognized state and member of the United Nations. In addition to violating Bosnia's fundamental right of self-defense—a right which is recognized in article 51 of the U.N. Charter—this policy has had the effect of prolonging the war. It has prolonged the war by ensuring that the Serbs maintain such a superiority in weapons that they are not compelled to sign any deal—even one which rewards them with half of Bosnia as envisioned by the so-called contact group.

Now, the administration says that this European-designed policy has managed to contain the war and prevented further humanitarian disasters. We should not rush to pat ourselves on the back for our great humanitarianism until we look at the facts.

The facts are that over 200,000 people have been killed over the past 3 years, 17,000 of them children. Hundreds of thousands of civilians have been expelled from their homes because of their ethnicity and religion. Concentration camps, rape, and mass graves have become the tolls of ethnic cleansing—which is just another word for genocide. Homes, churches, and monuments have been reduced to rubble. Putting aside the human factor, from an international legal perspective, the world has watched as a U.N. member state has been attacked and occupied. And, now international leaders want to reward those attackers and occupiers, ostensibly in the pursuit of peace.

Yes, we must give credit to those brave aid workers and U.N. soldiers who have sacrificed and risked their lives to bring food and medicine to those in need. The policy is not their fault; they do not make policy—policymakers in Washington and European capitals do. Nevertheless, we should not fool ourselves, feeding people who are trapped in U.N. safe havens that are anything but safe, while denying them the means to defend themselves is bad policy.

Yesterday, the Bosnian Prime Minister said in an interview that the Bosnians should prepare for a decade of war. It may sound pessimistic to some, but in my view it's pretty realistic if the present policy continues. Why should Bosnian Serb leaders agree to a settlement? Why should Bosnian Serb forces give up any of the 70 percent of the territory they occupy? Because U.N. forces on the ground? Because of NATO planes that fly overhead but do not bomb?

It is clear that the international community does not have the will to live up to its commitment to protect the Bosnians, so why can't we allow them to protect themselves? The present policy of keeping the U.N. forces in Bosnia indefinitely amounts to occupation. UNPROFOR should be withdrawn and the arms embargo should be lifted. That is the only policy

that makes legal, political, and moral sense. And, it is the only policy that offers any hope of bringing this war to and end by creating a military balance on the ground.

Mr. President, if the cease-fire due to expire on May 1 is not extended and a peace settlement has not been agreed to by the Serbs, I intend to take up the Dole-Lieberman legislation on the Senate floor shortly after the April recess. Three years of monitored genocide is enough.

The PRESIDING OFFICER. The Senator from South Dakota.

EXTENDING THE APPRECIATION AND GRATITUDE OF THE U.S. SENATE TO SENATOR ROBERT C. BYRD

Mr. DASCHLE. Mr. President, on behalf of myself and Senator DOLE, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 109) extending the appreciation and gratitude of the United States Senate to Senator Robert C. Byrd, on the completion by the Senator of the 4 volume treatise entitled ''The History of the United States Senate'', and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. I would just say I thank the Senator from South Dakota for letting me be a cosponsor. Senator BYRD is certainly a unique figure in the history of this country, let alone the Senate. I extend my congratulations for his continued commitment to the institution as reflected in the four volumes. I certainly congratulate him for his effort.

THE SENATE AND ITS HISTORY

Mr. DASCHLE. Mr. President, 206 years ago yesterday—April 6, 1789, U.S. Senate achieved a quorum and got down to business for the first time. This is a fitting occasion to commemorate both the history of the Senate and the Senator who has become the Senate's foremost historian. All of us have heard ROBERT C. BYRD expound upon the history of this institution, about the Constitutional Convention that created it, and about its antecedents, the British Parliament and Roman Senate. In addition, he has regularly applied his historical knowledge to current floor debates. If anyone questions the need for studying history, the senior Senator from West Virginia has offered living proof of its worth.

Those Members new to the Senate and those viewers recently addicted to C–SPAN–II might understandably assume that Senator BYRD spent his early years in the Nation's finest schools pursuing a rich classical education. ROBERT C. BYRD enjoyed none of those early advantages. On Armistice Day, November 11, 1918, shortly before his first birthday, his mother fell victim to that year's devastating influenza epidemic. Unable to cope alone, his father gave the child to an aunt and uncle who raised him in the hardscrabble coal fields of southern West Virginia. Although he graduated at the head of his high school class, the hardships and poverty of those Depression-era years in the early 1930's made college a luxury about which he could only dream. His early life was one of unremitting labor, as a grocery clerk, a butcher, and a shipyard welder. In 1946, he won a seat in the West Virginia Legislature, the first step toward a rich and productive career of public service.

Sixteen years after graduating from high school, ROBERT BYRD enrolled in college while serving in the State legislature. Driving great distances between campus and capitol, he managed to complete 70 credit hours of straight-A course work while building an impressive legislative record. In 1952, he won a seat in the U.S. House of Representatives. Although without a college degree, he was admitted to law school with the understanding that he maintain at least a B average. In 1963, at age 45, and nearly 5 years into his Senate career, ROBERT BYRD became the first and only person to earn a law degree while serving as a U.S. Senator. Not surprisingly, he earned that degree cum laude.

As he worked his way up the Senate leadership ladder—party secretary, party whip, party floor leader, President pro tempore, Appropriations Committee chairman—he systematically pursued his study of the Senate's rules, precedents, and history; of the American Constitution; of the history of England and of ancient Rome. Blessed with a keen intelligence, a photographic memory, and seemingly limitless energy, he devoured countless volumes by such authors as Plutarch, Tacitus, Montesquieu, Gibbon, Hamilton, Madison, Jefferson, and many more.

Consequently, it should have come as no surprise to his colleagues in the Senate Chamber on a quiet Friday afternoon in March 1980, when he delivered the first in what would become a series of 100 richly textured addresses on the Senate's history and traditions. His speeches appeared serially in the CONGRESSIONAL RECORD and were later combined into a magnificent four-volume series published by the Government Printing Office. I urge all who hear or read what I say here today to explore these volumes, as I have. Today I would like to take a few minutes to outline their rewarding content.

Senator BYRD's first volume takes the form of a chronological history of the United States from the point of view of the Senate. In it, he describes the events, personalities, and issues that affected the Senate from 1789 to 1989. Here are just a few examples:

He outlines the remarkable achievements of the First Congress, which fleshed out the form of our Federal Government by establishing the Federal judiciary, adopting the Bill of Rights, and providing sources of revenue.

He demonstrates that conflict between the President and Congress did not begin in the 20th century by recounting the dramatic tale of Andrew Jackson's struggles with the Senate over the Second Bank of the United States. For the only time in its history, the Senate in 1834 actually passed a resolution censuring a Chief Executive, although 3 years later Thomas Hart Benton succeeded in persuading the Senate to expunge that action, thus vindicating the aging Jackson before his presidential term expired.

Senator BYRD relates the story of how Senators came to be elected by direct popular vote after more than a century of being selected by the State legislatures. He traces the flaws in the original process and the efforts made to improve it before a constitutional amendment finally entrusted the citizens of each State with the choice of their Senators. He also describes the later reforms included in the Legislative Reorganization Act of 1946 that set the stage for the operation of the Senate we know today.

Unlike most histories of the United States, Senator BYRD views the Nation's great landmark events, like the Civil War, World War I, the Progressive Era, the Great Depression, and World War II, through the eyes of the Senate. He describes the way the body responded to each, showing how the Civil War, for example, stimulated such civilian legislation as the Pacific Railroad Act and the Land-Grant College Act.

Senator BYRD's second volume takes a topical approach to the Senate's history, discussing the way the institution has used its powers to approve treaties, confirm nominations, and conduct impeachment trials. Made up of individual chapters on such topics as Senate leadership, organization, and officers, this book provides essential background on many matters that we still debate today. A chapter on congressional salaries, for example, tells us that the subject has been controversial throughout the Nation's history, with a public outcry forcing Congress to rescind a salary increase on more than one occasion.

The four chapters on extended debate that discuss the development of filibusters and the evolution of the cloture rule offer perspective on the way delaying tactics have been used in Senate debates and the techniques that have been gradually developed to counteract them.

A chapter describing the history of the Senate Chaplain helped us earlier this year when questions arose regarding whether the House and Senate needed their own chaplains. The chapter not only explained the origin of the office but related that in the 1850's the House and the Senate for a time stopped electing official Chaplains and

instead used local clergymen, who took turns offering the opening prayer. The Senate's experiment lasted only 2 years, as the practice became a burden on the Washington ministers who participated. The House, too, soon returned to electing an official Chaplain.

Because of his interest in preserving the quality of senatorial oratory, Senator BYRD pored over countless speeches delivered by Senators since the 1830's to select a sampling of more than 40 for the third volume of his history, ''Classic Speeches.'' This collection gives a flavor of the best of 19th-century rhetoric, combined with examples of addresses from this century that have been carefully crafted by the speaker to be affecting and persuasive. Samples range from old favorites like Daniel Webster's ''Seventh of March'' 1850 address on ''The Constitution and the Union'' and moments of high drama like Jefferson Davis' emotional 1861 farewell to the Senate after Mississippi seceded from the Union, to an example of campaign oratory by Stephen A. Douglas from the 1858 Lincoln-Douglas debates. From this century, Senator BYRD's, varied choices include Robert M. LaFollette's impassioned 1917 plea for ''Free Speech in Wartime,'' Richard Nixon's televised ''Checkers'' speech during his 1952 Vice-Presidential campaign, and Everett M. Dirksen's moving exhortation to his party colleagues to vote for cloture on the 1964 civil rights bill.

An introductory note preceding each speech provides biographical information about the speaker and places the event in historical context. While some of these addresses deal with topics like slavery that are no longer current, many of the broader themes, like the relative roles of the State and Federal governments, remain lively topics of debate even now.

The fourth volume of the history is a statistical appendix that not only offers a collection of fascinating facts about the Senate but is constantly useful in helping us to place events in historical context. How many former Senators have ever served as Secretary of the Treasury? Twenty-five. Who was the oldest Senator ever to serve? Theodore Francis Green at 93 years and 3 months. One Member today is close to reaching or exceeding that record. How many incumbent Senators have been nominated for President? I suspect quite a few of our current Members might be disappointed to learn that the total is only 14, of whom only 2 won election. How often have Vice Presidents cast the tie-breaking vote in the Senate? No one has yet matched the record 29 such votes cast by the first Vice President, John Adams. And in these days of budget cutting, how has the number of Senate employees fluctuated over the years? It has not always increased, as some may believe. Has the number of cloture votes taken by the Senate in each Congress increased in recent years?

The philosopher George Santayana said that ''those who cannot remember the past are condemned to repeat it.'' By this he means that a knowledge of history can keep people from making the same mistakes over again, and from reinventing the wheel. That is a legitimate concern for Members of the U.S. Senate entrusted as we are with enacting the laws of the Nation. But Senator BYRD has demonstrated that there are many other compelling reasons for Senators to know their history. He has reminded us that we are driven by a document that was written in the 18th century and that has been amended only 27 times—most recently by an amendment drafted more than 200 years ago by the principal author of the Constitution, James Madison.

Senator BYRD's history has shown that the Senate's original constitutional powers and missions remain remarkably intact. It retains its original influence over the enactment of legislation, the confirmation of nominations, and the ratification of treaties. The formal rules of the Senate are few in number and have undergone only seven general revisions in their more than two centuries of operation. The precedents of the Senate are more voluminous, representing the practical application of those rules, and the strategies and tactics employed by generations of legislators to achieve their objectives.

The precedents are simply another form of history: what was done in the past, why it was done, and how it affects what we do today and tomorrow. As Senator BYRD's speeches have illuminated, some of these precedents date back to an era when Senators wore powdered wigs and knee breeches. Others from the days when the Nation was divided in Civil War. Others from the great Depression, the World Wars, and the cold war. Although these epochs are receding in time, the precedents set by Senators who served in those earlier eras still guide our daily business, just as what we do today will guide the future. The Senate, as ROBERT C. BYRD has repeatedly pointed out, is a continuing body, with at least two-thirds of its Members continuing through each election, and with its rules and procedures continuing uninterrupted from one Congress to the next.

As an institution, we value our traditions—from the 19th century furnishings to the spittoons and snuff boxes here in the Chamber that link us to our past.

Great Senators also left a legacy for their successors. We sit at their desks in the Chamber, pass their portraits and statues in the Halls. As part of his four-volume history, Senator BYRD has provided us with a collection of their most memorable speeches. He has helped us recall their examples, as we defend and amend their past legislative handiwork.

Those of us who serve today wish to leave our own imprints on this institution for those who follow us in the next century. We want to be remembered for solving the problems that confronted us, and for leaving the United States as strong or stronger than when we entered it. The Senator from West Virginia has amply accomplished that in his many legislative roles and as the chronicler of the Senate's rich history. There could be no more fitting way to commemorate this singular anniversary date than to reflect for a moment on our indebtedness to this wise, learned, and deeply respected colleague.

On the occasion of the Senate's bicentennial in 1989, ROBERT C. BYRD offered the following historical assessment. His words should be inscribed over the entrance to this Chamber. Each of us should commit them to memory. He said:

> After two hundred years, [the Senate] is still the anchor of the Republic, the morning and evening star in the American constitutional constellation. * * * It has weathered the storms of adversity, withstood the barbs of cynics and the attacks of critics, and provided stability and strength to the Nation during periods of civil strife and uncertainty, panics and depressions. In war and peace, it has been the sure refuge and protector of the rights of a political minority. And, today, the Senate still stands—the great forum of constitutional American liberty!

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 109) was agreed to.

The preamble was agreed to.

The resolution, with the preamble, reads as follows:

S. Res. 109

Whereas Senator Robert C. Byrd on Friday, March 21, 1980, delivered on the floor of the Senate, an extemporaneous address on the history, customs, and traditions of the Senate;

Whereas on the following Friday, March 28, 1980, the Senator delivered a second, and once more spontaneous, installment of his chronicle on the Senate;

Whereas the first 2 speeches generated such intense interest that several Senators and others asked Senator Byrd to continue the speeches, particularly in anticipation of the forthcoming bicentennial of the Senate in 1989;

Whereas over the following decade Senator Byrd delivered 100 additional addresses on various aspects of the political and institutional history of the Senate;

Whereas in anticipation of commemorating the 200th anniversary of the Senate, Congress in 1987 authorized publication of the addresses in suitable illustrated book-length editions;

Whereas between 1988 and 1994, Senator Byrd meticulously supervised preparation of 4 volumes, including a 39 chapter chronological history, a 28 chapter topical history, a compilation of 46 classic Senate speeches, and a 700 page volume of historical statistics;

Whereas volumes in this series have received national awards for distinction from organizations such as the American Library Association and the Society for History in the Federal Government;

Whereas the 4 volume work, entitled ''The History of the United States Senate'', is the most comprehensive history of the Senate that has been written and published;

Whereas Senator Byrd has devoted tireless energy and tremendous effort to the preparation and publication of the historical books, enabling citizens of the United States to better understand the history, traditions, and uniqueness of the Senate; and

Whereas a better understanding by people of the Senate and the role of the Senate in our constitutional system of government will foster respect and appreciation for the democratic traditions of the United States: Now, therefore, be it

Resolved, That the United States Senate extends congratulations and appreciation to Senator Robert C. Byrd for completing ''The History of the United State Senate'', a monumental achievement that will educate and inspire citizens of the United States about the Senate for generations to come.

Mr. DASCHLE. Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE SELECT POLICY EXPANSION

Mr. GORTON. Mr. President, I inquire of the Chair if H.R. 483 has arrived from the House of Representatives.

The PRESIDING OFFICER. Yes; it has.

Mr. GORTON. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 483) to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes.

Mr. GORTON. Mr. President, I now ask for the second reading.

Mr. DASCHLE. I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read for the second time on the next legislative day.

EXECUTIVE SESSION

Mr. GORTON. Mr. President, I move the Senate go into executive session.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

EXECUTIVE CALENDAR

Mr. GORTON. I ask unanimous consent that the Senate immediately proceed to the consideration of Executive Calendar No. 105.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DEPARTMENT OF VETERANS AFFAIRS

The legislative clerk read the nomination of Dennis M. Duffy, of Pennsylvania, to be an Assistant Secretary of Veterans Affairs.

Mr. GORTON. I ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, and that any statements relating to the nomination appear at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed.

Mr. ROCKEFELLER. Mr. President, I am delighted to join the chairman of the Committee on Veterans' Affairs, the Senator from Wyoming [Mr. SIMPSON], in bringing the nomination of Dennis Duffy to be VA Assistant Secretary for Policy and planning before the Senate and urging his confirmation.

Dennis is a career VA employee who began working for VA in the Pittsburgh regional office in 1974, 2 years after he returned from Vietnam, where he served with the American division. For most of his career, he worked on benefits matters, both in the field and in VA central office. Most recently, Dennis has been working in Congressional Affairs, where he is now the Deputy Assistant Secretary for Congressional Liaison.

The White House first indicated its intention last year to nominate Dennis for this position, but his nomination was not received until after adjournment, so we were unable to take it up. I was delighted when the President again submitted this nomination early in this Congress.

I think the job for which Dennis has been nominated—the VA Assistant Secretary for Policy and Planning—is terribly important. This vital position has been vacant for nearly a year, and it is important that the Senate act on this nomination quickly so as to restore leadership to the office.

I had a very strong interest in the role VA's Office of Policy and Planning played in health care reform during the last Congress, and I anticipate that there is an important ongoing role in that area as the Congress seeks to address eligibility reform and other health care matters. I am also very interested in many other exciting issues that the office undertakes, which I look forward to working on with Dennis in the weeks and months ahead.

I am very excited that Dennis will join another VA Assistant Secretary, Mark Catlett, as the second career VA employee nominated to an advice and consent position within VA. Dennis' nomination to this position—a key position within VA—is a very positive message for career employees throughout VA.

Mr. President, Dennis Duffy has a wonderful opportunity to serve the veterans of the Nation in this new office. President Clinton has shown great confidence in him, his work, and his commitment to veterans by nominating him to serve in this important position. I urge my colleagues to give their unanimous support to this nomination.

MALIGNMENT OF THE INTEGRITY OF THE NATION'S LAW ENFORCEMENT OFFICERS

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate Judiciary Committee be discharged from further consideration of Senate Joint Resolution 32, the joint resolution by Senators HATCH and BIDEN, and further that the Senate proceed to its immediate consideration; that the joint resolution and preamble be agreed to, the motion to reconsider be laid upon the table; that any statements relating to the joint resolution be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the joint resolution (S.J. Res. 32) was passed.

The preamble was agreed to.

The joint resolution and its preamble are as follows:

[The joint resolution was not available for printing. It will appear in a future issue of the RECORD.]

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

DO NOT VETO H.R. 831

Mr. DOLE. Mr. President, I would like to address a certain letter that is being passed around in the House to be sent to the President. I understand that the President may have already received it. The letter urges the President to veto H.R. 831, Permanent Deduction of Health Care Insurance Costs of Self-Employed Individuals. The letter has over 139 House Democrats' signatures.

The conference report to H.R. 831 passed the House last week, and we passed it in the Senate on Monday. The President received the bill on Tuesday, April 4, and it lies there waiting for the President to sign it into public law.

It is critical to 3.2 million tax filers that this bill be enacted prior to April 17—tax day. If it is not, then 11 days from now, less than 2 weeks, 3.2 million filers will find that they cannot use a deduction that they have had since 1986. Mr. President, 3.2 million filers will find that they will have to pay more taxes than they did last year. And Mr. President, these 3.2 million filers are farmers, and small business owners all across America.

THE LETTER

Now, this letter alludes that Republicans somehow carved out a special

exception for one pending deal. I want to set the record straight.

The conference report simply clarifies the definition of a binding contract, and let me add that this clarification was raised by a Democrat Member, not a Republican.

Second, the letter insinuates that during conference, Republicans took out a provision imposing a tax on U.S. citizens who renounce citizenship.

Mr. President, we have already been through this. We explained earlier this week, that in the Senate we agreed to impose taxation on U.S. citizens who renounce citizenship. But, this measure was adopted without the benefit of hearings. Subsequently, the Finance Committee's oversight subcommittee held a preliminary hearing. This proposal raises important questions, and the hearings exposed some serious concerns. We simply decided to not delay action on H.R. 831 while we continued to consider alternatives to this expatriate provision. That is right, let me set the record straight once again—we are not opposing this in any way. Just the opposite, we want to get this done.

The conferees asked the Joint Committee on Taxation to study this provision and other alternatives and get back to us by June 1, 1995. It is also clear that this provision will be effective as of February 6.

But while concerns remained with the provision, we did not include it in H.R. 831.

Also, Mr. President, during floor debate in the House on the tax bill, one of the signatories of the letter, Congressman GEPHARDT, tried to put a similar expatriate tax provision in the tax bill—with an effective date of October 1, 1996, much later than the Finance Committee provision.

The letter to the President claims that House Democrat Members want to close an important tax loophole for millionaires, but it seems like they want to close it very slowly.

CONCLUSION

It is my sincere hope that the President gets the record straight. Because if he does not, and he decides to play politics as usual, then 3.2 million farmers, ranchers, small businesses, and taxpayers will suffer for it.

It has been 3 days since the President received H.R. 831, and I urge the President to sign it into law. There is no reason to delay any longer. It should be signed as soon as possible so that taxpayers can finish preparing their tax returns in time.

TRIBUTE TO NELLE M. BIGBEE

Mr. HEFLIN. Mr. President, Mrs. Nelle M. Bigbee, a native of Tuscumbia, AL, passed away on March 8 at the age of 92. An accomplished writer, news commentator, artist, poet, and public speaker, Nelle was the first female newscaster in the State of Alabama. Her daily radio and television programs, which were such a fixture of the Tuscumbia community, won many awards from the American Women in Radio and Television Organization.

Nelle Bigbee wrote for numerous publications and received many awards from the Associated Press as well. She participated in many community, church, civic, and professional activities, including the American Cancer Society, American Heart Association, and United Way, just to name a few. She was instrumental in organizing the first Helen Keller play, and acted the part of ''Aunt Ev'' for several years. She held the distinction of being the first female candidate to run for elected representative to the Alabama Legislature.

She was a wonderful neighbor of mine. She and her departed husband Hatton were great friends. She was admired and loved by all who knew her.

Nelle Bigbee indeed lived a long, rich, and multifaceted—even trailblazing—life. The talented Alabama journalists and commentators of today owe her a great deal of thanks for her pioneering spirit and determination. I extend my condolences to her entire family in the wake of their loss, and join her many friends and admirers in reflecting on the many outstanding accomplishments that defined her life and work.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, as of the close of business yesterday, Thursday, April 6, the Federal debt stood at $4,872,967,679,626.75. On a per capita basis, every man, woman, and child in America owes $18,497.87 as his or her share of that debt.

PRESSLER AMENDMENT: STAY THE COURSE

Mr. PRESSLER. Mr. President, I join the President, Members of Congress, and the American people in welcoming the Prime Minister of Pakistan, Mrs. Benazir Bhutto, to the United States. I wish her well during her visit. I had the opportunity to meet with her in Pakistan just a few months after her reelection as Prime Minister in October 1993. I enjoyed visiting her beautiful country. The opportunity for lasting peace and economic growth both within Pakistan and throughout South Asia should be a top priority for the United States and all the countries of that region.

I suspect that it is largely due to the visit of Prime Minister Bhutto that the Clinton administration once again is publicly questioning the effectiveness of the so-called Pressler amendment, the law that prohibits direct United States aid to Pakistan.

As my colleagues know, it was 10 years ago that I successfully offered an amendment in the Foreign Relations Committee to cut off aid and military sales to Pakistan if the President could not certify that Pakistan did not possess a nuclear explosive device. The Reagan administration supported the amendment. In fact, they helped write it. Even the Government of Pakistan did not object to the amendment because they claimed they were not pursuing a nuclear option.

In fact, my amendment was considered a compromise. Our former colleague from California, Senator Alan Cranston, had another amendment that immediately would have cut off aid to Pakistan, without Presidential certification, because he believed Pakistan already possessed the materials needed to assemble a nuclear bomb.

In October of 1990, nearly 5 years after the Pressler amendment became law, the Bush administration was unable to certify that Pakistan was not in possession of a nuclear explosive device. As a result, all U.S. direct aid and military sales were terminated. At the time of the aid cutoff, Pakistan was attempting to purchase a fleet of F–16's from the United States. Because of the enforcement of the Pressler amendment, delivery of the aircraft never took place.

Despite claiming to have a strong policy on nuclear nonproliferation, the Clinton administration consistently has shown hostility toward the Pressler amendment—the only nuclear nonproliferation law with teeth. In the fall of 1993, the Clinton administration called for the repeal of the Pressler amendment, but backed off after pressure from Members of Congress.

The Clinton administration last year began to float a new proposal to grant a one-time waiver of the Pressler amendment to allow for the delivery of at least 22 of the F–16 aircraft sought by Pakistan—aircraft that can carry and drop a nuclear bomb. The administration's proposal was originally unconditional, but was later modified with a condition that Pakistan promise to cap its nuclear weapons arsenal.

In recent weeks, the Clinton administration has been at it again, proposing a $1 billion package of military equipment, consisting mainly of the F–16's. Frankly, Mr. President, I find simply preposterous any proposal that would transfer even one F–16 to Pakistan without first securing that nation's compliance with the Pressler amendment and its signature on the nuclear non-proliferation treaty [NPT].

The latest Clinton F–16 transfer plan—like the first—is unacceptable. I am astounded that an administration that pays so much lip service to the cause of nuclear nonproliferation would consider providing Pakistan with aircraft capable of carrying a nuclear weapon.

Never before in history has a nation sought to transfer nuclear delivery vehicles to a country that has nuclear weapons and say it is doing so in the interest of nuclear nonproliferation. The Clinton plan defies basic common sense.

Indeed, President Clinton's proposed military aid package to Pakistan would have the worst of consequences: It would strike a serious blow against

regional peace and worldwide nuclear nonproliferation; undermine the tremendous economic progress that has occurred in South Asia; launch a nuclear arms buildup in South Asia; and perhaps most frightening, increase the likelihood of nuclear weapons falling into the hands of terrorists. Indeed, any individual who has an interest in the future economic development of South Asia should have serious concerns with the Clinton administration's proposal.

I recognize that a number of U.S. aerospace firms have a strong interest in this issue. The transfer of F–16's would mean new business, new contracts, and new jobs here at home. I suspect these firms are putting tremendous pressure on the Clinton administration to push for military aid to Pakistan.

Mr. President, the aid package may mean more jobs at home, but it would come at a heavy price on a global scale. I do not believe any issue is more important to the security of all free people than nuclear nonproliferation, particularly in potential hot spots such as South Asia. I am concerned that the transfer of F–16's would spark a nuclear arms race in South Asia.

The Clinton administration has traveled this same road before. The catalyst for the nuclear tightrope walk that occurred in North Korea was the perception by officials in Pyongyang that the United States was not serious about nuclear nonproliferation. I would have thought that after North Korea, the Clinton administration would have learned an important lesson. It does not appear they have learned.

Once again, the administration is willing to be the catalyst for destabilization. The wrong signals are there. I fear India will be forced to rethink its current military force structure if Pakistan takes delivery of the F–16's, including resumption of their nuclear program, deployment of short-range weapons, and even development of long-range options.

Further, Mr. President, we must consider not just the instability between India and Pakistan, but instability within Pakistan itself. With all due respect to Prime Minister Bhutto, I have very serious concerns about the ability of her civilian government to hold its military leaders accountable to civilian-based policies. I urge my colleagues to examine closely this military-civilian chain-of-command issue.

We also must examine the inability of Mrs. Bhutto's government to respond effectively to the shocking wave of violence sweeping her country. Terrorist groups, such as the Harkatul Ansar—the Movement of Friends—are based in Pakistan, but have links to similar groups in Iran. The New York Times recently reported that a massive worldwide network of Islamic terrorism was traced to a university in Peshawar—the University of Dawat and Jihad. This is not a run-of-the-mill institution of higher learning. Students go there to seek advanced degrees in worldwide terrorism. Graduates of this university have applied their lessons of death in North Africa, the Middle East, and Asia.

Terrorist violence is a mortal plague within Pakistan, leaving more than 1,000 people dead since the beginning of last year. This wave of terror recently claimed the lives of two American diplomats, who were tracked down and killed in cold blood. Even Prime Minister Bhutto questioned whether or not she had the resources necessary to crack down on the militant organizations operating within her country. Others question whether or not Prime Minister Bhutto has enough political capital to take the tough action needed to restore stability.

Therefore, I shudder at the thought of a nuclear capable government in South Asia that is incapable of controling its own military command or restoring order at home. This internal instability increases the possibility that nuclear weapons could fall into the hands of a terrorist state or organization. It boggles my mind that President Clinton would propose an aid package that would add both to the Government's nuclear capability and to the region's instability.

This fact raises yet another problem, which gets to the very essence of the Pressler amendment. Mr. President, the Pressler amendment was meant to be a strong warning to an ally: If you go nuclear, it will come at the expense of U.S. aid. The United States cannot condone—through taxpayer assistance—the Government of Pakistan becoming a nuclear power.

This policy has worked to a large degree. Pakistan has at least frozen the development of its nuclear program. A number of states that pursued active nuclear weapons research programs in the 1980's have abandoned them, including Argentina, Brazil, South Korea, Taiwan, and South Africa. They responded to American diplomacy and their own good common sense. It is worth noting that both South Korea and Taiwan have antidemocratic neighbors and the temptation to hide behind a nuclear shield is undoubtedly high.

In one of the worst ways imaginable, the Clinton administration's proposed military aid package would be seen as a certification and acceptance of Pakistan as a full-fledged nuclear power—a signal that runs counter to our own support and insistence for the ratification of the NPT. Pakistan is not a signatory of the NPT. It does not allow inspections. Yet, these facts do not seem to be important to the Clinton administration. Just as ominous, the proposed military aid package tells other countries that there are no long-term penalties for going nuclear.

Mr. President, I have made this point: The administration's proposal to change the Pressler Amendment is a bad policy. I urge my colleagues to review it carefully, but skeptically. Let me reiterate: I want to see Pakistan succeed economically. I want to see peace achieved both within and beyond Pakistan's borders. I want to see our nuclear nonproliferation goals achieved. The administration can achieve all those policies by withdrawing its proposed aid package and standing firmly behind the Pressler amendment.

THE REAL MEANING OF THE CONTRACT WITH AMERICA

Mr. DASCHLE. Mr. President, for almost 100 days now, we have been hearing about the Contract With America—here in Washington and in my home State of South Dakota.

This week we get their contact with America. Every time you open a newspaper or turn on your TV or your radio—or even your computer—some Republican is speaking in superlatives about what is happening in Congress. Not everyone shares that enthusiasm.

One of the most astute assessments I have heard of the Republicans' 100 days was offered last week by a Capitol tour guide. When someone asked him what had passed so far in this Congress, he said, ''About 12 weeks.''

I can tell you a lot more has happened in South Dakota during those 12 weeks. Farmers and ranchers, who have been gearing up for the spring planting and helping their livestock through the calving season, are grappling with the harsh realities of low commodity and livestock prices, hoping there will be enough to support their families.

On Main Streets in cities and towns across South Dakota, small business owners and employees are working longer and harder just to maintain their incomes.

In other words, life is going on in South Dakota, and people are trying to move forward, looking toward change in Washington to help them realize their dreams.

The tradition of scrutinizing the first 100 days really began, as you know, with President Franklin Roosevelt. Most students of government still consider the first 100 days of the New Deal to be the most successful in the history of the Federal Government. And no wonder. By the end of President Roosevelt's first 100 days, Congress had passed an extraordinary package of 15 bills that fundamentally changed the relationship between business and Government, and individuals and Government.

It was an agenda that was firmly rooted in FDR's belief, as he said, that ''the future lies with those wise political leaders who realize that the great public is interested more in good government than in politics.'' That is a sentiment you won't find in the Republicans' Contract With America. For it was politics pure and simple—the 1994 election and a mountain of polling data—that gave us the so-called contract.

Franklin Roosevelt knew to be skeptical of people, like so many in this new Republican majority, who promise easy solutions to hard problems. He could easily be speaking of today's Republican majority when he commented on their predecessors more than 60 years ago.

''Let me warn you and let me warn the Nation,'' he said, ''against the smooth evasions of those who say, 'Of course we agree with all these things.

'' 'We believe in Social Security. We believe in work for the unemployed. We believe in saving homes. Cross our hearts and hope to die, we believe in all these things. But we do not like the way the present administration is doing them. Just turn them over to us. We will do all of them. We will do more of them. We will do them better. And most of all, the doing of them will not cost anybody anything.' ''

Does this sound familiar? It should. That is the Big Lie on which the contract is constructed: ''We can balance the budget. We can increase military spending. We can give more tax breaks to the rich. And it will not cost anybody anything. In fact, you and your family are going to get money back.''

Clearly, the promise to fundamentally change the Federal Government sounded very good to some people last November. But were they voting for the Republican contract? The fact is, they were not. Less than 5 percent of Americans had even heard of the contract on Election Day. Even now, polls show that the more people hear about the contract, the more nervous they get. And with good reason. To paraphrase Pogo, we have met the enemy in the Republicans' contract, and it is us.

It is not big-money special interests the Contract targets—Republicans have invited the lobbyists into their offices to rewrite the laws. The enemy in the Republican contract is not even the infamous waste, fraud, and abuse.

It is working families and their children in South Dakota and across the Nation.

They can wrap it up in new spinmeister packaging, but the struggle at the center of the contract is the same struggle that has defined the difference between the Republican and Democratic Parties for generations.

It is the struggle between the rich and the rest of us.

We do not have any billionaires in South Dakota who will benefit from the tax loophole Republicans are fighting to protect that allow billionaires to renounce their citizenship to avoid paying taxes on the fortunes they have made in our country.

We do not have a lot of powerful corporate lobbyists who have gained unprecedented access to the Congress.

What we do have in South Dakota are hard-working families who wamt change, who want more opportunities for themselves, and a better future for their children.

Republicans were on the wrong side of this struggle before, and they are on the wrong side now. We have heard a lot about the casualties of the contract, but the biggest casualty is not a person or a group. It is Americans' sense of values—our sense of fairness. Most of all, it is our fragile but essential belief that if we work hard, we can make a better life for ourselves and our kids.

This ethic, this belief, was ingrained in all South Dakotans. This belief, this value, is essential to our survival as a democracy.

De Tocqueville wrote that it is our values, even more than our laws, that enable Americans to maintain this democracy, and that fundamental insight into our character remains true to this day.

If people do not know the difference between right and wrong, all the prisons in the world will not keep us safe. If children come to school with no sense of discipline, no respect for authority, the best teachers and, the best computers in the world will not make a difference. And if young people grow up in a society that does not reward honest work, no welfare reform plan in the world will work.

We cannot solve our problems with a law or a check—or even the threat of no check. If we want to restore the American dream, we have got to restore American values. And that means strengthening America's families. Families are where values are taught and learned. But teaching values takes time. It takes time.

And time is something that most families have less of every year. I hear this every time I go home.

One story this year that didn't get perhaps quite as much attention as it deserved was a series of strikes by autoworkers who were protesting mandatory 50- and 60-hour workweeks.

The workers said the extra pay just wasn't worth the price they were paying in burnout and in time spent away from their families.

The conflict many workers feel between trying to be both good providers and good parents was best summed up by a single mother at a GM factory in Michigan who had just put her son in counseling and just learned that her 18-year-old daughter was pregnant.

You know what she said? She said, ''I keep thinking that maybe if I'd been able to spend more time with them this wouldn't have happened.''

That is a conflict more parents live with each year. From the late 1960's to the late 1980's, the average workyear for American workers increased by 163 hours. You know what that is? That's an extra month each year.

Today, fewer than one-third of American families have time to eat even one meal a day together. And nearly 7 million children—including half a million pre-school kids—spend at least part of each day all alone.

Why are parents spending less time with their kids? The answer is simple: In spite of an unprecedented effort by the Clinton administration to create more than 6 million new jobs, the real income of most Americans is declining.

Each year, it takes more people working more hours in a family just to afford the basic. Eighty percent of America's families have not seen their incomes rise since the 1970's. Eighty percent. And this is true despite huge increases in two-income and even three-income families.

Even in the 1990's, the richest one-third of Americans are getting richer, while incomes for everyone else keep falling. And let me tell you, that is fundamentally wrong. And Democrats must fight it.

Not long ago I had a young father tell me, ''Either I can spend time with my family or support them—but not both.'' Those are not conditions for teaching moral values. They are an invitation to moral anarchy. And the extreme agenda of the new majority—despite all its pious and populist rhetoric—is almost certain to make matters worse.

Because it is designed to reward the rich and the well-connected at the expense of America's middle-class families. That is wrong and Democrats must fight it, make no mistake: The new Republican agenda is worse than indifferent to the needs of working families. It is downright hostile to them. It is trickle-down economics with a vengeance. And if it is enacted, it will destroy much of the middle class.

If you doubt it, just look at some of the tax changes Republicans are proposing:

One of the more moderate members of the Republican party is proposing that we repeal income taxes on stock profits. In other words, let's tax only wages. And some Republicans want to protect the tax loophole that allows billionaires to renounce their U.S. citizenship to avoid paying taxes on the fortunes they have made in this country.

You know, when George Washington found out that Benedict Arnold was a traitor he probably thought about a lot of things. He probably thought about flogging him. He probably thought about hanging him. He probably thought about taking everything he owned. But I guarantee you one thing he never thought about was giving him a tax break.

What kind of contract is that?

Of course, many of us feel that the contract is more noteworthy for what it leaves out than for what little it actually does. The contract offers no blueprint to create more jobs or better-paying jobs. And, it offers no plan to fix any of the other problems that are undermining Americans' economic security.

Quite the opposite, the Republican agenda makes it harder for people to climb the economic ladder by gutting worker training programs and college loans.

Under the Republican contract, 27,165 South Dakota college students will pay

more for their student loans. Who knows how many who cannot afford the higher priced loans will simply drop out.

It makes it harder for poor families to escape welfare by blocking any increase in the minimum wage.

The Republican agenda leaves virtually every American family at risk of financial ruin by refusing to reform health care. For some, the past 100 days simply means that more people are without health insurance in South Dakota and a lot of people—and hoping they do not end up like some of their neighbors—the 1,200 retirees of the Morrell meatpacking company in Sioux Falls, who suddenly lost their health benefits 2 months ago.

And, the contract undermines our effort to enforce laws protecting Americans from polluted air and water, from spoiled meat and killer toys and a whole host of other dangers.

The big winners in the contract are the lobbyists and special interests, who Republicans have invited—quite literally—into committee rooms to write the laws as they choose.

The big losers, of course, are working families, who are going to end up picking up the tab for the special interests—the same as they did in the 1980's. That is wrong, too, and Democrats will fight it.

The biggest problem with the contract is not simply that it threatens to bankrupt working families economically. It is also morally bankrupt. Democrats have a responsibility to challenge not just the details of the contract, but the underlying values as well. We need to raise our voices, particularly in the face of the extreme new agenda of the Republican Party.

We need to find new ways, new technologies, to communicate our basic beliefs, and, we need to expand the debate to include values that matter to working families. Values like fairness and tolerance, genuine opportunity, and generational progress.

More important, we need to make sure that our values shape our public policy. Too often, government policies do not reflect our nation's values. Sometimes they have actually exacerbate the conditions they were created to eliminate.

No matter how noble their original purpose, when we try to protect failed programs, we undermine the credibility of government and thus the ability of government to help the people who deserve help.

So, making sure our values shape our public policies mean, first of all, acknowledging when something is not working. Making sure our values shape our public policies also means reforming our welfare system so that it rewards work. It means encouraging families to be strong and to stay strong. Making sure our values shape our public policies means we need truth-in-sentencing laws. We need to hold people responsible for their actions. And we need to protect people from crime in the first place.

President Clinton and a Democratic Congress last year passed a tough new crime bill that puts 100,000 more police on the street, including 77 in my home State. Now Republicans want to gut that bill. That is dead wrong. And Democrats will fight it.

Making sure our values shape our public policies means we need to listen to average people, not campaign contributors. In Washington and in every State capitol in this country, holy wars are being waged with unholy amounts of money. People don't know where the buck stops anymore. They only know it stops the debate.

And this is wrong. And Democrats will fight it—by pushing for real campaign finance reform—in this session of Congress.

Making sure our values shape our public policies means helping workers learn new skills so they can keep their job or get a new one. Not long ago, Speaker GINGRICH called unemployment insurance ''vacation pay for freeloaders.'' Republicans may think that makes a good sound bite, but it's small and insensitive. If we value work, then let us treat workers with dignity. Give them the tools and training they need to earn their own way, and they will not need unemployment insurance or anything else from government.

Finally, making sure our values shape our public policies means helping middle-class pay for college with affordable loans or the sweat equity that comes from national service.

In asking Congress to do these things, Democrats are only asking the Republican majority to do what the American people expect them to do: to lead. Their refusal to even discuss our proposals makes it clear that Republicans do not oppose the way we Democrats have done the job of fighting for working families and children. They are fundamentally opposed to the job being done at all.

I said at the beginning of my remarks that the American people did not vote for the Republican contract because most had not even heard of it. Instead, they were voting to continue the original Contract With America. They voted to make America a place, once again, where people still believe in values like tolerance and fairness, and parents still have the time to teach those values to their children.

America can be what America was, a place where you can get ahead if you work hard. We can make America that kind of place again. But it's going to take more than angry demagoguery and more than the mad dash of 100 days.

Americans understand that. Because leaders like Franklin Roosevelt taught us. President Roosevelt led this Nation through a depression and a world war. He knew that good government is government which unites this country, not divides it. It is government that offers hope, not fear—that proposes real solutions where there are real problems. He led, so others were willing to follow.

As a former history professor, NEWT GINGRICH should remember the words of his favorite President who said that ''the only limit to our realization will be our doubts of today.''

While Democrats do not advocate going back to the programs of the New Deal, we believe that the values that shaped that agenda are as valid today as they have ever been. The realization of tomorrow must be built from the realization of strong national leadership today, the kind of leadership the American people have turned to throughout our history, and to which future generations must turn, not just for 100 days, but for that many years, and more.

SCHOOL-TO-WORK: A LARGER VISION

Mr. PELL. Mr. President, in November of last year, Mr. Sam Halperin of the American youth policy forum addressed a statewide conference in Rhode Island on implementation of the new School-to-Work Opportunities Act of 1994. His thoughts bear careful consideration not only as we move this act from legislative provision to program but also as we approach reauthorization of the Vocational Education Act.

Mr. Halperin is a distinguished educator whose views merit careful consideration. He has served as Deputy Commissioner in the old Office of Education, Deputy Assistant Secretary at the Department of Health, Education, and Welfare, and the director and first president of the Institute for Educational Leadership.

I would ask that the full text of Mr. Halperin's remarks be placed in the RECORD.

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

SCHOOL-TO-WORK: A LARGER VISION

(By Dr. Samuel Halperin)

Thank you for your invitation to help develop Rhode Island's plans for implementation of the School-to-Work Opportunities Act of 1994 (hereafter STWOA). I have no doubt that you will soon win one of the federal implementation grants, grants already awarded to eight other states.

My only doubt is whether your vision will be as large-spirited and as bold as the federal Act itself. Will you seize the opportunity to rethink the essential nature of schooling at the dawn of the 21st Century? Will you construct a total quality system in which each of the parts supports and advances the welfare of all the other parts? That is the challenge. That is the opportunity.

SCHOOL-TO-WORK OPPORTUNITIES ACT: ''HISTORIC, LANDMARK'' LEGISLATION

Five features of the new Act qualify it for designation as ''historic,'' even ''landmark,'' legislation:

One, previous federal legislation focussed mostly on the disadvantaged (Job Training Partnership Act, JOb Corps, ESEA Title I). STWOA is the most universal, non-means-tested effort to date. It is intended to help all students who have not yet completed

high school, regardless of their economic status.

Two, STWOA is the first federal education legislation to declare that preparation for earning a living is one of the legitimate and important roles of schooling for all students, including the college-bound.

Three, previous federal legislation implied that learning is the near-exclusive province of the schools. STWOA affirms that learning takes place in families, communities, schools and workplaces. Employers and worksite learning are central in the new legislation. So are parents and community-based organizations. All of these agencies are specifically recognized as major stakeholders and partners in every local STW partnership.

Four, previous federal legislation (with the exception of Vocational Education) largely bypassed the high schools. (Title I compensatory education funds, the largest program, are concentrated largely in the early grades.) STWOA focusses on high school and the transition to postsecondary education. While it addresses the needs of all students, it ''remembers'' the needs of ''The Forgotten Half'' who are not going to four-year colleges immediately after high school graduation.

Five, previous federal legislation provided annual funding over many years. STWOA, accommodating to harsh federal fiscal realities, seeks to leverage change through limited financial incentives. Federal ''venture capital'' over a seven-to-ten-year period is intended to help you form voluntary partnerships and consortia of all the stakeholders. STWOA also encourages you to re-assess how you are using other federal, state and and local funding streams and, possibly, combine them for greater impact.

Overall, the hope is that the new ways of doing business that you will develop will produce greater student achievement and far greater satisfaction with the graduates of your community's total educational enterprise.

WHAT SCHOOL-TO-WORK IS NOT

Now, having told you why I think the new Act presents such a large historic challenge, I'd like to emphasize what the Act is not.

First, it's not another one of those small federal programs that soon becomes overlaid with reams of federal and state guidelines and regulations. The last thing in the world you need is another categorical program, another ''flavor of the month!''

STWOA is not a fancy euphemism for existing programs like vocational education or career exploration, although each of these endeavors has a vital role to play in School to Work.

It's not a way for America to beat the Japanese and Germans in international economic competition.

It's not another tracking device to separate winners and losers in the education race or to offer second-class schooling to students who may not see themselves as college-bound.

WHAT SCHOOL-TO-WORK COULD BE

Now let me tell you what I think STW could be here in Rhode Island and around the country.

Ideally, STW is a systematic, comprehensive, community-wide effort to help all young people (1) prepare for high-skill and high-wage careers, (2) receive top quality academic instruction, and (3) gain the foundation skills to pursue post-secondary education and lifelong learning. I stress all young people, including those with disabilities and those who are headed for a four-year degree at our finest colleges and universities.

When carried out effectively, STW offers a high school experience that challenges and motivates our youth to develop the skills, knowledge and behaviors they need to achieve economic earning power and, in turn, achieve the American dream.

STW will also help to provide American employers with the qualified workers they need. Through new or expanded local partnerships, employers will work with teachers to develop and implement curricula that span both the school and work sites, setting high standards for student performance and credentialing youth for good careers.

To the architects of STWOA, the Act is a way to rethink what we adults are doing to prepare our young people for success in life. It offers us the opportunity to fundamentally alter the high school experience—which currently is not working well for many, if not most, students. It brings high school into alignment with more effective ways of teaching and learning and promises a brighter future for far more young people. It also gives adults far greater personal and professional satisfaction from their work with young people.

A CRITIQUE OF AMERICAN HIGH SCHOOLS

STWOA was created out of a widespread belief that most high schools are not working well, particularly for the 75 percent of our young people who are unlikely to earn a baccalaureate degree. Consider these contemporary comments on the American high school:

''Most employers look at the high school diploma as evidence of staying power, not academic achievement. They realized long ago that it is possible to graduate from high school in this country and still be functionally illiterate. As a result, the non-college-bound youth know that their performance in high school is likely to have little or no bearing on the type of employment they manage to find.'' (Commission on the Skills of the American Workforce, America's Choice: high skills or low wages!, 1990)

''Most kids think [academic] education methods are torture devices invented by teachers . . . they got that idea because they can see that no one in the workplace is doing these things.'' (Stephen Hamilton, Cornell University Youth and Work Program.)

''It's evident that the vast majority of kids in high school are not motivated. We don't seem to be approaching them in ways that engage them in learning.'' (John f. Jennings, U.S. House of Representatives Committee on Education and Labor.)

''Students not bound for college need the most help, receive the least assistance, are equipped with the most limited information, and experience the greatest risks in the job market.'' (Gary Orfield and Faith Paul, High Hopes, Long Odds, 1994)

Over the twenty-year period from 1967–1987, the percentage of jobs held by workers with less than a high school diploma declined from 40 percent to only 15 percent. Over the same period, inflation-adjusted incomes of families headed by high school graduates without any postsecondary education fell fully 30 percent. Only half of the high school graduates under age 20 and not in college are employed fulltime and worse yet, about one-third of young people fail to find stable employment by the time they reach age 30. (Bureau of Labor Statistics and Paul Osterman of MIT.) (For a larger discussion of these points, see Richard Mendel, The American School-to-Career Movement: A Background Paper for Policymakers and Foundation Officers, American Youth Policy Forum, 1994.)

Against this dire and worsening background we know that many well-paying careers do not require a baccalaureate degree. We also know from research (e.g., the SCANS reports, 1991 and 1992, and the National Assessment of Vocational Education, 1994) that certain things do pay off in the labor market: (1) cognitive skills, (2) broad technical skills (especially computer literacy and its applications), (3) postsecondary education and, (4) human relations and workplace skills, like getting along with colleagues and supervisors, working well in teams and demonstrating reliability, responsibility and initiative.

BASIC PREMISES OF SCHOOL-TO-WORK

Building on this knowledge base, STWOA offers no precise blueprint, no road map or rule book. Rather, the new Act is one of the least prescriptive laws on the statue books. It acts like a compass, pointing to a set of concepts or basic premises. These premises are based on recent research about how people learn best and what employers say young people need in order to cope with a fast-changing world.

First, STW is a new way of looking at the development of young people and particularly at their needs in the critical adolescent transition years from high school into further education and the world of work. STW asserts that youth need active, not passive learning—in schools, in worksites, in voluntary service. Therefore, STW views the entire community as one great learning laboratory where young people grow, develop and find networks of support.

Second, STW is a systematic effort to change the time-based assumptions on which most high schools are currently based. STW says that young people are expected to exhibit or demonstrate mastery of rigorous academic and behavioral skills, not be judged by how many years they have sat in classrooms or how many written tests they have passed by rote memorization. Actual demonstrations of competence will be the touchstone of STW.

Third, STW builds on extensive research that says that one of the most critical ingredients in young people's success is their close attachment to a caring and successful adult, a mentor, a role model, a coach, a youth advocate who supplements what teachers, neighbors and family members provide, particularly when traditional supports are lacking.

When a Congressional committee asked Cornell University's Urie Bronfenbrenner to summarize everything he had learned in a long and distinguished career in human development research, Bronfenbrenner replied: ''Some adult has got to be crazy about the kid, and truly be there for that kid, and let that kid know that his life is important and has meaning.''

Fourth, STW also builds on powerful recent research finding that most students learn best in context, when they see how knowledge is actually used outside the school, especially in a work setting. Therefore, STW views the employers' workplace as a learning laboratory where young people can experience the relevance of knowledge in the ''real world.'' Young people like to work. They blossom in the workplace if they are treated as respected members of a team that is expected to perform responsibly and productively. Generations of inquiry concerning European adolescents undergird these truths. Young people in Europe report pride in their workplace roles. They look forward to the company and the counsel of their adult supervisors and coworkers. And, to a considerable extent, they avoid the epidemic of pathologies which beset so many American youth.

Fifth, because STW is outcome- or performance-centered, young people in their dual roles as learners and as workers can demonstrate their proficiency at the highest standards. That accomplishment is then certified by a credential that is recognized and

honored by schools, by employers, by parents and by institutions of higher education.

These, then, are five basic premises on which many of the new STW initiatives around the United States are based. To be sure, few existing STW efforts will articulate all of these premises clearly. Nor will these initiatives give equal weight to each of these premises. Let me assert my firm belief, however, that the most successful and the most enduring STW efforts will be those that incorporate all five of these premises. There simply are no short cuts to excellence.

Now let us see if we can put these premises together in a comprehensive vision of a high school learning community based on them. I am indebted by my friend in the U.S. Department of Education, Deputy Assistant Secretary Patricia McNeil, for suggesting how a vision of STW in the context of ''systemic school reform'' might be portrayed.

ANYTOWN HIGH: AN ATTAINABLE DREAM

Close your eyes for a few moments. Imagine that you are an entering freshman at Anytown High School. It is the first day of school. You are seated in the school auditorium with your new classmates. I am the principal, giving you a preview of what kind of school this is, and the kinds of experiences and opportunities available to you.

''Welcome to Anytown High School! All the adults on the stage with me this morning and around the room—teachers, office staff, counselors, food service and building staff, coaches, community leaders, local employers, labor union representatives, members of our town's workforce development system, alternative schools, city government, parents and volunteers—we all welcome you.

Not long ago, I told similar freshmen classes that half of you might not be here to complete your senior year. Today, I want to give you quite a different message. All of us here today pledge that we are here to help each of you get the high level skills and knowledge you will need to become successful citizens, productive workers and lifelong learners. When you complete your experience here or when you finish your secondary schooling at a job training program or community college or alternative school, you will have all you need to enter and complete a two- or four-year college degree program, a registered apprenticeship program, the military, or an entry-level career ladder job. All the adults in this school an din this community are pledged to work together to help you succeed. That is because we accept the wisdom of that old African adage: 'It takes a entire village to raise a child.

Everything we do here at Anytown High school is based on three simple and important ideas:

One, what we expect you to learn here is important in the world outside these walls, important to your future as citizens, neighbors, parents and workers.

Two, we on the teaching staff and in school administration know that you can learn. Every single one of you has the ability to master the subject matter in our curriculum. This school is constructed in such a way that it respects your different learning styles. Some of you will need more time and extra help and, here at Anytown High, you will get it. Every one of you can graduate knowing, and being able to do, the things that assure success in the world of work and in life generally.

Three, we won't let you fail. When I say 'we', I mean the entire community which is mobilized to ensure your success. Together, we will support you and provide many kinds of opportunities for learning, for earning and for fun.

Because we in Rhode Island have restructured our entire K–12 school system, most of you have been hearing this message in one way or another from pre-school, through primary and middle school, but it bears repeating today:

You are intelligent and capable individuals. No one is born with the knowledge and skills they need to succeed in this world. You get smart through effort. Our job as adults is to help you develop your skills and knowledge to a high level. You'll be asked to work hard, and we'll be working equally hard alongside you on your behalf.

We have a wide range of opportunities for you at Anytown High. In elementary and middle school you participated in a variety of learning experiences; you learned about possible careers; you planned projects and worked in teams to complete them. You will do more of that active learning in new and different ways. We have a broad range of learning options—all designed to give you the skills and knowledge you need to go on to college and into the workplace. Some of you may choose to do most of your learning in a classroom setting; others may choose more interactive work-based learning options. You will work in small academic and career clusters with a team of teachers who, in some cases, will remain with you during your entire time in our school, All of you will engage in hands-on learning where academic and occupational subjects are integrated. All of you will participate in community and public service learning experiences where you will practice the skills and behaviors which employers highly value. We also have a wide range of courses and information available for independent study via computer and satellite hook-up, opening the entire world to your curiosity.

As you begin to think about choosing a career major, you will learn about many aspects of particular industries, and you will see how knowledge and skills are actually used in those industries and occupations. In these choices, you will be supported by our guidance counselors and by job specialists who will open doors to future employers and show you what you need to be able to do in real workplaces.

Of course, you can change your career clusters in this school. Since you'll all be learning the same core of essential skills and knowledge, you won't be locked into one cluster or one narrow job, either here or after you graduate.

An essential part of your experience in this school is the worksite placements which we offer in your junior and senior years and which in some cases, like Tech Prep, will continue beyond high school. Some of you will choose co-op education and internships with local employers for part of the school year. Some of you, as part of your Tech Prep or youth apprenticeship experience, will be working part-time in industries based on the technologies you will be studying in school. Some of you will be paid for your part-time work with employers after school and in the summers. Some of you will find your work opportunities in hospitals, libraries and other non-profit community services.

Others of you will choose to enroll in our Career Academies, the small mini-schools on this campus which specialize in careers with good prospects for future professional employment. For example, we have a Financial Services Academy where you can learn about banking, insurance, real estate, investments and tourism. We have an Environmental and Maritime Academy where you can learn about everything connected with earning a living from the sea and how to protect that fragile resource. We have a Health and Bioscience Acadmeny based on modern health care, hospital and laboratory management and exciting new careers in biotechnology. And we have other academies as well. Regardless of which one you choose, you will receive high quality instruction and be able to form close associations with your fellow students and with employers in your career field.

Regardless of the kind of worksite placement you have chosen, you will graduate well prepared to continue your studies in higher education or to win an entry-level position with an employer. Above all, you will have experienced the joy of learning and you will excel, no matter how radically the world may change in the future.

Even though your elementary and middle school experience was set up so that you would not fall behind, every year presents different challenges. If you are having trouble keeping up or understanding something, we have extra help available in many forms—after-school, on weekends and in the summer. Team sports, clubs, community service and one-on-one help are after-school options from which you can choose.

You will wonder how your teachers are so sharp, how they keep up with rapidly changing knowledge. Well, first of all, your teachers see themselves as lifelong learners, constantly striving to know more and to discover more effective ways to help you learn. This school offers many opportunities for professional development on and off this campus. Most important, we build in ample time for your teachers to meet together, to plan your studies, to learn from each other, from your worksite mentors, and from experts around the country, in person and through interactive television, video and satellite sessions.

During the summer and at various times in the school year, some of your teachers and counselors will be working alongside you in the plants and offices of our employer partners. They will be learning about the latest changes in technology and management so that your curricula can be kept relevant and so that they understand what you are learning in the worksite. (Incidentally, your teachers will simultaneously be helping to upgrade the basic academic skills of the adult workers you will be working with in your worksite placements.)

If you change schools, the skills and knowledge you have demonstrated here will be transferable electronically to your new school. You will also have your portfolio of work and skills/knowledge inventory to take with you. If you want to find another learning experience, we will help you. We work closely with a wide range of alternative schools, with community colleges, with the Job Corps, with youth service and conservation corps, with the new National Civilian Community Corps and others. We also work closely with the local workforce development system which operates career advancement centers where you can get referrals to further training or qualify for a grant or loan package to help you complete secondary school training on your own

Whenever and wherever you complete your secondary experience, you will receive a high school diploma signifying mastery of a high level of skills and knowledge. That diploma will be accepted by two- and four-year colleges, by employers, by the military and the registered apprenticeship system. Depending on your course of study, you may also receive a certificate of mastery in some advanced level academic or occupational skills. Some of you may take advance placement or other studies in this school that will qualify you to receive college credits. Some of you may graduate in less than four years because you have demonstrated mastery of our core curriculum.

While we will do everything to support your learning, there may be personal and family problems that come up in your life so

that you need some outside help. As a member of the Anytown Partnership for Families, Anytown High's Human Services Mall hosts a broad array of community agencies that will assist you and your families with non-academic problems. Many of these social services were available to you throughout primary and middle school, so you are familiar with them. You can get information about other services from the computer files in your academic cluster, in the library or the cafeteria. Each of you will also have opportunities to have an adult mentor or coach. It may be an employee at your worksite, a community service volunteer or a parent in the community. Here at Anytown High, we have almost as many community partners as students. Each brings their expertise and their caring into the school and the worksite.

Your teachers have worked hard to design the curriculum—in school, at the worksite and in your community service experiences—to support your learning in every way we know. Your guidance counselors and job specialists are working with your teachers and employers in the community to make sure you have access to information about post-secondary schools and careers and that you can use it effectively to plan your further education and careers.

The basic message I want to leave with you today is this: you are capable and intelligent young people in transition to adulthood and each adult here is on your side. We are committed to helping you get the skills and knowledge you need to be successful learners, workers and citizens. You can do it; we are here to help; and you can count on us. Welcome to Anytown High!''

Our opening day assembly is now over. Those of you who haven't been put to sleep by the principal's long oration may open you eyes * * *

It's true, of course, that most of the students in the auditorium probably did not absorb the full promise of what awaits them at Anytown High. Yet, I think few of them will fail to grasp the central message: That they are important and that they are going to be successful in life.

All of the adults in the community, too, should now clearly understand that this description of a radically different kind of learning community requires their fullest participation. Education at Anytown High is a serious full-time partnership of the entire community. Its objective is simple and straightforward: success in work, success in life for each and every young person who enters our schools.

Undoubtedly, some of you are thinking: ''What a nice, Utopian dream. Halperin is just a dreamer.'' Yes, I do have a dream! However, there is not one element in my dream that is not a living reality someplace in this country. Everything in this dream is being practiced somewhere * * * now, today. All that Patricia McNeil and I have done is put it all together to meet our personal vision. I hope you will do the same with your own ideas about education, youth development and the world of work.

So, I end where I began. The challenge before the people of Rhode Island is to dream your own dream for the State and for your own communities. Rethink the essential nature of schooling at the dawn of the 21st Century. Construct a total quality system in which all the parts of your dream come together to produce success for all of Rhode Island's young people.

SISTER CAROL McGOVERN—LET'S CELEBRATE HER LIFE

Mr. PELL. Mr. President, I ask that the Senate join in celebrating the life of Sister Carol McGovern, RSM. Often we find that life gains meaning through our service to others, and our greatest personal ambition seems empty and illusory compared to such service.

Sister Carol McGovern, who died Wednesday of breast cancer, was executive director of Amos House, a soup kitchen and social service center in the poorest neighborhood of Providence, Rhode Island's capital city. To this position she brought tremendous energy and great vision. Her vision arose from spiritual commitment and was informed by an extraordinarily active life.

Sister Carol was involved: She served on many boards of directors, working with Sunrise House, the Rhode Island Rape Crisis Center, the Campaign To Eliminate Childhood Poverty, and the Rhode Island Right to Housing Now.

When one first meets a person such as Sister Carol, an initial elation often gives way to the question: Where will the energy come from to sustain such commitment?

The problems of humanity, even at a local level, seem so vast, complex, and intractable that they would quickly consume one entirely. Yet, year after year, on issue after issue, Sister Carol was there.

Her energy never diminished, but grew deeper. Service that one would have thought to be all consuming, revealed itself to be vitalizing. In the end, she was a force. The name Sister Carol McGovern resounds with meaning unattainable by pursuit of individual interest.

In 1959, she joined the Sisters of Mercy, in 1967 she took her final vows. She earned her bachelor's degree from Salve Regina College and her master's degree from St. Michael's College.

She was given awards for her work, the John Kiffney Award from the Providence Newspaper Guild, an honorary doctorate from Rhode Island College, to name two. For anyone this would be a record of outstanding accomplishment and well deserved recognition, but this record never defined her.

Her essence was her commitment to service, her real presence was to be found among those most in need. Her life was claimed by an illness that afflicts many women, she faced it bravely, and again she set a fine example.

My office and I were deeply fortunate to be able to work with her over the years. Many times she enlightened us and gave us courage to address difficult issues squarely.

She didn't ask for answers, only effort. We shall miss her greatly. I am truly saddened by her passing. Yet it is her life of service that I ask this body to celebrate and commemorate.

Mr. President, I ask unanimous consent that an article from the Providence Journal of April 6, 1995, entitled ''Sister Carol McGovern, 53, Champion of the Poor, Dies,'' be inserted into the CONGRESSIONAL RECORD as if read.

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

SISTER CAROL McGOVERN, 53, CHAMPION OF THE POOR, DIES

(By S. Robert Chiappinelli and Thomas J. Morgan)

PAWTUCKET.—Sister Carol McGovern, RSM, executive director of Amos House in Providence and one of Rhode Island's best known advocates for the poor, died yesterday at her home on Blodgett Avenue.

Sister Carol, 53, has been ill with breast cancer for the past year and a half. The disease had seemed to be in remission, but then spread to her liver.

Experimental treatment allowed her to resume an active outdoor life and to continue her 12-hour work days until her health failed less than a month ago.

Henry Shelton, another longtime activist, said, ''Carol lived her life to the fullest with a smile that signaled joy and love, and faced death with more courage than anyone I ever knew.

''My prayer is that her life and death will inspire in Rhode Island's religious and political leaders a commitment similar to hers to support the effort of Rhode Island's powerless to help each other out of poverty.''

''What does one say about so remarkable a woman?'' said Richard J. Walton, former president of the board of Amos House, a soup kitchen and social service center in South Providence.

''She was a woman who cared very deeply and worked with passion, I guess you could say, and with humor. And I've never seen anyone bear up under what she's borne up under these last few months. She seemed to be more concerned about making people feel okay about her illness. She kept such a brave front that unless you knew she was sick, you couldn't know.''

Born in Providence, she was a daughter of Eleanor V. (Peterson) of Cranston and the late James V. McGovern.

Sister Carol arrived at Amos House along a curious path.

She spent her early years teaching but in the 1970s she joined four other Sisters of Mercy knocking on doors in Woonsocket and meeting struggling residents.

The nuns taught residents, particularly women alone with young children, about available resources, and in a few years turned their jobs over to neighborhood people they had trained.

So by 1983, Sister Carol was out of a job and decided to take some time to refocus. She got a job as manager of the Yarney, one of the stores in the then-new Davol Square shopping center in Providence.

Using skills from her early years, she taught customers how to knit, and often chatted with Sister Eileen Murphy the Amos House founder who regularly strolled through Davol Square.

After Sister Eileen died unexpectedly in December 1983, Sister Carol decided to apply as part of a team at Amos House. Eventually she became co-director with Jim Tull. (Tull stepped down earlier this year.)

Despite her illness, Sister Carol continued her Amos House work and was showered with love and concern by those who used its services.

''I have a real passion for the people who come here,'' she said. ''They are my family, they truly are my family.''

Despite setbacks inherent in fighting for the needy, Sister Carol said, she drew sustenance from the example of her widowed

mother and the words of anthropologist Margaret Mead, who said that small groups of truly committed people are the only things that have ever changed the world.

She entered the Sisters of Mercy in September 1959 and took her final vows in August 1967.

She received a bachelor's degree from Salva Regina College in 1964, and a master's in 1974 from St. Michael's College in Vermont.

Sister Carol was a founder of the Rhode Island Coalition for the Homeless, and was president of its board. She was a member of the board of directors of Sunrise House, a member of the board and a counselor-advocate of the Rhode Island Rape Crisis Center, a member of the Campaign to Eliminate Childhood Poverty and the Rhode Island Right to Housing NOW.

She was a lobbyist for the Sisters of Mercy for the last four years, dealing with peace, justice and women's issues.

In February Sister Carol and Tull received the John Kiffney Award of the Providence Newspaper Guild.

She also received the Bronze Key Award fro Substance Abuse. She was to receive an honorary doctorate in May from Rhode Island College.

Surviving besides her mother are two brothers, Robert F. McGovern of Cranston and James V. McGovern of Oxford, Mass., and a sister, Marcia E. O'Connor of Providence.

A concelebrated Mass of Christian Burial will be celebrated Saturday at 10 a.m. in St. Michael Church, Oxford, Street, Providence. Burial will be in Resurrection Cemetery, Cumberland.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:18 p.m., a message from the House of Representatives, delivered by Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 483. An act to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes;

H.R. 660. An act to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons; and

H.R. 1421. An act to provide that references in the statutes of the United States to any committee or officer of the House of Representatives the name or jurisdiction of which was changed as part of the reorganization of the House of Representatives at the beginning of the One Hundred Fourth Congress shall be treated as referring to the currently applicable committee or officer of the House of Representatives.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 1345) to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 660. An act to amend the Fair Housing Act to modify the exemption from certain familial status discrimination prohibitions granted to housing for older persons; to the Committee on the Judiciary.

MEASURES READ THE FIRST TIME

The following measure was read the first time:

H.R. 483. An act to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment:

S. 115. A bill to authorize the Secretary of the Interior to acquire and to convey certain lands or interests in lands to improve the management, protection, and administration of Colonial National Historical Park, and for other purposes (Rept. No. 104–30).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 127. A bill to improve the administration of the Women's Rights National Historical Park in the State of New York, and for other purposes (Rept. No. 104–31).

S. 134. A bill to provide for the acquisition of certain lands formerly occupied by the Franklin D. Roosevelt family, and for other purposes (Rept. No. 104–32).

By MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 188. A bill to establish the Great Falls Historic District in the State of New Jersey, and for other purposes (Rept. No. 104–33).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 197. A bill to establish the Carl Garner Federal Lands Cleanup Day, and for other purposes (Rept. No. 104–34).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment.

S. 223. A bill to authorize the Secretary of the Interior to provide funds to the Palisades Interstate Park Commission for acquisition of land in the Sterling Forest area of the New York/New Jersey Highlands Region, and for other purposes (Rept. No. 104–35).

S. 357. A bill to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Historical Park, and for other purposes (Rept. No. 104–36).

S. 363. A bill to improve water quality within the Rio Puerco watershed, New Mexico, and to help restore the ecological health of the Rio Grande through the cooperative identification and implementation of best management practices that are consistent with the ecological, geological, cultural, sociological, and economic conditions in the region, and for other purposes (Rept. No. 104–37).

S. 378. A bill to authorize the Secretary of the Interior to exchange certain lands of the Columbia Basin Federal reclamation project, Washington, and for other purposes (Rept. No. 104–39).

S. 392. A bill to amend the Dayton Aviation Heritage Preservation Act of 1992 with regard to appointment of members of the Dayton Aviation Heritage Commission, and for other purposes (Rept. No. 104–40).

S. 551. A bill to revise the boundaries of the Hagerman Fossil Beds National Monument and the Craters of the Moon National Monument, and for other purposes (Rept. No. 104–40).

S. 587. A bill to amend the National Trails System Act to designate the Old Spanish Trail and the Northern Branch of the Old Spanish Trail for potential inclusion into the National Trails System, and for other purposes (Rept. No. 104–41).

S. 601. A bill to revise the boundaries of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island, and for other purposes (Rept. No. 104–42).

S. 610. A bill to provide for an interpretive center at the Civil War Battlefield of Corinth, Mississippi, and for other purposes (Rept. No. 104–43).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute.

H.R. 400. A bill to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, and for other purposes (Rept. No. 104–44).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment.

H.R. 440. A bill to provide for the conveyance of lands to certain individuals in Butte County, California (Rept. No. 104–45).

H.R. 536. A bill to extend indefinitely the authority of the Secretary of the Interior to collect a commercial operation fee in the Delaware Water Gap National Recreation Area, and for other purposes (Rept. No. 104–46).

H.J. Res. 50. A joint resolution to designate the visitors center at the Channel Islands National Park, California, as the ''Robert J. Lagomarsino Visitors Center'' (Rept. No. 104–47).

By Mr. ROTH, from the Committee on Governmental Affairs:

Special Report prepared by the Permanent Subcommittee on Investigations entitled ''Criminal Aliens in the United States'' (Rept. No. 104–48).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation:

Charles T. Manatt, of the District of Columbia, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1997.

(The above nomination was reported with the recommendation that he be

confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on the Judiciary:

Eldon E. Fallon, of Louisiana, to be U.S. District Judge for the Eastern District of Louisiana.

Joseph Robert Goodwin, of West Virginia, to be U.S. District Judge for the Southern District of West Virginia.

Joe Bradley Pigott, of Mississippi, to be U.S. Attorney for the Southern District of Mississippi for the term of 4 years.

Curtis L. Collier, of Tennessee, to be U.S. District Judge for the Eastern District of Tennessee.

Maxine M. Chesney, of California, to be U.S. District Judge for the Northern District of California.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAMM:

S. 711. A bill to provide for State credit union representation on the National Credit Union Administration Board, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BRYAN:

S. 712. A bill to amend title 28, United States Code, to authorize the award of fees and expenses to prevailing parties in frivolous civil litigation, and for other purposes; to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 713. A bill to amend the Employee Retirement Income Security Act of 1974 to provide that the preemption provisions shall not apply to certain State of Oregon laws applicable to health plans; to the Committee on Labor and Human Resources.

By Mr. LEAHY (for himself, Mr. KERREY, and Mr. KOHL):

S. 714. A bill to require the Attorney General to study and report to Congress on means of controlling the flow of violent, sexually explicit, harassing, offensive, or otherwise unwanted material in interactive telecommunications systems; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. INHOFE, and Mr. HATCH):

S. 715. A bill to provide for portability of health insurance, guaranteed renewability, high risk pools, medical care savings accounts, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM:

S. 716. A bill to amend the Social Security Act to provide for criminal penalties for acts involving medicare or State health care programs, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. PRYOR, and Mr. ROCKEFELLER):

S. 717. A bill to extend the period of issuance of medicare select policies for 12 months, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 718. A bill to require the Administrator of the Environmental Protection Agency to establish an Environmental Financial Advisory Board and Environmental Finance Centers, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DASCHLE (for himself and Mr. DOLE):

S. Res. 109. A resolution extending the appreciation and gratitude of the United States Senate to Senator ROBERT C. BYRD, on the completion by the Senator of the 4 volume treatise entitled ''The History of the United States Senate'', and for other purposes; considered and agreed to.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRYAN:

S. 712. A bill to amend title 28, United States Code, to authorize the award of fees and expenses to prevailing parties in frivolous civil litigation, and for other purposes; to the Committee on the Judiciary.

FRIVOLOUS LAWSUIT PREVENTION ACT

• Mr. BRYAN. Mr. President, today I am introducing the Frivolous Lawsuit Prevention Act of 1995. This legislation will increase sanctions on lawyers who file frivolous lawsuits.

Almost daily we hear stories about some individual or business settling a lawsuit which has little merit just to avoid the costs associated with a drawn out case. The manhours and resources that can be drained from a business while it goes through such a process can be devastating.

Many of us had hoped that the rules governing the conduct of court behavior would deter frivolous lawsuits. Rule 11 of the Federal Rules of Civil Procedure authorize judges to impose ''an appropriate sanction'' upon an attorney which is ''interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.'' Unfortunately, rule 11 has not lived up to our expectations in curbing abusive lawsuits and, in fact, has been recently watered down.

This legislation is intended to force judges to punish lawyers or litigants who file or pursue cases which the judge regards as frivolous. Judges would be required to impose sanctions when they find frivolous suits, thereby, taking away their discretion. This step needs to be taken because judges have been reluctant to impose sanctions on fellow attorneys. It has always been difficult to get any group to discipline their colleagues, where it is doctors, lawyers or realtors. That is why we must force judges to impose sanctions when frivolous case are filed.

Frivolous lawsuits are a terrible drain on the competitiveness of our Nation. We must provide those who want to fight these frivolous suits rather than settle them the power to go after the perpetrators. I urge my colleagues to support this legislation.•

By Mr. HATFIELD.

S. 713. A bill to amend the Employee Retirement Income Security Act of 1974 to provide that the preemption provisions shall not apply to certain State of Oregon laws applicable to health plans; to the Committee on Labor and Human Resources.

UNIVERSAL ACCESS AND THE OREGON HEALTH PLAN

• Mr. HATFIELD. Mr. President, during the 1989 and 1991 legislative sessions, Oregon's Legislature passed a comprehensive health care reform proposal known as the Oregon Health Plan. The Oregon Health Plan consists of four major reform packages. First, the Medicaid expansion which received a Federal waiver and has provided an additional 100,000 Oregonians with basic health care since it was implemented in February 1994. Second, the high-risk insurance pool which covers Oregonians who are unable to obtain insurance coverage due to preexisting conditions or the exhaustion of their current benefits. Third, the small employer basic health plan which provides for a low-cost insurance plan for small businesses of 25 or fewer employees. And finally, the employer mandate which by 1998 will require all employers in Oregon to provide health benefits for their employees or to pay into a State pool which will then purchase insurance for uninsured employees. When fully implemented the Oregon Health Plan will provide near universal access to health care for all Oregonians.

As my colleagues know, I have spoken many times on this floor about the need to allow States to proceed with innovative health care reform proposals. That is why I have joined with the Senator from Florida [Mr. GRAHAM] in introducing the Health Partnership Act of 1995. The Congress' failure to act on comprehensive national health care reform should not prevent innovative States like Oregon, Florida, Washington, Minnesota, and others from enacting their own health care reform proposals.

Unfortunately, the Federal Government has stymied these efforts in several ways. It took Oregon two administrations and almost 3 years to get the approval necessary to move forward with the Oregon Medicaid expansion. The current waiver process at the Health Care Financing Administration is burdensome and at times overregulatory.

Another major roadblock to State reform is the Employee Retirement Income Security Act, otherwise known as ERISA. Due to the broad interpretation courts have given to the so-called ERISA preemption clause contained in section 514(a) of the act, which states that ERISA ''shall supersede any and all State laws insofar as they may now or hereafter relate to any employee

benefit plan'', States have been limited in enacting comprehensive reforms that attempt to provide universal access to all their State's citizens and to control costs throughout the entire insurance market.

Mr. President, once again I find myself before this body asking for another waiver of Federal law to permit Oregon to go forward with reform that has been advanced by my State. This time it is to allow Oregon to implement the last part of the Oregon Health Plan—the employer mandate.

Oregon's employer mandate is a pay-or-play mandate—in other words, the State will tax employers who choose not to provide health benefits which will be defined by the State for their employees, and then provide health insurance to those uninsured employees through a State insurance pool. While the U.S. Supreme Court has not ruled that this kind of access mechanism violates the ERISA preemption clause, it is certainly subject to an ERISA challenge based on the premise that Oregon is trying to regulate self-insured plans in a way that relates to employee benefit plans.

Under the current ERISA statute, only Congress may statutorily grant ERISA waivers to States. At this time, only one State, Hawaii, has an ERISA exemption and that is only because Hawaii enacted its law before ERISA was enacted. Hawaii's waiver has not been updated since it was granted 20 years ago.

While Senator GRAHAM and I have proposed a mechanism for broad ERISA changes in our health care reform bill which will begin to address the ERISA roadblocks States face, I feel it is necessary to introduce legislation which provides for a specific waiver of ERISA for the State of Oregon. I introduce it as a separate vehicle to underscore the point that one way or another, Oregon needs a green light from the Federal Government in order to fully implement the Oregon Health Plan.

Of course, I understand the concern multi-State employers have about the prospect of administering fifty different health plans across the Nation. This is a valid concern which I hope we can accommodate as we continue to debate the issue of ERISA reform further.

Let me conclude by saying that I hope my colleagues will make note of this problem. Oregon is not the only State that is attempting to enact comprehensive health care reform and if the Supreme Court continues its broad application of ERISA, it is likely that the voices of other States will soon be heard. Comprehensive national reform may be dead for now, but let us not give up on the States to help us find the right answers and make health care available to all Americans.●

By Mr. LEAHY (for himself, Mr. KERREY, and Mr. KOHL):

S. 714. A bill to require the Attorney General to study and report to Congress on means of controlling the flow of violent, sexually explicit, harassing, offensive, or otherwise unwanted material in interactive telecommunications systems; to the Committee on the Judiciary.

CHILD PROTECTION, USER EMPOWERMENT, AND FREE EXPRESSION IN INTERACTIVE MEDIA STUDY ACT

● Mr. LEAHY. Mr. President, I introduce a bill calling for a study by the Department of Justice, in consultation with the U.S. Department of Commerce on how we can empower parents and users of interactive telecommunications systems, such as the Internet, to control the material transmitted to them over those systems. We must find ways to do this that do not invite invasions of privacy, lead to censorship of private online communications, and undercut important constitutional protections.

Before legislating to impose Government regulation on the content of communications in this enormously complex area, I feel we need more information from law enforcement and telecommunications experts. My bill calls for just such a fast-track study of this issue.

There is no question that we are now living through a revolution in telecommunications with cheaper, easier to use, and faster ways to communicate electronically with people within our own homes and communities, and around the globe.

A byproduct of this technical revolution is that supervising our children takes on a new dimension of responsibility. Very young children are so adept with computers that they can sit at a keypad in front of a computer screen at home or at school and connect to the outside world through the Internet or some other on-line service. Many of us are, thus, justifiably concerned about the accessibility of obscene and indecent materials on-line and the ability of parents to monitor and control the materials to which their children are exposed. But Government regulation of the content of all computer and telephone communications, even private communications, in violation of the first amendment is not the answer—it is merely a knee-jerk response.

Heavy-handed efforts by the Government to regulate obscenity on interactive information services will only stifle the free flow of information, discourage the robust development of new information services, and make users avoid using the system.

The problem of policing the Internet is complex and involves many important issues. We need to protect copyrighted materials from illegal copying. We need to protect privacy. And we need to help parents protect their children. Penalties imposed after the harm is done is not enough. We need to find technical means from stopping the harm before it happens.

My bill calls for a study to address the legal and technical issues for empowering users to control the information they receive over electronic interactive services. Instead of rushing to regulate the content of information services, we should encourage the development of technology that gives parents and other consumers the ability to control the information that can be accessed over a modem.

Empowering parents to manage what their kids access over the Internet with technology under their control is far preferable to some of the bills pending in Congress that would criminalize users or deputize information services providers as smut police.

Let's see what this study reveals before we start legislating in ways that could severely damage electronic communications systems, sweep away important constitutional rights, and undercut law enforcement at the same time.

Mr. President I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STUDY ON MEANS OF RESTRICTING ACCESS TO UNWANTED MATERIAL IN INTERACTIVE TELECOMMUNICATIONS SYSTEMS.

(a) STUDY AND REPORT.—Not later than 150 days after the date of enactment of this Act, the Attorney General shall complete a study and submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report containing—

(1) an evaluation of whether current criminal laws governing the distribution of obscenity over computer networks and the creation and distribution of child pornography by means of computers are fully enforceable in interactive media;

(2) an assessment of the Federal, State, and local law enforcement resources that are currently available to enforce those laws;

(3) an evaluation of the technical means available to—

(A) enable parents to exercise control over the information that their children receive and enable other users to exercise control over the commercial and noncommercial information that they receive over interactive telecommunications systems so that they may avoid violent, sexually explicit, harassing, offensive, or otherwise unwanted material; and

(B) promote the free flow of information consistent, with Constitutional values, in interactive media; and

(4) recommendations to encourage the development and deployment of technical means, including hardware and software, to enable parents to exercise control over the information that their children receive and enable other users to exercise control over the information that they receive over interactive telecommunications systems so that they may avoid harassing, violent, sexually explicit, harassing, offensive, or otherwise unwanted material.

(b) CONSULTATION.—In conducting the study and preparing the report under subsection (a), the Attorney General shall consult with the National Telecommunications and Information Administration of the Department of Commerce.●

By Mr. D'AMATO (for himself, Mr. INHOFE, and Mr. HATCH):

S. 715. A bill to provide for portability of health insurance, guaranteed renewability, high risk pools, medical care savings accounts, and for other purposes; to the Committee on Finance.

HEALTH INSURANCE PORTABILITY AND GUARANTEED RENEWABILITY ACT

• Mr. D'AMATO. Mr. President, I rise today to introduce the Health Insurance Portability and Guaranteed Renewability Act of 1995. I am pleased to be joined by Senators INHOFE and HATCH an introducing this important legislation.

President Clinton, in his 1993 joint session address, said that ''Millions of Americans are just a pink slip away from losing their health insurance, and one serious illness away from losing all their savings.''

While the President's statement was right, his prescription for reform—as the American people told us in no uncertain terms—was dead wrong. We must find a way to give Americans greater health security without turning the whole system over to the Federal Government, as the President had proposed. We must address the public's insecurities regarding their health insurance while preserving what works in the American health care system and allowing the free market to work.

That is why I am today introducing the Health Insurance Portability and Guaranteed Renewability Act of 1995. This is a bill which I am confident will go a long way toward accomplishing these goals.

First, our bill would eliminate job lock by guaranteeing that people who change jobs will be covered by their new employer's plan without regard to preexisting medical conditions.

It will expand COBRA to provide for continuation of coverage for all individuals employed by firms of two or more employees, and extends COBRA coverage from 18 to 36 months. Therefore, employees losing their jobs will have the opportunity to continue their health coverage for an additional 18 months under their current plan. Present COBRA law benefits only those employers with more than 20 employees.

It will help control health costs by changing the tax law to allow tax-free medical savings accounts. Empirical evidence demonstrates that medical saving accounts can control costs and promote wellness without jeopardizing quality of care. Money saved in such accounts by employees can be used to pay COBRA premiums, if needed.

It will provide a safety net for people who cannot qualify for health insurance by giving them access to health insurance through high-risk pools.

Finally, it will prevent insurance companies from singling out any individual or small group for rate increases or cancellation based on claims experience.

I believe this bill goes a long way toward giving the American people what they want—greater health security without a Big Government takeover of our Nation's health care system. The fact that it can be implemented without new taxes, and without adding to the deficit, is further reason that the Health Insurance Portability and Guaranteed Renewability Act of 1995 should be enacted without delay.•

By Mr. GRAHAM:

S. 716. A bill to amend the Social Security Act to provide for criminal penalties for acts involving Medicare or State health care programs, and for other purposes; to the Committee on Finance.

HEALTH REFORM ENHANCEMENT ACT

• Mr. GRAHAM. Mr. President, I introduce legislation to clarify that States which already use, or which seek to utilize, Medicaid dollars to pay private health insurance premiums would be allowed to do so.

Unfortunately, a recent interpretation of the anti-kickback statute by the Department of Justice and the Department of Health and Human Services has placed at risk innovative Government programs that attempt to channel Medicaid and Medicare dollars through the private sector through mechanisms such as the purchase of health insurance policies or the payment for managed care. That interpretation, which could apply the anti-kickback statute to insurance agent commissions, came as part of Florida's waiver request for a Medicaid demonstration project. Such an interpretation ignores the fact that insurance agents are an integral part of any system relying in whole or in part on private health insurance coverage.

In the State's submission of its Florida Health Security [FHS] waiver on February 9, 1994, the proposal would—if enacted—provide 1.1 million additional Floridians with insurance coverage up to 250 percent of the poverty level. FHS participants would buy a standard benefit package offered through a community health purchasing alliance and receive, according to their income, a premium discount to make the package affordable.

Florida's proposal is innovative but in many ways simple. As the State has explained in its proposal,

> Through the managed competition system developed in Florida and improved program management, the [State] expects to reduce the cost of health care, thereby increasing the funds available for subsidizing insurance for Florida's uninsured. The net result of this arrangement will be lower health care costs overall in the State and greater access to health care for a significant portion of Florida's currently uninsured residents.

Through the community health purchasing alliances established by the State, private sector small businesses are already seeing reductions in their health premiums of between 10 to 50 percent across the State. The State would like to see its Medicaid Program and other small businesses achieve similar results.

On September 14, 1994, after 7 months of negotiations with the Department of Health and Human Services and the Department of Justice, the Federal Government granted a conditional waiver approval to allow Florida to implement the State's proposed reforms. By granting this important request, Florida would be allowed to use Medicaid funds to provide insurance premium discounts to working, uninsured Floridians traditionally ineligible for Medicaid.

As a result, despite the Federal Government's failure to move toward the goals of health reform such as increased access, cost containment and quality, Florida could do so through Florida health security.

First and foremost, let me reemphasize that this waiver program would allow an additional 1.1 million Floridians obtain health insurance coverage—thereby reducing the State's uninsured rate by over 40 percent. Moreover, of the 2.7 million Floridians presently without health insurance, 1 million are children. With the plan's requirement that 80 percent of the enrollment spaces be reserved for lower-income, uninsured families, children will disproportionately benefit from this initiative.

In addition, this waiver would eliminate the all-or-none approach of Medicaid by creating a sliding scale of contributions for those above the Medicaid poverty threshold and up to 250 percent of poverty. At present, Medicaid's all-or-none approach creates the perverse incentive of encouraging people to remain unemployed and in poverty in order to continue to have health care coverage. Florida's approach would clearly help get people off welfare and be a much fairer system than what we have now.

The waiver also allows Florida and the Federal Government better control over the costs of the Medicaid Program. Since 1982, Florida's Medicaid Program has increased from $1 billion to $7 billion. From 1990 through 1993, Florida saw its Medicaid budget expand by 30, 26, and 19 percent, respectively. Instead, over the 5-year period of Florida's waiver program, costs would be controlled and managed through the increased use of case management and managed care in the private sector. Through these savings, the State and the Federal Government will be able to provide coverage to over 1 million previously uninsured Floridians without spending additional revenue.

In short, Florida's Health Security Program would expand access and health coverage without raising taxes, control costs and break the categorical link between health care and welfare.

To implement this program, Florida Health Security will utilize the already successfully established community health purchasing alliances, which have reduced premiums for participating small businesses by 10 to 50 percent

this year. As a result of this, private health plans and insurance agents will be integrally involved in the Florida Health Security Program.

In fact, under Florida Health Security, accountable health partnerships would submit bids on premium rates for the standard benefit plan, with a portion of the premium to be paid by Medicaid. Insurance agents would be directly involved in the process due to the fact that they are an integral part of this process. The alternative would be to employ a statewide force of State workers to provide such enrollment services, which would be wasteful and inefficient in comparison such agents are already trained and available in all areas across the State.

Unfortunately, HHS and the Department of Justice have expressed concern that payments to insurance agents by accountable health plans might violate the Social Security anti-kickback statute. Clearly, the 1977 anti-kickback statute was not intended or even contemplated to apply to programs like Florida's demonstration project.

In fact, there are already numerous and widespread examples of Medicare and Medicaid funds being used for the payment, directly or indirectly, to insurance agents. These include Medicaid revisions in the Family Support Act of 1988, which creates a Medicaid wraparound option allowing States to use Medicaid funds to pay a family's expenses for premiums, deductibles and coinsurance for any health care coverage offered by the employer.

As the State argued while pursuing the waiver, since insurance companies use insurance agents, the purchase of insurance and the payment of premiums of necessity results in the payment of a commission to an insurance agent. This is also true when Medicaid funds health maintenance organizations [HMO's], the Medicare Risk Program and various State plans relating to areas such as the enrollment of Medicaid eligibles in group health plans.

Through the section 1115 Medicaid demonstration project waiver process, Florida is attempting, for the first time, to use Medicaid funds to purchase private health insurance on a wide scale. However, by mistakenly applying the anti-kickback statute beyond its intended scope to insurance agent commissions, the Departments of Justice and Health and Human Services would effectively and radically alter the demonstration. As noted before, insurance agents are an integral part of the existing health insurance system and our critical to the implementation of Florida's Health Security Program.

As a result, this legislation focuses narrowly on clarifying that the 1977 anti-kickback statute would not unnecessarily be applied to Medicaid demonstration projects and Medicaid managed care programs, which were initiatives that were not anticipated in the original adoption of the statute. Failure to adopt this language, with Justice's and HHS's present interpretation of the statute, could very well jeopardize every State or Federal health plan which already uses, or which seeks to use, Federal moneys to fund private health insurance coverage.

Through either payments to employers or directly to individuals, many States have Medicaid programs that buy private insurance policies and thereby result in the payment of insurance agent commissions. States such as Oregon, California, Vermont, Kansas, Kentucky, South Carolina, Massachusetts, Missouri, Iowa, Virginia, Ohio, and New Jersey have such arrangements and do not withhold payment for commissions or limit the commissions which can be paid. These innovative Medicaid programs and Medicare risk contracts could all be jeopardized without language clarifying the intent of the anti-kickback statute.

I urge my colleagues to support this legislation and ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE OR STATE HEALTH CARE PROGRAMS.

Section 1128B(b)(3) of the Social Security Act (42 U.S.C. 1320a–7b(b)(3)) is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(3) by adding at the end the following new subparagraph:

''(F)(i) any premium payment made to a health insurer or health maintenance organization by a State agency in connection with a demonstration project operated under the State medicaid program pursuant to section 1115 respect to individuals participating in such project; or

''(ii) any payment made by a health insurer or a health maintenance organization to a sales representative or a licensed insurance agent for the purpose of servicing, marketing, or enrolling individuals participating in such demonstration project in a health plan offered by such an insurer or organization.''.●

By Mr. GRAHAM (for himself, Mr. PRYOR, and Mr. ROCKEFELLER):

S. 717. A bill to extend the period of issuance of Medicare select policies for 12 months, and for other purposes; to the Committee on Finance.

HEALTH CARE LEGISLATION

● Mr. GRAHAM. Mr. President, I introduce legislation with Senators PRYOR and ROCKEFELLER to extend the reauthorization of the Medicare Select Program from July 1, 1995, to July 1, 1996. Florida is one of the 15 States originally authorized to participate in the program and more than 20,000 people in Florida were participating in Medicare select by the end of 1994.

Medicare select has created a more uniform and understandable set of policies for seniors to choose from in the Medicare supplemental market. As the August 1994 article entitled ''Filling the Gaps in Medicare'' in Consumer Reports said.

> The law has had positive effects. It eliminated the bewildering variety of benefits that insurance companies had been selling. It made agents wary of selling a prospect more than one Medicare-supplement policy, a useless and costly duplication of coverage.

The Blue Cross Blue Shield of Florida's select policy ranks among the best values in the Nation.

However, the expiration date is quickly approaching for this demonstration program. Florida Blue Cross Blue Shield would have preferred the program to have already been extended by April 1, 1995, so that Florida's Medicare beneficiaries and providers could have avoided any disruption in the program. That date has passed. In fact, if not extended shortly, health plans and providers will have to prepare to close the program to new Medicare enrollees on June 30. The consequences would be to significantly increase premiums for current Medicare select enrollees and could lead to deterioration of networks as providers choose to leave the expired program.

In S. 308, the Health Partnership Act, that I introduced with Senator HATFIELD on February 1, 1995, our legislation would have made the program permanent and expanded the program to all 50 States. I no longer believe this is possible in time to prevent disruption to plans. Although the House passed a version to extend the program for 5 years with an accompanying study to determine whether the program results in savings to enrollees, reduces expenditures in the Medicare Program, and impacts access to and quality of care, Senate review of the program could not take place quickly enough to prevent disruption in the 15 States.

Moreover, a study of the items called for by the House is already being conducted by the Health Care Financing Administration through the Research Triangle Institute. Rather than commissioning yet another analysis of Medicare select, wasting the money already being spent to study the program and waiting another 3 years to make potential improvements in the program, it would be better to immediately move forward with a 1-year reauthorization of the program. In the meantime, Congress should consider improvements to Medicare select based upon the forthcoming study and other information we will receive. At that time, Congress should extend the program to all 50 States.

During the next year, there are many questions we should be asking of this program. For one, what impact is this program having on Medicare? Moreover, there have been questions raised as to the rating methods used to price and sell these products. According to Consumer Reports,

Unless state regulations outlaw attained-age pricing or national health reform makes community rating mandatory for Medicare-supplement policies . . . attained-age pricing will take over the marketplace, with serious consequences to the oldest policyholders.

This is something both Congress and the States should be reviewing.

As a result, Mr. President, I urge urgent and immediate consideration of this legislation by the Senate and ask unanimous consent that the text of the bill be placed in the RECORD.

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

S. 717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 12-MONTH EXTENSION OF PERIOD FOR ISSUANCE OF MEDICARE SELECT POLICIES.

(a) IN GENERAL.—Section 4358(c) of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 1320c–3 note) is amended by striking ''3½-year'' and inserting ''54-month''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Omnibus Budget Reconciliation Act of 1990.●

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 718. A bill to require the Administrator of the Environmental Protection Agency to establish an Environmental Financial Advisory Board and Environmental Finance Centers, and for other purposes; to the Committee on Environment and Public Works.

ENVIRONMENTAL FINANCE ACT

● Mr. MOYNIHAN. Mr. President, on behalf of myself and Senator D'AMATO, I introduce the Environmental Finance Act of 1995. This bill will make permanent the Environmental Protection Agency's Environmental Financial Advisory Board.

As my colleagues are well aware, Congress has appropriated billions of dollars in the last 20 years for environmental improvements. While great progress has been made, much remains to be done. Over the last several years the EPA has produced significant data showing a shortfall between the need for environmental infrastructure and the resources available to meet that need.

Environmental problems are some of the more compelling, complex, and controversial issues confronting the more than 83,000 local governments in the United States. Government officials are increasingly held liable for violations of environmental statutes, and have to finance environmental requirements imposed from Washington. Reporting requirements are increasing not only in frequency but in technical difficulty.

With this burden now falling heavily on State and local governments, new means to pay for environmental services and infrastructure must be found. This is imperative if we are to maintain and build upon the significant environmental gains made thus far.

In 1989, the Environmental Financial Advisory Board [EFAB] was created for the reasons I have just described. Over the last 4 years, the EFAB has provided advice and analysis to the EPA on how to pay for environmental protection and leverage public and private resources. The EFAB was initially a committee of the National Advisory Council for Environmental Technology Policy, and in 1991 it became an independent advisory board consistent with the requirements of the Federal Advisory Committee Act.

The EFAB has been assigned the role of providing advice on environmental financing. Its objectives include the following: Reducing the cost of financing environmental facilities and discouraging pollution; creating incentives to increase private investment in the provision of environmental services; removing or reducing constraints on private involvement in environmental financing; identifying approaches specifically targeted to small community financing; assessing government strategies for implementing public-private partnerships; and reviewing governmental principles of accounting and disclosure standards for their effect on environmental programs.

The EFAB charter terminated on February 25, 1993. I am greatly pleased that EPA has initiated a renewal of the EFAB charter. It is, indeed, the intention of this legislation to help the EPA by creating in statute this most worthy program. Former EPA Administrator William K. Reilly testified before the House Appropriations Committee in 1991 and expressed his hope that the EFAB would eventually become for the financing field what the Science Advisory Board has become to the field of environmental science. I share his determination.

Mr. President, my legislation also will establish Environmental Finance Centers at universities throughout the country. This legislation will establish environmental finance centers in each of the 10 Federal regions. These permanent centers will be effective vehicles for the promotion of innovative financing techniques. Currently, two pilot environmental finance centers at the Universities of New Mexico and Maryland promote new financing options by providing training to State and local officials, distributing publications, giving technical assistance targeted to local needs, and hosting meetings and workshops for State and local officials. These centers will work in conjunction with the EFAB to help States build their capacity to protect the environment. The Environmental Finance Centers are initially to be partially funded through Federal grants, with the goal that they eventually will become self-sufficient.

In my own State, Syracuse University's Maxwell School of Citizenship and Public Affairs, drawing on the talents Syracuse's Schools of Engineering and Law, and the State University of New York's School of Forestry, is the EPA's Region II Environmental Finance Center. The Maxwell School ranks among the country's finest institutions; its applied research centers in public finance, metropolitan studies, and technology and information policy are ranked among the nation's top three such centers. The Metropolitan Studies Program is a national leader in examining a broad range of issues involving regional economic development and public finance in the United States.

The Maxwell School has established a Center for Environmental Policy and Administration in which analysis of environmental issues, such as those envisioned for the EFAB and the regional Environmental Finance Centers, will play a major role. In addition, the Syracuse Law School is establishing an environmental law center that will complement the Finance Center.

Mr. President, I ask that the text of the bill be printed in the RECORD.

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

S. 718

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 ''Environmental Finance Act of 1995''.

SEC. 2. PURPOSE.

The purpose of this Act is to require—

(1)(A) the Administrator of the Environmental Protection Agency to establish an Environmental Financial Advisory Board to provide expert advice and recommendations to Congress and the Administrator on issues, trends, options, innovations, and tax matters affecting the cost and financing of environmental protection by State and local governments; and

(B) the Board to study methods to—

(i) lower costs of environmental infrastructure and services;

(ii) increase investment in public and private environmental infrastructure; and

(iii) build State and local capacity to plan and pay for environmental infrastructure and services; and

(2)(A) the Administrator to establish and support Environmental Finance Centers in institutions of higher education;

(B) the Centers to carry out activities to improve the capability of State and local governments to manage environmental programs; and

(C) the Administrator to provide Federal funding to the Centers, with a goal that the Centers will eventually become financially self-sufficient.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) BOARD.—The term ''Board'' means the Environmental Financial Advisory Board established under section 4.

(3) CENTER.—The term ''Center'' means an Environmental Finance Center established under section 5.

SEC. 4. ENVIRONMENTAL FINANCIAL ADVISORY BOARD.

(a) IN GENERAL.—The Administrator shall establish an Environmental Financial Advisory Board to provide expert advice on issues

affecting the costs and financing of environmental activities at the Federal, State, and local levels. The Board shall report to the Administrator, and shall make the services and expertise of the Board available to Congress.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Board shall consist of 35 members appointed by the Administrator.

(2) TERMS.—A member of the Board shall serve for a term of 2 years, except that 20 of the members initially appointed to the Board shall serve for a term of 1 year.

(3) QUALIFICATIONS.—The members of the Board shall be individuals with expertise in financial matters and shall be chosen from among elected officials and representatives of national trade and environmental organizations, the financial, banking, and legal communities, business and industry, and academia.

(4) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Board shall elect a Chairperson and Vice Chairperson, who shall each serve a term of 2 years.

(c) DUTIES.—After establishing appropriate rules and procedures for the operations of the Board, the Board shall—

(1) work with the Science Advisory Board, established by section 8 of the Environmental Research, Development, and Demonstration Act of 1978 (42 U.S.C. 4365), to identify and develop methods to integrate risk and finance considerations into environmental decisionmaking;

(2) identify and examine strategies to enhance environmental protection in urban areas, reduce disproportionate risks facing urban communities, and promote economic revitalization and environmentally sustainable development;

(3) develop and recommend initiatives to expand opportunities for the export of United States financial services and environmental technologies;

(4) develop alternative financing mechanisms to assist State and local governments in paying for environmental programs;

(5) develop alternative financing mechanisms and strategies to meet the unique needs of small and economically disadvantaged communities; and

(6) undertake such other activities as the Board determines will further the purpose of this Act.

(d) RECOMMENDATIONS.—The Board may recommend to Congress and the Administrator legislative and policy initiatives to make financing for environmental protection more available and less costly.

(e) OPEN MEETINGS.—The Board shall hold open meetings and seek input from the public and other interested parties in accordance with the Federal Advisory Committee Act (5 U.S.C. App.) and shall otherwise be subject to the Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 1996 through 2000.

SEC. 5. ENVIRONMENTAL FINANCE CENTERS.

(a) IN GENERAL.—The Administrator shall establish and support an Environmental Finance Center in an institution of higher education in each of the regions of the Environmental Protection Agency.

(b) DUTIES AND POWERS.—A Center shall coordinate the activities of the Center with the Board and may—

(1) provide on-site and off-site training of State and local officials;

(2) publish newsletters, course materials, proceedings, and other publications relating to financing of environmental infrastructure;

(3) initiate and conduct conferences, seminars, and advisory panels on specific financial issues relating to environmental programs and projects;

(4) establish electronic database and contact services to disseminate information to public entities on financing alternatives for State and local environmental programs;

(5) generate case studies and special reports;

(6) develop inventories and surveys of financial issues and needs of State and local governments;

(7) identify financial programs, initiatives, and alternative financing mechanisms for training purposes;

(8) hold public meetings on finance issues; and

(9) collaborate with another Center on projects and exchange information.

(c) GRANTS.—The Administrator may make grants to institutions of higher education to carry out this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $2,500,000 for each of fiscal years 1996 through 2000.●

ADDITIONAL COSPONSORS

S. 277

At the request of Mr. D'AMATO, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 277, a bill to impose comprehensive economic sanctions against Iran.

At the request of Mr. MCCONNELL, his name was withdrawn as a cosponsor of S. 277, supra.

S. 328

At the request of Mr. SANTORUM, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 328, a bill to amend the Clean Air Act to provide for an optional provision for the reduction of work-related vehicle trips and miles traveled in ozone nonattainment areas designated as severe, and for other purposes.

S. 384

At the request of Mr. BROWN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 384, a bill to require a report on United States support for Mexico during its debt crisis, and for other purposes.

S. 394

At the request of Mr. D'AMATO, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 394, a bill to clarify the liability of banking and lending agencies, lenders, and fiduciaries, and for other purposes.

S. 457

At the request of Mr. SIMON, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 457, a bill to amend the Immigration and Nationality Act to update references in the classification of children for purposes of United States immigration laws.

S. 508

At the request of Mr. BREAUX, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 508, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 584

At the request of Mr. ROBB, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 584, a bill to authorize the award of the Purple Heart to persons who were prisoners of war on or before April 25, 1962.

S. 641

At the request of Mr. KENNEDY, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Iowa [Mr. HARKIN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from North Dakota [Mr. DORGAN], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of S. 641, a bill to reauthorize the Ryan White CARE Act of 1990, and for other purposes.

S. 704

At the request of Mr. SIMON, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

SENATE JOINT RESOLUTION 26

At the request of Mr. SIMPSON, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution designating April 9, 1995, and April 9, 1996, as ''National Former Prisoner of War Recognition Day.''

SENATE JOINT RESOLUTION 32

At the request of Mr. HATCH, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of Senate Joint Resolution 32, a joint resolution expressing the concern of the Congress regarding certain recent remarks that unfairly and inaccurately maligned the integrity of the Nation's law enforcement officers.

SENATE RESOLUTION 109—EXTENDING THE APPRECIATION AND GRATITUDE OF THE U.S. SENATE TO SENATOR ROBERT C. BYRD

Mr. DASCHLE (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 109

Whereas Senator Robert C. Byrd on Friday, March 21, 1980, delivered on the floor of the Senate, an extemporaneous address on the history, customs, and traditions of the Senate;

Whereas on the following Friday, March 28, 1980, the Senator delivered a second, and once more spontaneous, installment of his chronicle on the Senate;

Whereas the first 2 speeches generated such intense interest that several Senators and others asked Senator Byrd to continue the speeches, particularly in anticipation of the forthcoming bicentennial of the Senate in 1989;

Whereas over the following decade Senator Byrd delivered 100 additional addresses on various aspects of the political and institutional history of the Senate;

Whereas in anticipation of commemorating the 200th anniversary of the Senate, Congress in 1987 authorized publication of the

addresses in suitable illustrated book-length editions;

Whereas between 1988 and 1994, Senator Byrd meticulously supervised preparation of 4 volumes, including a 39 chapter chronological history, a 28 chapter topical history, a compilation of 46 classic Senate speeches, and a 700 page volume of historical statistics;

Whereas volumes in the series have received national awards for distinction from organizations such as the American Library Association and the Society for History in the Federal Government;

Whereas the 4 volume work, entitled ''The History of the United States Senate'', is the most comprehensive history of the Senate that has been written and published;

Whereas Senator Byrd has devoted tireless energy and tremendous effort to the preparation and publication of the historical books, enabling citizens of the United States to better understand the history, traditions, and uniqueness of the Senate; and

Whereas a better understanding by people of the Senate and the role of the Senate in our constitutional system of government will foster respect and appreciation for the democratic traditions of the United States: Now, therefore, be it

Resolved, That the United States Senate extends congratulations and appreciation to Senator Robert C. Byrd for completing ''The History of the United States Senate'', a monumental achievement that will educate and inspire citizens of the United States about the Senate for generations to come.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Family Policy of the Finance Committee be permitted to meet on Friday, April 7, 1995, beginning at 9:30 a.m. in room SD–215, to conduct a hearing on 1995 Board of Trustees annual report of the Social Security and disability trust funds.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CONTRACT WITH AMERICA

• Mr. SIMPSON. Mr. President, I rise to join my colleagues who have expressed their congratulations to our counterparts in the House who this week completed work on the ''Contract With America.''

In the past few days, Mr. President, I have heard some powerful and stirring remarks from the other side about the nature of the ''Contract With America.'' I have heard allegations that Republicans are plotting to break ketchup bottles over children's heads, to snatch their school lunches from their grasping mouths, and to send the seniors of America into the streets to forage from garbage cans.

Of course, this is an attempt to cast a judgment on the substance of the legislation that was brought forth under the contract. I would instead prefer to focus my remarks on what I consider to be the real point of the contract, which was a commitment by newly elected leaders to—hold on to your hats—to keep their campaign promises.

Small wonder that this effort has produced so much discomfiture and fury on the other side. I remember a Presidential election in 1992, in which a Democratic Presidential candidate campaigned against the Bush policy in China, against the Bush policy in Bosnia, promised massive tax cuts—then delivered unprecedented tax increases—and on and on and on. And this is, to the mindset of the other side, what ''responsibility'' is all about. You don't keep your campaign promises, because it would be ''irresponsible'' to do so.

My view is rather quite different. My view of responsibility is that, while campaigning, one only makes promises that one intends to keep. But apparently it is a novel idea in Washington, and is described by phrases such as ''pandering'' and ''irresponsibility.''

Now also, before discussing the substance of the contract itself, let me also commend by House colleagues for adhering to the principle that, whether or not the votes were there to pass these items, these matters should be brought forth for a vote. That was the real point of the contract—to bring matters up for a vote.

I need not tell American citizens why that is so important, but I would like to refresh my colleagues' understanding of that point. The point is simply that the American public has a right to know where its representatives truly stand on these issues. That is a fundamental responsibility of representative democracy.

This principle should be supported by all legislators, whether or not they agreed with all of the substantive content of the ''contract.'' Clearly, these were matters of importance to the American people. Many legislators—on both sides of the aisle—have run for office claiming that they supported such measures. They would say that they favored balanced budgets, favored the line-item veto, favored term limits, favored holding Congress accountable to the laws that it passed—and yet these measures were never passed. Those who voted for these legislators had a right to know who really favored these measures and who did not.

I think it is a measure of how truly ''out of touch'' Washington has become if the definition of ''responsibility'' has become—''refusing to vote on matters of importance to the American people.'' What House Republicans have accomplished, essentially, is to demonstrate that they believed that Americans did have a right to know where their legislators really stood, instead of Congress' engaging in the age-old practice of refusing to bring matters to a vote simply because it was feared they would pass. That is not my idea of representative democracy—gimmicking the system to avoid having to cast a politically unpopular vote. And we saw a terrible lot of that in the House for 40 years.

Finally, I would like to address the rather silly charge that the ''Contract With America'' was a special boon for rich Americans only.

If we run down the various items of the contract—and I do not support every single one of them—we see several measures that have nothing to do with being ''rich'' or ''poor.'' We simply see measures designed to give Washington some long-overdue accountability to the people we represent.

For instance—the Congressional Accountability Act. I do not understand why it would be catering to the ''rich'' to make Congress accountable to the laws that it passes.

Nor do I understand why a halt to unfunded Federal mandates is a special benefit for ''the rich.'' It is an irrelevant, nonsensical argument to say that somehow it is the height of egalitarianism for Washington to send endless unfunded mandates on to the States.

The balanced budget amendment; there's another one. Simply the proposition that Government should live within its means. I would be very curious to know what tenet of economic theory holds that it is necessary for Government to go into hundreds of billions in debt every year in order to treat ''rich'' and ''poor'' appropriately.

Even many of the attacks on the proposed tax cuts struck me as disingenuous, at times even hypocritical. Many Congressmen and Senators waxed eloquent about how unfair it was to give any sort of tax break to the ''rich,'' but when it comes to shelling out billions in Federal entitlement benefits to the ''rich,'' they are strangely silent. If it is unjust to have any sort of tax relief affecting anyone of means, please explain to me why a billionaire should get a full Social Security COLA, or to have 75 percent of his Medicare part B premium paid by the taxpayer. If you want to know where we have really indulged the ''rich,'' it's not through the Tax Code. It's through Government spending.

So this was never about ''rich'' versus ''poor.'' It was about big Government versus small Government.

In the end, Mr. President, many of the attacks on the Republican legislative effort are nothing more than the same shopworn, trite, ridiculous rhetoric of class warfare that got us into this spending nightmare, and most assuredly will not get us out.

We will hear much more of it in the weeks to come.

When we attempt to hold the growth of Government spending to a reasonable level—not to cut it, but just to restrain its growth—we will hear how we are ''cutting'' and ''slashing'' and so forth.

I just cannot believe—and I say this in all earnestness to my Democratic colleagues and their pollsters—that the American people will swallow that one. I remember those charges during the

Reagan years. Last I looked, we had a Federal budget of, now, $1.6 trillion. Doesn't look like a lot of ''slashing'' and ''cutting'' to me. Does anyone seriously believe that the American public will buy the notion that we are tearing spending to ribbons when we have a Federal budget of $1.6 trillion? Something just doesn't add up there.

The reality is that we have programs like Head Start that are going up 140 percent over the course of 6 years—and the opposition comes down here, still, to charge that it is being torn apart by Republican budget cuts.

It is a mode of argument that simply will not work anymore. There is simply too much clear evidence to the contrary.

There is still much to do to bring our Government's house into order. But by any measure, the first 100 days of this Congress have been a darn good start. We owe the House our rich congratulations.●

SHORTSIGHTED RESCISSIONS

● Mr. LEVIN. Mr. President, the rescission bill approved by the Senate last night included a very short-sighted cut, which I strongly opposed. The bill we sent to conference with the House rescinds $93.5 million for the base realignment and closure account for the 1993 round of military facility closures, and another $10.6 million for the base realignment and closure account for the 1991 round of facility closures. These BRAC accounts provide the funds to close and realign military bases including, most urgently, to clean up an environmental contamination that the military services caused while they occupied those facilities.

During consideration of the bill, I voted for the Mikulski amendment, which would have restored funds for cleanup of closing bases and funds for other important national programs. Now, I strongly encourage the conference committee to restore these funds.

When we voted for base closures over the last 5 years, we also committed to complete environmental restoration and remediation at those facilities quickly, in fact within a maximum of 5 years from the time closure was approved. I consider that a solemn commitment from us, and from President Clinton to the affected communities, which spent years as good neighbors to the military, providing all kinds of support. Each of those communities was serving our country with their support of local military facilities. The President and Department of Defense have tried to keep this commitment by requesting full funding for BRAC activities. We appropriated most of what was asked for last year. It would be a mistake to rescind more funding.

Mr. President, not only is it wrong to renege on the commitment we made to cleanup swiftly the military bases we have ordered to close, so that reuse there is possible. Underfunding this activity by rescinding fiscal year 1995 BRAC funds is also short-sighted. It's probably not even penny-wise, but it is certainly pound-foolish.

In many cases, Federal and State laws require this cleanup. At some bases, consent agreements now dictate specific cleanup activities and deadlines, the cost of which must be paid from the BRAC accounts. So BRAC rescissions are false savings. We still have to complete these environmental restoration activities. When we delay, it becomes more expensive, because the contamination in many cases gets worse. Soil and groundwater contamination can spread. And if consent agreements are violated because of lack of funds, the Federal Facilities Compliance Act says the Federal Government may be subject to fines and penalties.

The Governor of California, Pete Wilson, recently wrote to the Secretary of Defense on this subject, saying:

> The continued erosion of cleanup funding inevitably will threaten the health of armed services personnel and civilians who work at military bases where contamination is present. It will also exacerbate economic suffering in communities that are struggling to redevelop closing bases. And, if the federal government will not meet its cleanup obligation, how can we expect private industry to do so? DOD is contractually obligated to seek sufficient funding to permit environmental work to proceed according to the schedules contained in those agreements. California will not hesitate to assert its right under those agreements to seek fines, penalties and judicial orders compelling DOD to conduct required environmental work.

The attorney general of Texas expressed similar sentiments in a letter to the Pentagon, saying:

> If, in other words, the DOD and the federal government do not comply with all applicable cleanup laws, then other entities may begin to question why they should comply with cleanup laws. Hopefully, we have not reached the point of the federal government taking the position of ''do as I say, and not as I do.''

I would ask that the entire letter of January 25, 1995 from Governor Wilson to Secretary Perry, and the December 29, 1994 letter from Attorney General Dan Morales to Under Secretary of Defense Sherri Wasserman Goodman be printed in the RECORD.

SACRAMENTO, CA,
January 25, 1995.

Hon. WILLIAM PERRY,
Secretary of Defense, The Pentagon, Washington, DC.

DEAR SECRETARY PERRY: I would like to express may deep concern about recent actions at the Department of Defense (DOD) and in Congress regarding cuts in funding for environmental restoration of military bases.

The recent decision by Congress to cut $400 million from the Defense Environmental Restoration Account (DERA) for FY95 continues a disturbing trend begun last year when Congress rescinded $507 million from the Base Realignment and Closure (BRAC) Account. California was reassured that the BRAC recission would not affect environmental work at closing military bases, but work was indeed scaled back at several California military bases due to the cut. The DERA cut presumably means that DOD will seek to postpone or eliminate environmental work at operational military bases.

At the same time, the DOD Comptroller has announced an additional $437 million in cuts for cleanup programs through FY97. Such actions can only encourage members of Congress who would like to redirect DOD environmental spending into more traditional defense programs.

The continued erosion of cleanup funding inevitably will threaten the health of armed services personnel and civilians who work at military bases where contamination is present. It will also exacerbate economic suffering in communities that are struggling to redevelop closing bases. And, if the federal government will not meet its cleanup obligation, how can we expect private industry to do so?

California expects DOD to comply with the federal/state cleanup agreements it has signed at California military bases. DOD is contractually obligated to seek sufficient funding to permit environmental work to proceed according to the schedules contained in those agreements. California will not hesitate to assert its right under those agreements to seek fines, penalties and judicial orders compelling DOD to conduct required environmental work.

I would be happy to work with you to strengthen support in Washington for full funding of DOD cleanup work. One way to reduce oversight costs would be to delist military bases from the National Priorities List and give states the exclusive responsibility for overseeing base cleanups. Please do not hesitate to contact me if I can be of assistance in these areas.

Sincerely,

PETE WILSON.

OFFICE OF THE ATTORNEY GENERAL,
Austin, TX, December 29, 1994.

Re additional comments to the Defense environmental response task force fiscal year 1994 annual report to Congress.

Ms. Sherri Wasserman Goodman,
Deputy Under Secretary of Defense (Environmental Security), Defense Pentagon, Washington, DC.

DEAR MS. GOODMAN: I continue to believe that much progress has been made in the cleanup program of the Department of Defense (''DoD'') as a result of the work done by you and your office. It is important, however, that the policies declared at the headquarters level continue to permeate down through the Services to the base or facility level. I am not quite sure at this point, in other words, that all of the policies and efforts set forth at the headquarters level have been fully embraced or implemented at the facility level.

Because of possible adverse effects on future cleanups at closing bases, I am deeply concerned about recent action taken by the DoD Comptroller with regard to the DoD environmental remediation and compliance budget. I understand that the Comptroller desires to cut over a half-billion dollars from the DoD's request for environmental cleanup and compliance. Not only would such a cut be short-sighted, I firmly believe that it would be unlawful if it is the case that all of the legal requirements facing the DoD could not be met (as a financial or budgeting matter) in accordance with Executive Order 12088 (Federal Compliance with Pollution Control Standards (Oct. 10, 1978)) and the many federal facility and state cleanup agreements entered into in good faith by the DoD. While saving taxpayers' money and ensuring military readiness are surely critically important objectives, the compliance by DoD with all applicable laws purposed at protecting

our citizens' health and safety is also extremely important. Unfortunately, DoD appears to be sliding towards the purposeful disregard of its cleanup obligations.

More fundamentally, I am perplexed that a certain element within DoD apparently does not believe that a safe and healthy work and living environment for our servicemen and women (and their families) is important for their well-being, as well as for our national security. Surely, the people who are responsible for defending this country should be accorded the same degree of protection from carcinogens and other hazardous substances accorded workers and their families in the private sector.

Furthermore, I assume that the Comptroller does not intend for the DoD to shirk its responsibility to protect the health and safety of the communities surrounding defense bases, especially if those communities consist of groups, such as Hispanics and African-Americans, which have historically been the victims of environmental injustice. We cannot pull the ladder up on these groups by cutting the environmental cleanup and compliance budget so soon after finally initiating environmental justice efforts.

Lastly, regarding the remediation funding issue, it is clear that if DoD does not take its cleanup responsibilities seriously enough to request adequate funding, then DoD will be sending the worst possible signal to the private sector and the local and state governments facing similar cleanup responsibilities. If, in other words, the DoD and the federal government do not comply with all applicable cleanup laws, then other entities may begin to question why they should comply with cleanup laws. Hopefully, we have not reached the point of the federal government taking the position of ''do as I say, and not as I do.''

Aside from comments regarding the DoD Comptroller budget cutting issue, I hereby submit additional comments to the 1994 Defense Environmental Response Task Force (''DERTF'') Annual Report to Congress:

1. Future Land Use. Whether future land use should be a factor in determining if DoD property is contaminated, or to what standards the property must be cleaned up, are policy questions ultimately to be decided by Congress. Until Congress expressly decides, however, whether the consideration of future land use is appropriate in the cleanup context, DoD must comply with all existing applicable requirements of the U.S. Environmental Protection Agency (''EPA'') and the respective states in determining what constitutes ''all remedial action'' necessary to protect the human health and environment. Thus, whether future land use is a legitimate or legal consideration in establishing appropriate cleanup levels currently depends upon whether the regulators allow such consideration, either explicitly or implicitly.

As my office has frequently stated during the DERTF proceedings, attempts to subsidize economic redevelopment of bases by allowing the cleanup standards to be loosened may be problematic in the long run for our communities, citizens, and base transferees, as well as short-sighted for DoD. It is still unclear to me whether the following issues have been carefully thought through:

(1) Who or what entity decides future land use?

(2) What happens when a community decides in the future to change the use of the transferred property?

(3) What happens when cleanup standards related to a certain use are ratcheted upwards by EPA or by the respective states?

Until the answers to such issues are further refined and a consensus is reached by all stakeholders, I caution against moving too quickly to short-term solutions that may be more budget-based than health and safety-based.

2. Harmonization with Private Sector Standards. The goal of trying to quickly-transfer bases to our communities is to ensure quick development in order to create jobs and promote the economic health of our communities—it is not the quick transfer of bases for the mere sake of quick transfer. Unless, however, private sector lenders, developers, and investors are sufficiently comfortable that they will not face potential environmental liability, they simply will not get involved in the redevelopment of a closed base.

Thus, it is critical that DoD's investigative, remedial, and transfer processes mirror the processes found in the private sector. For example, the investigation and remediation processes established by the Services should reflect and fulfill the same requirements, roles, and functions as environmental due diligence efforts in the private sector. Failure to harmonize efforts between the DoD and the private sector in this regard will only result in delay subsequent to the transfer of closed bases. I have instructed my office to continue to encourage DoD to make every effort to harmonize, to the extent allowed by law, its investigative, remedial, and transfer practices with private sector practices.

3. Base Transfers Prior to Remedial Action. The DERTF Annual Report indicates that the DERTF proposes to examine possible changes in the law to allow property to be deeded before remedial actions are in place and properly and successfully operating, so long as there is no increased threat to human health and the environment.

Section 120(h)(3) of CERCLA requires that each deed transferring federal property contain a covenant warranting that all remedial action necessary to protect human health and the environment has been taken and that any additional remedial action found to be necessary after the transfer shall be taken by the government. Generally this means that base property cannot be transferred before it is cleaned up. This important statutory requirement helps to protect future occupants from harm, and the United States from liability. In light of the Anti-Deficiency Act and other barriers to the ensuring of sufficient funding for cleanups, the requirement of base cleanup before transfer provides the one sure means of ensuring that there will indeed be cleanup of the facility to be transferred.

The risks involved in deeding property before cleanup is completed in accordance with all applicable law outweigh any potential benefits of such premature deeding, in my opinion. Even if deeding contaminated property does not actually increase the threat to human health, it will reduce DoD's control over the transferred property, breach an important regulatory checkpoint, and increase the legal risks to all parties. I continue to believe that this option should be rejected by the DERTF.

There is, furthermore, no statutory cleanup completion requirement for leases. While it may be, as the Services are claiming, that leases are not being used by the Services in order to avoid their cleanup responsibilities or to circumvent the ultimate purpose of CERCLA, long-term leases are clearly being used to avoid—strictly speaking—the provisions of CERCLA §120(h)(3). While leases can and have been used to facilitate reuse in conjunction with remediation on terms that are fully protective of human health and the environment, it is critical that the Services maintain adequate control over the leased property in order to ensure that public health and safety are protected, that cleanup activities are facilitated, and that the lessee is not doing anything that might increase the legal liability of the government or any other party. I am not confident at this point that sufficient institutional controls akin to those established in the private sector long-term property management have yet been developed by DoD in the base closure context.

4. Indemnification of Future Owners. The Annual Report points out that the Defense Authorization Act for Fiscal Year 1993 (''Act'') contains provisions to indemnify transferees from environmental liability, and implies that no further study of indemnification is needed. The Act indemnifies states, political subdivisions and any other person or entity that acquires ownership or control of a closing base from suits arising out of any claim for personal injury or property damage resulting from the release or threatened release of hazardous substances.

Clearly, the federal government is solely responsible for cleaning up contamination caused by its activities prior to base closure. CERCLA, however, provides as a general matter that the current owner (*i.e.*, the transferee receiving title to the closed base) is jointly and severally liable for response costs. Thus the transferee may be found jointly and severally liable for the cost of clean up residual contamination left from military activities notwithstanding the provisions of CERCLA §120(h)(3). I am unsure whether the indemnity provision cited above unambiguously provides otherwise. I recommend that DERTF study this issue and that the Act be clarified to comply with the common understanding of the government's responsibilities.

In any event, while who ultimately is responsible for response costs is a relatively straightforward legal issue, determining whose ''molecules'' are contaminating the groundwater or soil may be a very difficult factual issue—an issue that may only be determined after much litigation and much expense for all parties concerned.

I look forward to continuing my office's participation in the DERTF proceedings. As we move on to the next round of base closures, it is critical that we continue to improve the base cleanup and transfer process. Thank you for the opportunity to add my comments to the DERTF Annual Report to be submitted to Congress.

Sincerely,

DAN MORALES,
Attorney General of Texas.

Mr. LEVIN. Mr. President, the Senate bill rescinds fiscal year 1995 BRAC funding that DOD did ask for and that we appropriated, as we should have. If the conference committee accepts these rescissions in the BRAC accounts, it will further slow cleanup that has already been delayed by previous cuts. Last year Congress rescinded half a billion dollars from BRAC accounts to pay part of the cost of earthquake recovery in California. That reduction was spread by the Department of Defense among many facilities, and the pace of cleanup was slowed.

I know some in Congress have attacked environmental restoration as not a legitimate Pentagon expenditure. But where the military caused environmental damage, especially where it now interferes with productive reuse of land and property in the middle of severely dislocated communities, that damage constitutes a real cost of military activities. It is just a deferred cost

created by the Federal Government, a bill that has not yet been paid. We must pay it. We promised to pay it, and the BRAC accounts hold the funds.

The Department of Defense strongly supports these BRAC expenditures. Air Force Secretary Sheila Widnall told the Armed Services Committee:

> I cannot think of anything more short-sighted than to not fund for to rescind environmental cleanup money for BRAC bases.

Secretary of Defense Perry told the Budget Committee:

> That work has to be done, there's no doubt. This environmental cleanup we're doing is legislatively required. It's not as if it's a discretion on the part of the Defense Department.

Reducing our excess military facility capacity is necessary, Mr. President, but it is extremely painful for local communities whose economics have become reliant on a facility over many decades. Base closure causes a huge economic and social disruption, especially in smaller, rural communities where a base has dominated the local job picture. At lest 30 Sates are already directly affected by base closures initiated in the 6 years, and additional bases are scheduled to be identified this summer for closure.

The base closure process has been devastating to military facilities in my own State of Michigan. We have now lost all three of our active Air Force bases, a number of smaller facilities, and still more closures have been proposed in Michigan for the current BRAC round IV. If the reductions proposed in this Senate bill are approved by the full Congress and signed into law by the President, the impact will be felt in many communities with closing bases from BRAC rounds II and III that are currently struggling to survive, including Wurtsmith Air Force Base in Oscoda and K.I. Sawyer in Gwinn, MI. These communities are trying to attract new businesses with new jobs, and the land and property that has been contaminated by the military cannot be made available for other use until it is cleaned up. That takes money, and the money must come from these BRAC accounts.

Mr. President, last month 17 of my colleagues in the Senate wrote to the chairman and ranking member of the Senate Appropriations Committee. We urged the committee to fully fund environmental cleanup at closed military bases, and specifically to not rescind fiscal year 1995 funds. I ask that the full letter, signed by 18 Senators, be printed at this point in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, February 27, 1995.

Hon. MARK O. HATFIELD,
Senate Appropriations Committee, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: When the President and Congress initiated the process of closing military bases, we made a solemn commitment to complete environmental restoration and remediation at those facilities quickly. We recognized that cleanup is essential before property can be released by the government and reused by local communities trying to rebuild their economies and attract new jobs. Congress must not now renege on this commitment by underfunding the Base Realignment and Closure (BRAC) accounts that pay for this cleanup.

Our nation's military facilities infrastructure must be reduced commensurate with the downsizing of armed forces. At least 30 states are already directly affected by base closures initiated in the first three rounds of the closure process, and additional bases are scheduled to be identified for closure this summer. Where the federal government has caused environmental contamination during its tenancy, that damage must be substantially repaired before property can be transferred to a state, locality or private owner for productive reuse. Environmental damage is a real cost incurred as a result of DOD activities and it should be paid for out of the DOD budget.

In many cases, federal and state laws govern the cleanup activities required, and at some bases the relevant parties have negotiated consent agreements mandating specific cleanup deadlines. Costs associated with thses activities are paid for from the BRAC accounts, which the Administration and Congress have funded adequately in recent years.

Defense Secretary William Perry recently testified to the Senate Budget Committee that "This environmental cleanup we're doing is legislatively required. It's not as if it's a discretion on the part of the Defense Department. That work has to be done, there's no doubt." And Air Force Secretary Sheila Widnall testified last year that "I cannot think of anything more short-sighted than to not fund or to rescind environmental cleanup money for BRAC bases."

For all of these reasons, we request that you reject any rescission of FY 1995 funds in this area, and that you support full funding of the Department of Defense FY 1996 request for Base Realignment and Closure cleanup activities.

Thank you for your consideration.

Sincerely,

Patrick Leahy, Daniel K. Akaka, Barbara Boxer, Ben Nighthorse Campbell, John Lieberman, Frank R. Lautenberg, John F. Kerry, Carl Levin, Claiborne Pell, Patty Murray, David Pryor, Herb Kohl, Chuck Robb, Paul Sarbanes, Tom Daschle, Dianne Feinstein, Olympia Snowe.

Mr. LEVIN. We hope that the committee would heed our advice. Now it is vital that the conference committee restores these funds so that cleanup goes forward without delay, and productive reuse in communities with closing bases can be accomplished swiftly.●

● Mr. HATFIELD. Mr. President, President Franklin Delano Roosevelt will live forever in the hearts and minds of Americans. This memorable leader helped to lead this country through both a worldwide depression and a world war, and when he died he left the country positioned to take its place as the leader of the free world. Fifty years ago April 12, the people of our great country lost a President, a statesman, and a leader.

Since 1971 I have had the honor to have served on the Franklin Delano Roosevelt Memorial Commission, the past 5 years of this time serving as the cochairman with my distinguished colleague from Hawaii, Senator INOUYE. This Commission was formally established by Public Law 372 in 1955 with the responsibility of constructing an appropriate memorial to the 32d President of the United States. That memorial, which is to be unveiled in 1997, is a tribute not only to Roosevelt the President, but also to an era.

I was 10 years old when Franklin Roosevelt was elected President, I was a 20-year-old naval officer in the waters off Okinawa when I heard the news that the President had died. Millions of Americans, like myself, had grown up with the Roosevelts. To many it seemed that he would be President forever. Suddenly, while the United States are still engaged in war, our Commander in Chief was gone. The feeling was one of loss and uncertainty, Roosevelt was to many Americans the only President we had known, to millions he was a hero and a friend. The future suddenly became uncertain for those at home and overseas.

That uncertainty soon turned to confidence as the war was won and the United States took its place not only as the champion of freedom and peace but as the most prosperous nation the world has ever known. Roosevelt had ensured the future of the country by preparing it for the demands of the 20th century.

It was Roosevelt's dedication to the future of this country which instigated such universally accepted successes as the GI bill of rights and the Social Security Act. The GI bill assisted over 50 percent of the returning soldiers, sailors, marines, and airmen, guaranteed for the United States an educated and skilled populace unrivaled in the world. While the GI bill provided for those upon whose backs the future lay, the Social Security Act helped those who had already carried the burden.

As is now well known, Franklin Roosevelt fought a constant battle with the crippling effects of polio even as he waged war against the Great Depression and the forces of fascism. His accomplishments as President serve as the greatest testament to his personal victories, and he survives still as an example of the human ability to challenge and overcome even the greatest of obstacles.

Mr. President, the life and Presidency of Franklin Delano Roosevelt serves as a reminder to each of us, to my colleagues in the Senate and to the people all across this country, of the ability of the American people to face up to and overcome any and all challenges. To look the uncertainties of the future in the face and to move forward with confidence and an unshakable faith. This is indeed Roosevelt's longest and best lived legacy, his eternal challenge to each and every one of us. For as he wrote soon before his death, "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."●

BOSNIA SPRING

• Mr. MOYNIHAN. Mr. President, spring has arrived here in Washington, the Grounds of the Capitol are looking their best and we welcome the change. Unfortunately, spring in Bosnia is not a welcome event. Spring in Bosnia means the cease-fires of winter melt away and the war will resume with all its ferocity.

I have taken this floor many times to decry the ethnic cleansing that continues in Bosnia and to urge our Government, and the U.N. Security Council, to act more responsibly in addressing this terrible tragedy. It comes as no surprise that those affected by our inaction are astonished at our apparent indifference, and chastise us for failing to uphold basic moral and legal norms.

On Wednesday, the Washington Post printed a portion of a statement by Vinko Cardinal Puljic, archbishop of Sarajevo. While the United States, along with the U.N. Security Council and NATO sit on our hands, we cannot also cover our ears. The archbishop of Sarajevo knows of what he speaks. The Senate would do well to listen.

I ask that the article be printed in the RECORD.

The article follows:

[From the Washington Post, Apr. 5, 1995]

FOR THE RECORD

(By Vinko Cardinal Puljic)

I, like so many in Bosnia-Herzegovina, am astonished and bewildered . . . at the international community's indifferent, halfhearted, inconsistent and ineffectual response to aggression and ''ethnic cleansing.'' Not only has [it] not acted decisively, it has even contributed to the ethnic division of Bosnia and has legitimized aggression by failing to uphold basic moral and legal norms.

If the principles of peace and international justice are buried in the soil of the Balkans, Western civilization will be threatened. . . . I am convinced that there are moral means to thwart immoral aggression. The international community must have the will to use the means available to it to protect threatened populations, to encourage demilitarization and to establish other conditions necessary for progress toward peace. The solution cannot be simply to give up and withdraw. If the United Nations and the international community do not now have effective means to respond to the humanitarian crisis in Bosnia and elsewhere—and it is clear that they do not—then nations have the responsibility to take the steps necessary to develop more effective international structures.

This is not a religious conflict, but some would misuse religion in support of ethnic division and extreme nationalism. Therefore, as a religious leader, I believe I have a special responsibility to stand beside those who are victims of injustice and aggression, regardless of their religious, ethnic or national identity. I also believe that, even though a just peace seems far off, religious and other leaders must not wait for an end to war to begin the daunting task of reconciling deeply divided communities.•

THE SUPPLEMENTAL APPROPRIATIONS BILL

• Mr. LEVIN. Mr. President, last night, I voted for final passage of the supplemental appropriations bill.

The bill, as amended by the compromise substitute, is a distinct improvement over the legislation reported by the Appropriations Committee. The compromise reduces Federal spending by nearly $16 billion and restores funding to a number of critical programs affecting children and education.

This includes a broad range of programs that I very strongly support: Head Start, education reform, safe and drug free school programs, the Women Infants and Children Program, the childcare block grant program, title I programs to improve reading, writing, and math skills for educationally disadvantaged kids, impact aid, and the TRIO Program for first generation college-bound students, and the national service college scholarship program—AmeriCorps.

However, the legislation still cuts too deeply into important programs which the American people approve of such as assisting the States in protecting the quality and safety of our drinking water, the opening of Jobs Corps centers already announced, and for which communities across the country have expended funds and resources and funding for the promised environmental cleanup of military bases.

One of the great disappointments on this bill was the defeat of the Mikulski amendment by a vote of 68 to 32.

The Mikulski amendment would have restored funds for a number of important national programs such as the housing program, and also would have funded the EPA Center in Bay City, the CIESIN facility in Saginaw, and announced Job Corps centers in nine cities across the country, including Flint.

I have already begun discussions with colleagues in an effort to restore some of these cuts in conference between the House and the Senate.•

U.S.-HONG KONG POLICY ACT REPORT

• Mr. MACK. Mr. President, the March 31, 1995 report required by the U.S.-Hong Kong Policy Act made some useful contributions to the historical record of Hong Kong's transition from a dependent territory of the United Kingdom to a special administrative region of the People's Republic of China. The report correctly assessed Governor Patten's highly touted legislative reforms as modest.

The account given of threats to press freedoms was also important, in light of the People's Republic of China's recent actions against Hong Kong and other journalists. While the report included the case of Xi Yang, the Hong Kong reporter imprisoned inside mainland China for ''stealing state financial secrets,'' it would have been appropriate for the report to have included the detail that the secrets were planned increases in interest rates and the sale of gold.

Most important, the report expressed U.S. support for ''continued development of democratic institutions * * * and the conduct of free and fair elections after July 1.'' I hope the United States Government is making this position clear to the People's Republic of China in no uncertain terms.

The report neglected to discuss a number of important developments which I highlight here because they are so critical to the future of the territory.

Much as China's treatment of the press has had a chilling effect on Hong Kong journalists, the People's Republic of China's harsh and arbitrary treatment of businessmen is having pernicious effects in Hong Kong. The People's Republic of China frequently arrests, imprisons, and holds incommunicado, foreign businessmen—almost 20 in the past 3 years—particularly those with whom People's Republic of China state-owned enterprises have commercial disputes. For example, at the instigation of the People's Republic of China, James Peng, an Australian citizen, was arrested by Macau police and deported to Shenzen in Guandong Province. Mr. Peng's offense was that he won a legal battle to retain control of his company, a Sino-foreign joint venture listed on the Shenzen stock exchange. Another businessman, Zhang Guei-Xing, who holds an American green card, was jailed under horrific conditions in a detention camp in Zhengzhou for 2½ years. A Miami businessman, Troy McBride, has been detained in Anhui province since mid-March, his passport confiscated, because of a commercial dispute. In the People's Republic of China today, economic disputes have become economic crimes. Arrests, detention, and harassment of businessmen are just one more business practice. The ultimate goal is a settlement involving the surrender of property or other assets—in effect, a ransom payment.

Hong Kong's Independent Commission Against Corruption [ICAC] reports a sharp increase in corruption complaints as the People's Republic of China and Hong Kong markets become more intertwined. The People's Republic of China's treatment of businessmen, the absence of the rule of law, and the insidious spread of corruption from the mainland to Hong Kong, must be included in future U.S.-Hong Kong Policy Act reports.

The report's recognition of the lack of progress and even stalling on rule of law issues within the joint liaison group is also important. However, the report should have acknowledged that the role the joint liaison group has assumed in this transition period is contrary to the terms of the joint declaration, which expressly states that the joint liaison group is ''not an organ of

power.'' Under the joint declaration's terms, Great Britain has the authority to govern Hong Kong until June 30, 1997.

The People's Republic of China's manipulation of the joint liaison group is part of the People's Republic of China's 10-year pattern of reneging on its commitments under the joint declaration. Notwithstanding the recent public relations tour through the United States by Lu Ping, Beijing's top Hong Kong official, the People's Republic of China has repeatedly displayed its contempt for the joint declaration. Five years ago this week, in April 1990, Beijing codified significant deviations from the joint declaration in the basic law, the so-called miniconstitution for post-1997 Hong Kong that Beijing wrote and rubberstamped in its National People's Congress. The basic law subordinates the Hong Kong Legislature to the Beijing-appointed executive, and assigns the power of judicial interpretation to the standing committee of the National People Congress rather than to Hong Kong's judges. The basic law's provisions on the legislature may become moot however, since the People's Republic of China has promised or threatened to dismantle the Legco and Hong Kong's two other tiers of government.

Beijing also threatens to abolish the Bill of Rights, enacted by the Legco in 1991 in reaction to the Tiananmen Square Massacre, and over the objections of the Hong Kong government. Finally, a high official of the Chinese supreme court has suggested that Beijing will replace Hong Kong's common law system, which is synonymous with individual rights and the rule of law within a civil law system. China's own civil law system is explicitly subordinated to the Communist Party.

The status of plans for establishing a high court before 1997 is cause for concern as well, and here the report's brief treatment of the issue is troubling. The details of a Court of Final Appeal, to replace the Privy Council in London, as the territory's highest court were agreed to in the joint declaration. The U.S.-Hong Kong Policy Act report mistakenly accepts the 1991 agreement between the British Government of Hong Kong and China as a basis for the Hong Kong government's legislation implementing the court. The 1991 agreement explicitly violates the joint declaration and basic law. Accordingly, democratic legislators plan to amend it to bring it into accord with the joint declaration.

I was surprised and disappointed that the report did not address two matters of tremendous significance in this transition period and to post-1997 Hong Kong. First, the report omitted any discussion of the Patten government's rejection of proposals by Hong Kong's democrats for an official human rights commission. Over the next 27 months, the commission cold define a human rights standard against which to judge the Hong Kong SAR government. The People's Republic of China's expressed hostility to independent and democratic government institutions after 1997 is an argument for moving full-speed ahead with a human rights commission and other institutional reforms, not for backing off.

Also missing from the report was any mention of Great Britain's failure to report on human rights in the colony according to its obligations under the International Covenant on Civil and Political Rights.

As 1997 draws near, there will be a greater need for accurate and timely reporting on developments in Hong Kong. There is also a need for a clearer recognition of the implications of the People's Republic of China's behavior for the people of Hong Kong. I look forward to future reports and hope that, in the intervals between reports, my colleagues in the United States. Congress and other friends of Hong Kong will pay close attention to the statements and actions of the Beijing and Hong Kong governments. Above all, there must be more attention to the voices and concerns of the Hong Kong people.●

IMPACT AID

● Mr. SPECTER. Mr. President, last night we completed action on H.R. 1158, the supplemental appropriations and rescissions for fiscal year 1995. I wanted to briefly discuss one provision included in the leadership amendment adopted last evening to restore funding for impact aid. As my colleagues know, the Impact Aid Program is designed to provide aid to assist communities which have significant Federal presence in meeting education objectives. Specifically, this funding is important to Hatboro-Horsham school district in eastern Pennsylvania. My colleague, Senator SANTORUM, and I have heard from the local school district regarding this funding.

I am aware of the importance of this funding to other areas of the country. In particular, I want to note the efforts of my friend and colleague from South Dakota, Senator PRESSLER, to preserve the impact aid funding. He personally told me of the adverse effect of the proposed rescission would have on a number of South Dakota schools, including the Pollock school district in northern South Dakota. I commend Senator PRESSLER for his leadership and for looking out for the educational interests of South Dakota schools, students, and families.●

ORDERS FOR MONDAY, APRIL 24, 1995

Mr. GORTON. Mr. President, when the Senate completes its business today, I ask unanimous consent that it stand in adjournment, and on Monday April 24, 1995, at 12 noon, following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be waived, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business until 1 p.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GORTON. Mr. President, at the hour of 1 p.m., it will be the intention of the majority leader to proceed to the consideration of H.R. 956, the product liability bill. For the further information of all Senators, the Senate will begin the product liability bill at that point but no votes will occur before 3 p.m. on Monday.

ORDER FOR RECESS UNTIL MONDAY, APRIL 24, 1995

Mr. GORTON. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that following my own remarks, the Senate stand in adjournment under the provisions of House Concurrent Resolution 58.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN

Mr. GORTON. I ask unanimous consent that the RECORD remain open until 2 p.m. today for the introduction of bills and statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACCOMPLISHMENTS OF THE 104TH CONGRESS

Mr. GORTON. Mr. President, I wish briefly to add my reflections on the accomplishments of this Congress and especially of our colleagues in the House of Representatives during this first 100 days of that historic Congress.

The new leadership of the House of Representatives made certain commitments, ambitious commitments to the people of the United States in the course of last year's campaign covering a number of vitally important subjects to the people of the United States. Those commitments were repeated after the election was over. Those commitments have been kept to the letter by our colleagues in the House.

I believe that this remarkable record of achievement has created a distinct resonance on the part of the American people whose opinion of Congress, extremely low as recently as 6 months ago, has at least begun to recover. Perhaps more significant in the long run will be the content of the 100 days' promises, dramatic changes in the way in which Congress does its business, a very real attack on the problem of violent crime in our society, a major step

forward toward welfare reform, toward tax relief for families, and for the creation of jobs, toward our national security, and toward legal reform, Mr. President.

As each of us knows in this body, on the other hand, no one can safely make 100-day promises. The right of unlimited debate, vital to the liberties of the people of the United States, causes more careful consideration frequently of particular items and often frustration on the part of Members of the Senate and of the country itself. Nevertheless, at least three items in the contract for America have passed this body as well as the House.

The announcement I just made on behalf of the majority leader indicates that a portion of the legal reform agenda will be the first item to be discussed by the Senate upon its return, and I would hazard the estimate that before this year is over every one of the items on the Contract With America will have been discussed and voted on in the Senate. We can no more promise than the Speaker of the House can that all will be passed. Each and every one of these items requires at least a degree of bipartisan support in the Senate given the rules of this body. But it is clear that this Congress as a whole has acted more decisively and has created a greater change in course and direction for the country than any Congress literally in decades.

Finally, Mr. President, I would be remiss if I did not express my personal pride in the new Members of the House of Represenatives from my own State. My own State has provided more new Members from my party, more freshmen Members than any other State in the United States of America, five men and one woman of great distinction in their previous careers, enthusiastically dedicated to the goals of the contract on which they ran, and major participants, even though they are freshmen Members, in the wonderful successes which the House of Representatives has shown. I am proud to be a part of that delegation and express my great gratitude to them for all they have accomplished in as yet short but highly distinguished congressional careers.

Mr. President, I yield the floor

ADJOURNMENT UNTIL MONDAY, APRIL 24, 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in adjournment until 12 noon Monday, April 24.

Thereupon, at 12:48 p.m., the Senate adjourned until Monday, April 24, 1995.

NOMINATIONS

Executive nominations received by the Senate April 7, 1995:

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601(A) AND 3033:

CHIEF OF STAFF OF THE ARMY

To be general

GEN. DENNIS J. REIMER, 000–00–0000

CONFIRMATION

Executive nomination confirmed by the Senate April 7, 1995:

DEPARTMENT OF VETERANS AFFAIRS

DENNIS M. DUFFY, OF PENNSYLVANIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING).

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

A TRIBUTE TO THE ROTARY CLUB OF MARYSVILLE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FAZIO of California. Mr. Speaker, I rise today to pay tribute to the 75th anniversary of the Rotary Club of Marysville, CA. Founded in 1920, the Rotary Club of Marysville has been a strong leader in encouraging and fostering community service in the Yuba-Sutter area.

This club has reached out to a wide variety of people, including business leaders, children, and the elderly. The Rotary Club of Marysville has contributed both financial and moral support to thousands of local organizations ranging from youth soccer to Habitat for Humanity. Throughout its long history of community service, the Rotary Club has promoted high ethical standards for the business and professional community.

But the focus of the Rotary Club is not limited to local groups. This club has lived up to its goal of fostering understanding and goodwill among people of different nations as well as its closer neighbors. Through the Rotary International Foundation, the Rotary Club of Marysville has been a vital participant in the Polio Plus Campaign. This program has provided crucial funding and services for the fight against polio in third world countries.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in celebrating the long history of achievement of the Rotary Club of Marysville on its 75th anniversary. I commend its membership's commitment to community service, and wish them continuing goodwill.

STOP THE WAR ON WOMEN

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STUDDS. Mr. Speaker, I rise today to commend the Clothesline Project.

Five years ago, after several Cape Codders had been assaulted by people they loved and trusted, they aired their dirty laundry.

These women gathered in 1990 to create the Clothesline Project—a clothesline of 31 individually-crafted T-shirts bearing witness to violence each of them had experienced.

After the initial showing of the Clothesline at a Take Back the Night Rally in Hyannis, MA, it grew quickly and grimly. A year later, I was proud to welcome the line, which then had over 1,000 shirts, to Capitol Hill. The display has now grown internationally to 35,000 shirts—a sign that, while we are finally beginning to come to terms with these physical and psychological scars, this is a tragedy of enormous proportions.

These numbers are devastating, yet the work of the Clothesline Project ensures that the suffering of women and their families serves as a healing process for the abused and as an educating tool for our communities. Through this medium, nationally, public awareness of domestic violence has grown since the Clothesline Project last came to Washington.

In 1994, Congress enacted the Violence Against Women Act as part of the omnibus crime bill. This legislation combined stricter penalties for domestic violence crimes with funding for programs to combat violence against women. While harsh sentences and new financial resources comprise a new commitment on the part of Congress to combat this war on women, they are obviously not enough to stop the bloodshed. This is why the Clothesline Project is so critical.

While I hope for a day when we will no longer need T-shirts to heal the abused, I applaud the success of the Clothesline Project at helping raise public awareness about the tragedy of domestic violence.

CONGRATULATIONS TO REV. JOSPHTAN T. PHAM

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MANTON. Mr. Speaker, I rise today to honor Rev. Josphtan T. Pham on the silver jubilee of his ordination to the holy priesthood. In this often all too materialistic and selfish society, it is reassuring to see that there are still those who dedicate their lives to serve others. Reverend Pham is a resident at the Our Lady of Mount Carmel Church located in Long Island City in the Seventh Congressional District of New York, which I have the pleasure of representing.

On September 15, 1944, Reverend Pham was born in North Vietnam where he lived until he was 10. Soon after, he moved to South Vietnam as a refugee. He entered St. Paul's Minor Seminary located in Saigon in 1957. In 1963, Reverend Pham entered St. Joseph's Major Seminary where he studied philosophy and theology.

Mr. Speaker, on April 30, 1970, Reverend Pham was ordained a priest in his home parish. In the autumn of that same year, he was sent to Rome to study canon law. Five years later, in 1975, he was awarded a doctorate degree in canon law by the Urbanianum University in Rome.

One year later, in 1976, Reverend Pham began his life in New York in the diocese of Brooklyn. While in New York, he continues to touch the lives of so many people not only as a priest, but a friend and confidant. In addition, he has been active in the Vietnamese community, helping out with issues pertaining to migration and refugees

Mr. Speaker, in 1978, Reverend Pham was transferred to the parish of St. Jua of Brooklyn as a parochial vicar. Today, he is settled at the parish of Our Lady of Mount Caramel where he has resided since 1983. In 1984, he was incardinated to the diocese of Brooklyn.

Mr. Speaker, I know my colleagues join me in commending Reverend Pham on this special day. He has led an outstanding life of service and devotion not only to his church, but to his community as well. I want to take this opportunity to let Reverend Pham know the community he serves is most grateful for his friendship and service.

IN RECOGNITION OF DR. SAM SCHAUERMAN

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. HARMAN. Mr. Speaker, I rise today to recognize the work of an educational leader from my congressional district, Dr. Sam Schauerman, who is retiring after 7 distinguished years as president of El Camino College in Torrance, CA. He devoted his professional career to the college, starting in 1965 as dean of physical science and then serving as vice president of instruction before taking office as the college's president in 1987.

El Camino College serves 25,000 students, granting associate degrees in arts and sciences, and providing an Honors Transfer Program for students who choose to continue at area universities. It also offers numerous special and innovative programs, such as the Puente Project for Hispanic students, Project Success for African-American students, a child development center, and an extensive arts program. I recently had the opportunity to tour the Workplace Learning Resource Center, which works with area business and industrial partners to create customized workplace literacy courses directed to specific technical requirements. This effort will effectively help business in the South Bay become more successful, by providing it with a workforce equipped with the skills needed for today's and tomorrow's competitive environment.

Dr. Schauerman was first and foremost devoted to maintaining the highest quality of programs at the school, and he succeeded even during times of lean finances and economic austerity. He also focused his energies on expanding the relationship between the college and the community, through his participation and leadership in groups such as the YMCA, Methodist Church, Private Industry Council, Torrance Chamber of Commerce, and Rotary—both as president of the Del Amo Rotary and as district governor.

In addition, Dr. Schauerman brought to the college a new system of shared governance so to allow all those at the school to have a voice in the decision-making process. He began a college council, with representatives of the faculty, support staff, students, and administration and guided its development into an effective voice for local control.

The departure of Dr. Schauerman will leave a real void at El Camino College, but I am

sure that he will continue to make significant contributions to the South Bay. I salute this community leader and wish him well in his retirement.

DOWNSIZING THE WEATHER SERVICE

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. ROEMER. Mr. Speaker, Mark Twain once said ''Everybody talks about the weather, but nobody does anything about it.'' We are here today to do something about it.

Congressman KLUG and I are introducing a bill today to privatize those functions of the National Weather Service that duplicate private sector activities. I am also pleased that Congressman CHRYSLER has signed on as the first cosponsor.

This is simple, basic legislation. The bill eliminates the specialized functions of the Weather Service that are duplicative of private sector efforts. This legislation will codify language in the President's fiscal year 1996 budget request, and support of the administration is expected.

It is also the right approach to downsizing Government. Examine a program for merit: keep what you need, eliminate the rest. We are using a scalpel approach instead of a hatchet.

The bill also codifies the Weather Service Policy Statement of 1990, which will prohibit them from competing with the private sector. The Weather Service will continue their core functions: weather forecasting to the general public, and issuing warnings of severe weather and destructive natural events such as hurricanes, tornadoes, floods, and tsunamis.

The following functions are ended under the bill: services in support of aviation, marine activities, agriculture, forestry, and other weather-sensitive activities. The approximate savings are listed below, in annual costs:

	[Millions]
Fruit frost/agricultural forecasting	$2.3
Fire weather forecasting	.5
Dissemination of weather charts (Marine facsimile service)	.5
Marine weather forecasting	2.0
Regional climate centers	3.2
Aviation	4.1
Total	12.6

In addition, a number of the duties of the Data information services network could be privatized. Data services has an annual budget of $36.6 million, another source of substantial potential savings.

Following are a few examples of why this is good legislation:

The Government provides frost forecasting for such giant conglomerates as Sunkist and Dole, who could easily pay for it themselves.

The airlines all have meteorologists on staff, who duplicate the services that the Weather Service provides to airlines and FAA.

The Weather Service sent a team of meteorologists to assist the Olympic Committee events coordinators to establish event schedules at taxpayer expense. There are a number of private U.S. weather companies that could have provided this service.

Marine weather forecasting is provided to private yacht clubs. The Government should not be in the business of subsidizing luxury boating.

Mr. Speaker, in order to make the large budget cuts we need to balance our budget, we must start with small steps. This legislation is a small but very significant step in the downsizing of the Federal Government, and I hope our colleagues will join Mr. KLUG, Mr. CHRYSLER, and me in supporting this bill.

SALUTING THE ST. THYAGARAJA MUSIC FESTIVAL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STOKES. Mr. Speaker, in just a few days, on April 15, 1995, the city of Cleveland, OH, will begin the 18th annual celebration of the St. Thyagaraja Music Festival. The 6-day event is being held at Cleveland State University in cooperation with the university's Indian cultural studies program. I take pride in welcoming the St. Thyagaraja Musical Festival to my congressional district. I am pleased to share with my colleagues and the Nation some important information regarding the festival.

The Thyagaraja Music Festival has a rich heritage that can be traced to the immigration of Asian Indians to the Greater Cleveland area in the 1960's. As Indians immigrated to Cleveland, they maintained their cultural and religious ties. The Thyagaraja Festival offers a musical homage to the saint-composer, Sri Thyagaraja. Thyagaraja, who lived during the same period as Beethoven, is one of the most skilled and best known Indian composers. The first Cleveland Thyagaraja Festival was held on April 8, 1978. A group of 75 individuals assembled in the basement of Faith United Church of Christ in Richmond Heights, to sign Thyagaraja's ''Five Gems of Songs.''

Mr. Speaker, over the years the Thyagaraja Festival has grown in size and scope. Festival organizers were able to foster a close working relationship with Dr. T. Temple Tuttle, who serves as director of the Indian cultural studies program at Cleveland State University. Under the leadership of this distinguished individual, for the past 16 years, the Thyagaraja Festival has been held at Cleveland State. Last year, more than 2,000 individuals attended the festival. They came from across the United States, and as far away as Canada, Europe, India, Hong Kong, and Singapore.

This year, the Cleveland Thyagaraja Festival will welcome 22 artists from India. In addition, the festival will include music competitions in Vocal, Veena, Violin, and Mridangam. Another highlight of the festival is the essay-writing competition based on the theme, ''What The Cleveland Festival Means To Me.''

Despite its great expansion, the Thyagaraja Festival has kept to its basic purposes: remembering the great composer, Thyagaraja, by the performance of his works; maintaining broad-based participation of amateur devotees; encouraging children to keep the Indian classical music traditions strong; providing inspirational professional concerts and delicious south Indian food without charge; and encouraging non-Indians to participate, thus increasing multi-cultural understanding.

Mr. Speaker, I take pride in recognizing the 18th annual St. Thyagaraja Music Festival. I also take this opportunity to commend Professor Tuttle and the Cleveland State University family for their strong support of this important effort. I am certain that the festival will be great success.

STATEMENT FOR THE INTRODUCTION OF LEGISLATION ON AWARD OF THE PURPLE HEART

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STUMP. Mr. Speaker, today I am introducing legislation to provide for the award of the Purple Heart to certain former prisoners of war. My distinguished colleagues, SONNY MONTGOMERY, DAN BURTON, JIM TRAFICANT, and MIKE BILIRAKIS join me in introducing this bill. It provides for award of the Purple Heart to persons held as prisoners of war before April 25, 1962, on the same basis as persons held as prisoners of war after that date.

Now, only former prisoners of war from the Vietnam and Persian Gulf wars are eligible to receive the Purple Heart for injuries received at the hands of the enemy while in captivity. This is because on April 25, 1962, President John F. Kennedy signed Executive Order 11016 to ensure that U.S. prisoners of war would be eligible to receive the Purple Heart for injuries received as prisoners of war, or if ill-treatment resulted in death.

Unfortunately, the Executive order has not been applied retroactively. Among other reasons, the Department of Defense felt that a retroactive award of the Purple Heart would contradict the decisions made by past military leaders who thought that injuries incurred while a prisoner of war during those actions were the result of war crimes, and not the result of legal acts of war. While I respect the prevailing reasons for these judgments at the time they were made, I believe it is of overriding importance to bestow this much-deserved recognition retroactively upon those individuals who suffered in so many ways as a result of their willingness to defend all that we hold sacred.

Differentiating among American prisoners of war on the basis of a date is a grave injustice to those men and women prisoners of war from World War I, World War II, and Korea. The inhumane treatment they often endured at the hands of the enemy ranged from physical and psychological torture to starvation and even execution.

Both the Bush and Clinton administrations have been urged on a bipartisan basis to rectify this injustice by executive action and nothing has been done. Now, on a bipartisan basis, we are introducing this legislation. The award of the Purple Heart to these former prisoners of war would serve as a reminder to Americans of all ages of the sacrifices made by its military men and women in service to their country.

IN TRIBUTE TO DR. BOSHRA MAKAR ON HIS RETIREMENT AS A PROFESSOR AT ST. PETER'S COLLEGE IN JERSEY CITY, NJ

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Dr. Boshra Makar, as he retires from his position as professor at Saint Peter's College in Jersey City, NJ. Dr. Boshra Makar is an exceptional human being who has dedicated 48 years to teaching students around the world. He is a pioneer in his field of mathematics and his work has been widely recognized.

Dr. Boshra Makar was the youngest graduate of his class and graduated No. 1 from Cairo University in 1947. He received a fellowship and began to teach at Cairo University while he was studying for his masters in mathematics. In 1995 he received his Ph.D. in mathematics.

Throughout his 48-year teaching career, Dr. Boshra Makar has spent time visiting, and teaching in universities around the world including Egypt, Russia, and Lebanon. In 1962 he was invited to attend a scientific exchange program at Moscow University. After teaching in Moscow, he spent several years teaching in Lebanon at the American University of Beirut. He then migrated to the United States to teach at Michigan Technological University. In 1967, Dr. Boshra Makar moved to Jersey City to teach graduate and undergraduate students at Saint Peter's College.

He has not only distinguished himself as a teacher, but as a scholar. Dr. Boshra Makar has published over 20 research papers in leading mathematical journals throughout the world. He has published articles in prestigious journals such as the Bulletin des Sciences Mathematiques in Paris, and for the American Mathematical Society. Dr. Boshra Makar has written research papers in the fields of functional analysis, complex variables, algebra, and cryptology.

Dr. Boshra Makar's accomplishments have been acknowledged in numerous reference works such as Who's Who in the World, Who's Who in America, Who's Who in the East, Who's Who in Education, Who's Who in Technology, and Personnage Contemporanei (Academia Italia). He has touched many lives with his dedication and commitment to scholarly pursuits.

Dr. Boshra Makar is truly an outstanding citizen, and I am very proud to have him living and working in my district. His contributions will be remembered through his publications, which will inspire future mathematicians. Even though he is retiring from teaching at Saint Peter's College I know he will remain an active citizen, and scholar. Please join me in wishing Dr. Boshra Makar a happy retirement.

POSTAL ADDRESSES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. YOUNG of Alaska. Mr. Speaker, today I rise to introduce legislation that will ameliorate problems stemming from the U.S. Postal Service policy that prohibits the users of commercial mail receiving agents [CMRA's] from submitting a standard change of address form to expedite routine mail delivery service.

In nearly all cases when an individual changes residency, the U.S. Postal Service facilitates prompt and accurate mail delivery by encouraging the postal customer to file a mail forwarding change of address form. Atypically, when a CMRA customer relocates, that individual is responsible for informing all potential mailers of any change of address. This policy creates delays and may exacerbate mail fraud as testimony has shown that the first line of defense against fraud is accurate information regarding postal addresses.

Current policy is contradictory to the Postal Service's charge to ensure prompt, accurate mail delivery service. This important legislation will benefit all parties in this particular mail delivery chain: the U.S. Postal Service, the CMRA's, and most importantly, the postal customer.

THE EMBASSY'S 11 YEARS OF WORKING WITH THE HOLY SEE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MANTON. Mr. Speaker, I rise today to share with my colleagues some thoughtful remarks delivered by my friend, the Honorable Raymond L. Flynn, the United States Ambassador to the Vatican.

In this excerpt of a recent speech delivered by the Ambassador he discusses the important relationship between the Vatican and the U.S. Embassy to the Holy See. The Ambassador eloquently describes the role morality and a humanitarian spirit should play in the United States international policy. I urge my colleagues to read Ambassador Flynn's remarks and consider the special role that believers of all faiths can play in ensuring our world becomes a better place.

THE EMBASSY'S 11 YEARS OF WORKING WITH THE HOLY SEE

While the initiative on humanitarian aid delivery is new, it is not out of character with the close cooperation between the U.S. and the Holy See since formal diplomatic relations were established in 1984.

In the eleven years of full diplomatic relations, the U.S. Embassy to the Holy See has actively pursued U.S. foreign policy goals by working closely with the Vatican on political, economic, and social concerns, The U.S. has worked closely with the Vatican on the UN population conference in Cairo to produce a workable final document. We pursued our joint goals of sustainable and equitable development at the Copenhagen conference on social development held at the beginning of March. At the conference, Hillary Rodham Clinton made a strong appeal to the world community not to forget the most blatant victims of poverty in society today, women and children. The same compassionate appeal was delivered to the conference on behalf of Pope John Paul II by Monsignor Diarmuid Martin, the Catholic Church representative at the conference. The Catholic Church's view of what needs to be done to alleviate the suffering, pain, and lack of development in the Third World is, for the most part, not in conflict with what Mrs. Clinton told the conference nor with the Clinton Administration's stated policy. But it does conflict greatly with the views contained in the Contract with America and with the views of those in Congress who advocate budget-cutting at the expense of the poor and needy—at home and abroad. It is one thing to call for a balanced budget amendment to the Constitution; it is another to try to achieve such an amendment with the unbalanced policy of targeting poor and working families.

FALL OF COMMUNISM

Working towards common goals was also true in the case of the birth of democratic movements in Eastern Europe. The Catholic Church in general and Pope John Paul II in particular were instrumental, through work and example, in demonstrating the illegitimacy of the communist regimes. The U.S. and the Vatican worked together to support nonviolent opposition groups such as Poland's Solidarity. Soviet President Gorbachev has said the Pope was the most important cause of the fall of communism. It was remarkably perceptive and visionary of the College of Cardinals to elect Karol Wojtyla of Poland, who had lived and worked under communism in his native land. I personally saw the moral influence of Pope John Paul II at the height of political instability in Eastern Europe. I attended Catholic Church services with outlawed Solidarity workers at St. Brigid's Church in Gdansk and at the Lenin shipyards when a letter of support and encouragement sent by the Pope inspired people throughout the church and country.

Pope John Paul kept the Solidarity movement alive, which led ultimately to the fall of communism in Poland and inspired other Eastern bloc countries to move towards democracy.

Another example of convergence in policy goals was in the arena of human rights and religious freedom. The Holy See, as a full member of the Helsinki Process, drafted the language on religious freedom that set the benchmark against which the failings of totalitarian regimes could be measured.

The Embassy worked with the Vatican on several aspects of the crises in Central America during the 1980's. When Panamanian strongman Gen. Noriega took refuge in the papal nuncio's residence on Christmas Eve 1990, the Embassy negotiated his departure.

The Embassy had the unique opportunity to be involved with peacemaking in 1990–92 when it acted as observer and facilitator at the Rome talks between the two warring factions in Mozambique. The talks concluded successfully with a cease-fire in October 1992.

The Embassy has recently followed the Algerian national reconciliation talks which were held in Rome involving the main Algerian opposition parties. This process has a real chance to achieve peace in a country where thousands have already died in fighting.

HISTORIC CATHOLIC-JEWISH ACCORD

Our Embassy has been particularly active in furthering U.S.-Holy See cooperation on a number of issues. At the direction of President Clinton, we actively pursued establishing full diplomatic relations between the Holy See and Israel; this historic achievement was accomplished in 1993. I met extensively with Israeli political and religious officials in the cause of furthering Christian-Jewish and Vatican-Israeli understanding. At the same time, I keep close contact with the Catholic hierarchy that represents Lebanese and Palestinian peoples and others who do not yet feel full partners in the Middle East peace process. Holy See-Israel relations was the first topic President Clinton raised with the Pope at their first meeting in Denver in August 1993. During their discussion,

the President highlighted three important outcomes of Holy See-Israel relations: they would help to further the peace process in the Middle East; show that two great religious faiths can bury centuries of misunderstanding and work together; and deal a blow to anti-Semitism around the world. These achievements are all in U.S., as well as Vatican, interest.

Humanitarian issues have always been prominent in my work at the Vatican, since they are extremely important both to the U.S. and the Holy See. In November 1993, I traveled to central Africa to visit AIDS hospitals in Uganda and relief workers in Sudan, and stayed with humanitarian representatives in Somalia. Over the past many months, my travels have taken me to such wide-ranging places as Haiti to meet with Catholic Church and business leaders and Paris to meet with President Jean-Bertrand Aristide. In April 1994, I was in Sarajevo and, in September 1994, visited Croatia and saw firsthand the devastation of the former Yugoslavia. While in Sarajevo, I met with Muslim, Jewish, and Catholic Church leaders. I put the issue of religious freedom in Asia on the agenda for a meeting in Rome between Secretary of State Warren Christopher, National Security Advisor Tony Lake, Cardinal Angelo Sodano, and Archbishop Jean-Louis Tauran.

OPEN DOOR DIPLOMACY

Another aspect of our work at the Vatican occurs outside the office and involves reaching out to groups across the religions spectrum. During my time in Rome, I have hosted at the Ambassador's residence a group of black Baptists, various Jewish groups, a Catholic-Mormon choir from Salt Lake City, Muslims from Egypt, prominent Cardinals, and a great number of Italian and American church leaders. This Embassy is in a prime position to show the importance to the U.S. government of all religious and beliefs, and I have actively pursued that role in Rome. The Embassy actively supported the historic Holocaust remembrance ceremony held at the Vatican in 1994 which brought together for the first time the Chief Rabbi of Rome, Elio Toaff, the Pope, the Italian president, and others to commemorate the Shoah within Vatican City.

The Vatican has an impressive if low-key record in dealing with the most important issues of social and economic justice on the world stage. The U.S. Embassy to the Holy See has worked closely with the Vatican on these issues, since our goals are the same on so many issues. I look forward to continuing cooperation on the important and critical issues that will confront us in the future. In naming Pope John Paul II its 1994 ''Man of the Year,'' Time referred to the Pope as the world's foremost defender of human rights. It is thus most fitting that the U.S. should be one of the more than 150 countries with an ambassador to him and to the central government of the Catholic Church.

A BRIEF HISTORY OF U.S.-VATICAN RELATIONS

As we look to the future, I always find it helpful to keep in mind the past, in this case the long ties that have bound the U.S. and the Holy See together. The relationship itself has over two hundred years of history behind it. The first contact was in 1788 when a Vatican official contacted Ben Franklin, then the nascent repubic's representative in Paris. The Vatican wanted to know if the U.S. had any objections to the appointment of John Carroll as first bishop of Baltimore. Franklin's reaction was immediate and unequivocal; the new government guaranteed freedom of religion and had no interest in the internal affairs of the Catholic Church. Rome never asked for approval again, and the tradition of strictly separating Church business from diplomacy has been a hallmark of American governmental dealings with the Vatican ever since.

Until 1870, the Pope was also the temporal ruler of the city of Rome and much of central Italy. Washington maintained consular and diplomatic relations with the Papal government and in 1848 sent a charge d'affaires to head a legation. The mission was closed at the end of 1867 when Congress, fired by anti-Catholic sentiment, voted gainst funding it. In 1870, the King of Italy conquered Rome and the Pope withdrew inside the Vatican walls.

There were no formal diplomatic links between the Vatican and Washington until 1939. During that time, any business that arose, such as when President Harding encouraged the Pope to establish an American Catholic parish in Rome, was handled through the Vatican's apostolic delegate in Washington or through the American hierarchy.

POPE LEO XIII AND FDR: UNSPOKEN TIES

President Franklin D. Roosevelt made the first steps towards reestablishing diplomatic links when he sent Joseph Kennedy as his personal representative to the coronation of Pope Pius XII in 1939. Roosevelt, as much as any president, knew the invaluable nature of strong ties to the Vatican, both diplomatically abroad and politically at home, including the Vatican's important role in efforts to avert war and assist refugees and other displaced people. President Roosevelt was aware of papal encyclicals such as Rerum Novarum by Pope Leo XIII in 1891, which had such a profound impact on the rights of working men and women in the United States. Former FDR aide and Postmaster General James Farley once told me that President Roosevelt was guided by this historic encyclical when crafting his ''New Deal'' social and economic programs during the great depression.

President Roosevelt began dealing with the Holy See through various channels, including an American monsignor on the Pope's staff. That October, the President discussed with Archbishop Spellman of New York the idea of appointing a ''personal representative'' to the Vatican, thus avoiding the need for Senate approval, as would be the case were an ambassador to be named. Roosevelt correctly realized that the Senate, influenced by fears that a Vatican Embassy might get improperly involved in mixing church and state, would oppose appointing an ambassador. A personal representative was able to do the same things, anyway.

Roosevelt announced on Christmas eve 1939, that he was sending Myron Taylor as his personal representative to the Vatican to forward ''parallel endeavors for peace and the alleviation of suffering.'' Myron Taylor was a former president of U.S. Steel and active in refugee affairs. He was not a Catholic, which alleviated fears by some that he might have mixed loyalties.

Since Taylor's arrival in Rome in February 1940, the United States government has been a privileged interlocutor of the Vatican. In Taylor's case, he first began a dialogue on Jewish and Eastern European refugees, as well as on Holy See efforts to prevent a general war. This reflected President Roosevelt's perception of the wide-ranging possibilities in the new Vatican-U.S. relationship.

When Italy entered the war in June 1940, Mussolini's government forced diplomats accredited to the Holy See to leave Italy. When the U.S. and Italy went to war in December 1941, it meant the U.S. Mission also had to move into cramped quarters within Vatican City so it could carry on its work. Special Envoy Taylor only visited the Vatican briefly during the war years, but the work was carried on by U.S. diplomat Harold Tittmann. He lived with his wife and two sons in a small apartment within the Vatican until Rome's liberation in June 1944. In addition to covering the Pope's efforts on behalf of peace and refugees, Chargé Tittmann and his British colleague quietly aided many escaped Allied soldiers and airmen who sought refuge in Rome.

Myron Taylor resigned as Special Envoy in 1950 and President Truman nominated Gen. Mark Clark, the liberator of Rome, as his successor, but with the title of Ambassador. That caused such a strong reaction among some of America's Protestant denominations that the nomination was withdrawn. The practice of nominating a special presidential representative to deal with the Vatican was not resumed until President Nixon appointed Henry Cabot Lodge, former Senator and Republican nominee for Vice President, in 1969. President Carter named David Walters envoy in 1977 and later named former New York Mayor Robert Wagner, Jr., in 1978.

It was President Reagan's Special Representative, William Wilson, who worked ceaselessly to have the mission to the Holy See upgraded to Embassy status. Times had changed and there was little opposition when full diplomatic relations were established between the United States and the Holy See in January 1984. Ambassador Wilson was succeeded in 1986 by Ambassador Frank Shakespeare, and in 1989 by Ambassador Thomas P. Melady. While some may be unclear as to the nature of Vatican-United States relations, it is very clear to U.S. Presidents, Republicans and Democrats alike.

NEW HOME FOR VATICAN EMBASSY

On November 9, 1994, the U.S. Embassy to the Holy See dedicated its new chancery on Rome's historic Aventine Hill. The building, built as a private home in the 1950's, has been completely refurbished to house offices appropriate to the Embassy's important and unique mission. It has a commanding view of the Circus Maximus and the ruins of the palaces of Augustus and Septimius Severus. Livy claimed that Remus stood on this spot when he challenged Romulus for control of the ancient city. Later, the Emperor Decius built public baths on the site; in modern times, the Aventine has been a desirable residential area which includes several of the earliest Christian churches, as well as the Priory of the Knights of Malta.

SUMMARY: BUILDING FOR THE FUTURE

I hope this discussion has given you a better idea of the important work that the U.S. and the Holy See carry out together. We are able to cooperate on a range of issues because our interests so often coincide. President Clinton has often told me of the high regard he has for Pope John Paul's judgment and leadership. But it is also because of President Clinton's judgment and leadership that we will be able to build on our successful partnership with the Vatican to achieve a more just world, one in which humanitarian issues get the attention they deserve.

When we act as a nation in a moral and ethical way, practicing the policy of compassion and inclusion, we are also carrying out sound policy. We do things best when we do the right things. While we don't always agree with the Vatican on some important issues, we often work together for the same goals on issues of social and economic justice and humanitarian assistance.

On March 1, the Pope told me how pleased he was to be once again visiting the U.S. in October. It's the first time anyone can remember that the Pope and a U.S. President have met with each other in three consecutive years, and this unprecedented series of meetings attests to the important open dialogue we have with the Vatican. The Pope's

visit will give the U.S. the chance to develop our relationship even further. It really is a historic partnership.

A BILL TO ESTABLISH A COMMISSION TO REVIEW THE DISPUTE SETTLEMENT REPORTS OF THE WORLD TRADE ORGANIZATION

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. HOUGHTON. Mr. Speaker, I am joined today by my colleague, Mr. LEVIN, in introducing legislation which will create a process by which the Congress can act to ensure that the new World Trade Organization dispute settlement system is not abused by our trading partners to undermine U.S. interests.

Late last year, in consecutive special sessions, both Houses of Congress passed legislation implementing the new GATT agreement. That agreement establishes a new international body to oversee trade disputes, the WTO, and gives it unprecedented authority to enforce the decisions of its dispute settlement panels.

During the period leading up to the vote, many Americans voiced their concerns that this new international organization would undermine U.S. sovereignty and might harm rather than help U.S. interests in global trade. I spent a great deal of time and effort in developing the implementing legislation that ensures that U.S. industries and their workers would continue to have remedies available in U.S. law to protect against foreign unfair trade practices like dumping and subsidies. While it was not perfect, I supported the final version of the bill because I believed that on balance it served the interests of the United States. But this does not mean we can now ignore the legitimate concerns raised last year about the WTO and its new dispute settlement process. We must carefully scrutinize the actions of the WTO and its dispute settlement mechanism in order to ensure that our trade laws are not undermined through improper WTO decisions.

Under the WTO, as under the old GATT, trade disputes will be submitted to international panels for review. However, unlike the old GATT system, no WTO member nation will have the right to block the adoption of a panel report, even if that nation considers the panel report to be fundamentally flawed in its analysis. Thus, no WTO member nation will be able to ignore the findings of a dispute settlement panel without paying a price: international condemnation, weakened international respect for the trading rules, and possible internationally sanctioned retaliation against its goods. The enhanced power of the dispute settlement panels requires that this process be used prudently and administered wisely for the sake of the world trading system in general and American national commercial interests in particular.

The bill we are introducing establishes the WTO Dispute Settlement Review Commission composed of five Federal appellate judges, appointed by the President in consultation with Congress. The Commission will be empowered to review every decision adverse to the United States by a WTO dispute settlement panel. In cases where the dispute settlement panels adhered to the proper standard of review, and where they did not exceed or abuse their authority, no further action will be taken. But if the Review Commission determines that a panel reached an inappropriate result that amounts to abuse of its mandate, the Commission would transmit that determination to Congress. Any Member of Congress would then be permitted to introduce a privileged resolution and, if such resolution were enacted, the U.S. Trade Representative would be required to enter into negotiations to amend the WTO dispute settlement rules. After three determinations of inappropriate decisions by dispute settlement panels, any Member could introduce a privileged resolution and, if such resolution were enacted, the United States would be required to withdraw from the WTO.

This bill is very similar to legislation already introduced in the other body by Senator DOLE to implement an agreement he reached last year with the administration to protect against just such a threat to U.S. sovereignty by the WTO. It differs only in that it clarifies that it is the U.S. Trade Representative who is responsible for negotiations to amend the WTO rules if a joint resolution is approved by Congress. It is a farsighted proposal that permits the United States to exercise international leadership. Through the careful review of WTO decisions by the Review Commission, we will be able to prevent countries who engage in unfair trade practices from abusing the role of the WTO dispute settlement panels. The United States will be in a position to oversee the operation of these panels to ensure that any such abuse does not adversely affect U.S. trade laws and ultimately, American national commercial interests.

Another important feature of this bill is the provision permitting the participation of U.S. private parties in the consultations and panel proceedings. If a U.S. private party with a direct economic interest in a WTO proceeding supports the U.S. Government's position, then the USTR must permit the party to participate in the WTO panel process. The USTR must consult in advance with the party before submitting written briefs to a panel, include the party as an advisory member of the U.S. delegation dealing with the dispute, and in certain instances, permit the party to appear before the panel hearing the case.

Private party participation is a key aspect of this bill. Because the dispute settlement decisions will be binding, it is imperative that American interests be properly represented. Given the USTR's active schedule in representing the United States in a variety of trade matters, the assistance private parties can provide will be crucial.

We welcome the support of our colleagues in cosponsoring this important legislation.

WTO COMMISSION ACT

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. LEVIN. Mr. Speaker, I am pleased to join my colleague, the gentleman from New York, in introducing the WTO Dispute Settlement Review Commission Act. This is an important piece of legislation designed to ensure that our rights as a nation to defend industries and workers from foreign unfair trade practices are not diminished by the new World Trade Organization dispute settlement system.

Last year, Congressman HOUGHTON and I worked together in the Ways and Means Committee and helped secure GATT implementing legislation that preserved the effectiveness of our trade laws against dumping, subsidies, and other unfair trade practices. These laws are a critical last line of defense for American workers and companies facing unfair trade restrictions. These laws have been on the books in one form or another for over 70 years.

But writing good laws in the Congress is not enough. Under the new World Trade Organization, the United States will no longer have the ability to veto an international dispute settlement decision against us, even if we think it was wrongly decided. This creates a tremendous temptation for some of our trading partners who have been disciplined by our trade laws to use the new dispute settlement process to undermine the effectiveness of those laws. Many foreign trade negotiators have said they will attempt to use the WTO to invalidate section 301 or to force certain changes in the way the Department of Commerce enforces the antidumping laws.

We have a concrete example in our current negotiations with Japan in the Framework talks. The Japanese trade minister has threatened to bring a WTO case against the United States if we impose section 301 sanctions against Japan for its barriers to United States autos and auto parts. In effect, the Japanese want to use the WTO—which is supposed to keep markets open—to keep the Japanese market closed.

Mr. Speaker, we cannot allow this kind of abuse of the WTO. This bill is designed to create a fair and impartial process to review WTO decisions, and to provide the Congress with a mechanism to bring about changes in the WTO if it is misused.

The bill establishes a WTO Dispute Settlement Review Commission composed of five Federal appellate judges, appointed by the President in consultation with the Congress. The Commission will review every decision against the United States by a WTO panel. Where a panel has applied the proper standard of review, and did not exceed or abuse its authority, no further action would be warranted. But if the Commission determines that a panel reached an inappropriate result that amounts to abuse of its mandate, the Commission would so inform the Congress. Any Member of Congress would then have the right to introduce a privileged resolution directing the U.S. Trade Representative to negotiate amendments to the WTO dispute settlement rules to fix the situation.

And if the Commission determines that WTO panels have abused their mandate on three separate occasions in any 5-year period, Members would have the right to introduce a privileged resolution directing that the United States withdraw from the WTO by a date certain if one last effort to amend it fails.

This basic arrangement was agreed to by our U.S. Trade Representative Mickey Kantor during last year's GATT debate. I think Ambassador Kantor deserves credit for recognizing the legitimacy of this issue and working with Members of Congress, both Democrats and Republicans, to craft a fair solution.

The Commission may find that its very first case involves Japan and the auto sector. If Japan carries through on its threat to appeal to the WTO rather than open its markets, and if the WTO panel were to rule against us—an occurrence I do not foresee in view of the clearly exclusionary and discriminatory practices presently undertaken or tolerated by the Government of Japan—this would raise a serious question about whether the new WTO dispute settlement process is really in our national interest. I would expect a very careful review of that decision by the Review Commission, with appropriate recommendations to the Congress.

But it is my sincere hope that the mere existence of the Commission will encourage appropriate use of the WTO and will discourage WTO panels from acting beyond their authority when such cases are brought.

Finally, let me also speak to the final section of the bill, which provides that private parties may participate with the USTR in WTO dispute settlement proceedings. Under our legislation, if a U.S. private party with a direct economic interest in a WTO proceeding supports the U.S. Government's position, then the USTR must permit the party to participate in the WTO panel process. This private party participation is critical to protecting American jobs. Because the dispute settlement decisions will be binding, it is imperative that the interests of American companies and their workers be fully represented. This is not meant as a criticism of USTR in any way. But given the reality of USTR's many obligations in negotiating with countries around the world, they need the help of the private sector.

Mr. Speaker, this is an important piece of bipartisan legislation, and I hope we can move quickly to see it enacted into law.

RESIST IMPULSE TO BE PENNY WISE AND POUND FOOLISH

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. NADLER. Mr. Speaker, I rise today to add my voice to the growing concern expressed by many of my colleagues over the dangerous and devastating effects of many of the actions taken by this body in recent weeks, and actions that will be taken in the coming weeks.

I am gravely concerned that the frontal attack on low- and middle-income Americans that some are waging will have far-reaching effects that we cannot begin to fathom today.

Some Members of this body seem to be engaged in a race to cut, with little regard to what we are cutting, and what the effects of these cuts will be to Americans who are truly in need of assistance. While there is most certainly wasteful spending occurring which must be addressed by this body, we seem to be engaged in an exercise which is driven by a complete disregard to the content of what we do, with regard only to how much we do.

At the same time, we are transferring spending authority to our States, many of which are engaged in the same exercise.

We must remember that the cuts we make here are being echoed in our cities and our States. Even the most cost-effective programs are being cut at the city and State level—including a small and highly effective program in New York State called NORC, designed to assist moderate-income elderly remain in their homes, rather than cost taxpayers millions by financing nursing home care. This program receives only $1 million of State funding, and cutting it would likely end up costing much more.

We must resist the impulse to be penny wise and pound foolish. We must also be aware that, in our current climate, the cuts we make in Washington will be duplicated at the city and State level. We must equally resist the impulse shared by some in this House to punish those most in need of assistance—the poor, the elderly, the disabled, children, workers, legal immigrants—and to place the blame for our Nation's deficit on those who truly need assistance.

DO NOT FORGET MILITARY RETIREES

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. McHUGH. Mr. Speaker, today the United States stands as the world's only remaining superpower. Having won the cold war we set out to downsize our military and cut defense expenditures. As we continue this process, we must not forget those military retirees who, through their many years of service and dedication, helped secure our Nation's future.

I fear that those who served during the World War II, Korea, and Vietnam eras, and who have since retired from the military, are being asked to bear unfairly the brunt of this downsizing process. The closing of bases throughout the country will leave many retirees without immediate access to DOD medical facilities. For example, the 1993 BRAC Commission's ill-advised closure of Plattsburgh Air Force Base will leave thousands of military retirees in upstate New York and in nearby Vermont without the services of the base hospital. Retirees over the age of 65 will be forced to rely on other, more costly, means to secure health care. Many people joined the military with the understanding that DOD would provide them with health care for life.

If we renege on our commitment to these military retirees, it will only serve to harm future efforts to attract high-quality personnel. We cannot expect service members to make a long-term career out of the military if we continue to demonstrate that a promise made yesterday no longer counts today.

Mr. Speaker, we have come to be a nation of strength by holding steadfast to our commitments and not by shirking our responsibilities. We did not do it in the past and we should not start now, especially when it comes to those men and women who were willing to make the ultimate sacrifice for their country. I believe that we must do whatever is in our means to ensure that these military retirees are not left to fend for themselves.

NATIONAL BEVERAGE CONTAINER REUSE AND RECYCLING ACT OF 1995

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MARKEY. Mr. Speaker, today I am introducing the National Beverage Container Reuse and Recycling Act of 1995. This important piece of legislation is especially relevant today as we approach the 25th anniversary of Earth Day. I have introduced this legislation in the past with my colleague, the late Paul Henry (R–MI), who was a true and dedicated champion for this important initiative, and hope that my colleagues will this year embrace this bill that combats the problems we have of shrinking landfill space, skyrocketing waste disposal costs, misspent energy and natural resources, and litter strewn roadsides by setting in place a national beverage container recycling program. If passed, this bill would save millions of dollars in energy costs, divert a significant portion of the solid waste stream, foster the growth of a recycling infrastructure, and help reverse the throwaway ethic our Nation has embraced.

Most importantly, this will be done at no cost to the taxpayer. This bill, which requires a deposit paid on beverage containers, will act as a positive economic incentive to individuals to clean up the environment and will result in a high level of reuse and recycling of such containers, and help reduce the costs associated with solid waste management. Such a system will result in significant pollution prevention, energy conservation and recycling.

We can conquer the problem of one-way, throwaway beverage containers as 10 States have already done. Under these deposit programs, which are in effect in California, Connecticut, Delaware, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, and Vermont, consumers pay a deposit on each container purchased, and this is refunded when the container is returned. Consumers in these States have proven the effectiveness of such legislation by reaching recycling rates as high as 95 percent.

This bill will encourage the development and maintenance of a recycling infrastructure. The plastics industry, which already has a recycling infrastructure, would particularly benefit from this bill since it has been plagued by supply shortages.

Consumers have demonstrated the popularity of deposit laws. A General Accounting Office [GAO] study found that 70 percent of Americans support national deposit legislation. Perhaps more importantly, in States that have deposit laws, this level is even greater.

This bill allows States to recycle in any manner they wish, as long as they achieve a 70-percent recycling goal for beverage containers. Only States that fail to meet this challenge would be required to implement the deposit program outlined in this bill.

To further encourage recycling efforts, the unclaimed deposits collected under this bill, which could total as much as $1 to $1.7 billion annually, would be used to support other recycling programs. For example, deposit laws can help subsidize the costs of curbside recycling. Together, deposit laws and curbside recycling

can result in greater recycling and reuse than either program could alone.

In celebration of Earth Day, just 2 weeks away, I introduce this legislation that will help us to reach our environmental goals by conserving our natural resources and reducing litter and pollution. I urge my colleagues to support comprehensive recycling by cosponsoring the National Beverage Container Reuse and Recycling Act of 1995.

REPEAL THE SHORT-SHORT TEST FOR REGULATED INVESTMENT COMPANIES

HON. MICHAEL PATRICK FLANAGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FLANAGAN. Mr. Speaker, to qualify for taxation as a regulated investment company [RIC], a mutual fund must meet various tests. One of the tests is that a RIC must derive less than 30 percent of its gross income from the sale or distribution of certain investments, such as stocks, options, futures, securities, and forward contracts, held less than 3 months. This is known as the short-short test. Mr. Speaker, today I am introducing legislation to repeal the 30 percent of gross income limitation applicable to regulated investment companies.

The short-short test severely inhibits the ability of RIC's to adequately respond to fluctuating market conditions. Under present law, RIC's are not able to protect their investors as well as possible. This is because RIC's can not, for example, completely hedge their investments against adverse market trends. Similarly, if prices go up, a portfolio manager may not be able to sell certain securities, even if it is advisable to do so, solely because of the short-short test. They are stymied by the 30-percent barrier, even though it could be advantageous to go beyond that point and realize more than 30 percent of their gross income from certain investments. The inability to freely trade stocks, options, securities, and the like can adversely affect 401K's and various types of retirement funds invested in mutual funds.

Portfolio managers cannot totally maneuver to protect their investors without having their RIC status adversely impacted if they violate the 30-percent mark. The repeal of the short-short test will give those managers the capability to fully protect profitability for their shareholders. As it stands now, portfolio managers are often forced to make investment decisions based on tax strategy rather than investment strategy.

The short-short test is also an administrative nightmare. RIC's have to track the percentages of short-term and long-term gain realized daily and cumulatively throughout the year, and the holding periods of their assets. This, of course, creates extra costs for RIC's that are passed on to shareholders. Repeal of the short-short test will eliminate an inordinate amount of paperwork and accounting costs for the RIC's, and help their shareholders keep more of their investments.

Repeal of the short-short test has previously received strong bipartisan support. It passed the House unanimously on May 17, 1994, as part of the Tax Simplification and Technical Corrections Act of 1993. Unfortunately, the legislation was not enacted into law. I am bringing the issue forth for the 104th Congress because I believe it is still a much needed reform that can only help, and in no way hurt, the American economy.

TRIBUTE TO SAMUEL T. YANAGISAWA AND HIS WORK ON IMAGE INTENSIFIER NIGHT VISION EQUIPMENT

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today to recognize and commend the accomplishments of an outstanding individual and fellow Texan who has done exceptional work in the development and manufacture of night vision equipment. This equipment enabling armies to fight in the dark is one of the most profound changes in military capability in history. It was a critical factor in the low loss of life and played a major role in the success of Operation Just Cause in Panama and Operation Desert Storm in Kuwait. These examples alone prove conclusively that night vision technology has revolutionized military tactics and strategy.

Sam Yanagisawa was instrumental in the development and manufacture of the first generation of image intensifier night vision equipment and of subsequent generations of goggles for night flying and for use by ground troops. His leadership, dedication, innovation, and frankly, his genius, led the way in providing our fighting forces with a night fighting capability that has proved decisive. He has been in the forefront with both the public and private sectors.

Mr. Yanagisawa was one of the founders of the U.S. Night Vision Manufacturers Association that help persuade our forces to adopt this equipment and develop the necessary doctrine for its employment. His initiative, foresight, and professionalism contributed immeasurably to the success of this effort. At the same time, he served on the Army Science Board, chaired two summer studies, and currently serves on the Air Force Studies Board.

Mr. Yanagisawa served in various positions at Varo Inc., from 1967–1987 where he developed the first generation of night vision tubes and equipment at high rate of production and introduced special process computers for the complex production of photocathodes, an integral part of image intensified devices. He went on to facilitate the efficient production of second generation tubes and equipment so that night goggles could be practicable for ground and airborne applications. He retired as chairman and CEO of Varo in 1987.

Mr. Speaker, I salute Sam Yanagisawa for his hard work, diligence, and outstanding accomplishments in the development of night vision. We all owe him a debt of gratitude for his years of dedication and join together in commending him for showing great foresight and commitment to the night vision industry. We thank him for his genuine contributions to our Nation's security and wish all the best in his future endeavors.

H.R. 1378, REGARDING RENUNCIATION OF AMERICAN CITIZENSHIP

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. GIBBONS. Mr. Speaker, last week the Republicans in the House of Representatives, acting on behalf of powerful lobbyists representing unnamed clients, succeeded in stopping a provision that would have prevented wealthy Americans from avoiding billions of U.S. tax by renouncing their American citizenship.

Earlier this week, I introduced H.R. 1378, which would require that those unnamed clients be identified to the public. The legislation would require the Secretary of State to publish in the Federal Register the names of individuals who renounce their U.S. citizenship. Individuals enjoying enormous tax advantages through renunciation of their U.S. citizenship should be publicly identified.

In the debate last week, Republicans tried to faithfully follow the script prepared by lobbyists representing wealthy expatriates and those few wealthy Americans planning to renounce their allegiance to their native country in the near future. Their arguments were eloquently refuted by the Democratic Members participating in the debate and we need not repeat that debate.

However, the Republicans did stray from the script prepared by these lobbyists in several respects, and I want to respond to those arguments. They accused the Democrats of engaging in class warfare and attempting to tax wealthy individuals out of existence. They argued that these wealthy individuals would not have engaged in the despicable act of renouncing their allegiance to the United States but for the punitive levels of taxation in this country.

The Republican concern for the wealthiest among the privileged class is understandable given their political philosophy but, from the average taxpayer's perspective, it is seriously misguided. The wealthiest of the wealthy did quite well during the 1980s. The wealthiest of Americans saw their share of total income almost double in the 1980s. According to Treasury Department data, the share of total income reported by the top one-half of 1 percent of taxpayers increased from 6.05 percent in 1979 to 11 percent in 1989.

Their argument that our taxes are at punitive levels is totally false. The United States has one of the lowest tax burdens of all industrialized nations in the world. It is true that our rates exceed those provided by the tax havens to which these wealthy people are fleeing. However, those individuals can reside safely in those havens only by reason of the defense expenditures of this country which enable wealthy expatriates to live safely anywhere in the world. Many of these expatriates continue to live and work in this country for large portions of the year.

The argument that I find most appalling is the argument that we engaged in class warfare when we tried to prevent these billionaires from avoiding their tax responsibilities by renouncing their U.S. citizenship. Two weeks ago, Republican Members of this House compared poor Americans to ''alligators'' and

''wolves'' and engaged in crude stereotyping of welfare recipients by referring to ''studs'' outside their homes. They passed a welfare reform bill that took $66 billion away from the poorest of American citizens. None of this was considered class warfare by the Republicans. However, they condemn as class warfare our attempt to make a handful or two of the wealthiest of the wealthy bear the same burden of tax as all the rest of us.

I will continue to work toward making our tax system fair to all who benefit from this great country. H.R. 1378 is one small step in that direction.

CHECK-OFF FOR OUR CHILDREN ACT

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MINGE. Mr. Speaker, Representatives JAN MEYERS, PETER DEFAZIO, TILLIE FOWLER and I are introducing a bipartisan bill to provide the American taxpayer with a way to contribute directly to eliminating the national debt. This legislation allows citizens to check a box on their Federal tax return and indicate the amount of the tax refund each citizen would like to direct to retire the national debt. The Check-Off for Our Children Act will form a partnership for America's future between citizens and the Congress of the United States to reduce our national debt and to reclaim the economic future of the next generation of Americans.

I think that everyone would agree that America is at a crossroads in history. The next 20 years will determine whether we will let our staggering debt turn the American dream into a nightmare. The growth of our economy, creation of meaningful jobs, a reduction of Federal spending, revitalization of our infrastructure and the preservation of our environment for future generations all depend upon our ability to reduce our national debt. We have all benefitted from these deficits over the years, but now it is time to own up. Unless the Congress and our citizens act in unison now, the Federal Government's sole function will soon be to transfer tax dollars to meet interest payments on the debt and the rapidly expanding entitlement programs.

There is now a growing willingness in the hearts and minds of the American people to play an active role in retiring the national debt, thanks in part to the efforts of Lucile McConnell and The Fund to End the Deficit. Lucile has worked tirelessly to educate Americans about the threat the deficit poses to future generations and opportunities they have to help solve solve this problem. This desire can be met by a little known Federal statute, Public Law 87–58, which was signed into law in 1961 by President Kennedy. This law enables every citizen to contribute directly to retiring the national debt. In conjunction with the Check-Off for Our Children, taxpayers can simply mark a check-off box on their tax returns to designate a portion of their tax refunds on the condition that it be used only to retire the national debt.

The greatest principle of democracy is that we each have a choice. The Check-Off for Our Children gives each of us a choice to turn back to the principles underlying our democracy: responsibility, participation, citizenship, and fiscal restraint. Each of us must take responsibility for our country and our future. We in Congress have a responsibility to make the difficult choices required to cut Federal spending and balance our budget. The Check-Off will ensure that every American has the opportunity to make a direct contribution to retire the national debt.

As we reduce the national debt, we will realize at least three immediate benefits. We will reduce the risk of inflation as excess cash is applied to debt retirement. We will stabilize interest rates. And most important, as we reduce the amount we must spend on interest every year, we will also reduce overall Federal budget requirements. The benefit for future generations goes far beyond these three—the benefit to our children is the inheritance of a renewed America.

THE SAGINAW GANG CRIME TASK FORCE: COMMUNITY POLICING AT ITS BEST

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. BARCIA. Mr. Speaker, there is no doubt that the safety of our streets is a key concern for all Americans. And just as people have become more aware of our crime problems, many good citizens have become personally involved in developing creative solutions to augmenting the ability of our hard-working police departments in the fight against crime.

The city of Saginaw had been the victim of an unacceptably high crime rate. Murders, firearms violations, and aggravated assaults were greater than surrounding areas. A 1994 survey by the Michigan Prosecuting Attorney's Coordinating Council also documented the existence of at least 13 gangs in the Saginaw area, with membership in the hundreds. These gangs were responsible for the inordinate amount of crime in Saginaw.

The Saginaw County Sheriff, Tom McIntyre, along with local Chiefs of Police, State Police officials, agents of the FBI, the Drug Enforcement Agency, the Bureau of Alcohol, Tobacco and Firearms, and the Secret Service concluded that the police needed help to deal with these gangs. Continuing work by the office of Saginaw Mayor Gary Loster, Saginaw County Prosecutor Michael Thomas, and other community organizations confirmed the concerns about gang-related crime. It became clear that resources devoted to gang activities were insufficient and that a concerted effort to deal with these gangs was necessary.

Mayor Loster and FBI resident agent Phil Kerby were then responsible for creating the Saginaw Gang Crime Task Force. Each participating agency was asked to contribute human resources to the gang crime effort, and they did it. The Task Force garnered greater public support, and their resources grew.

Since the formal introduction of the Task Force to the public on April 6, 1995, the Task Force has been directly responsible for making many public events safer. Murders are down 20 percent. Violent crime is down 10 percent. People feel better about their neighborhoods, and Saginaw is on its way to restoring its reputation as a wonderful, inviting city.

Mr. Speaker, I urge all of our colleagues to join me in praising the dedicated men and women who make up the Saginaw Gang Crime Task Force and Saginaw community leaders who have worked so hard to deal with gang crime. It shows once again that there is no better resource for our nation than concerned, committed citizens working with public servants doing the best that they can under very difficult circumstances.

HONORING PONCHO SANCHEZ

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. PASTOR. Mr. Speaker, I would like to take this opportunity to congratulate one of the greatest jazz musicians in America, Poncho Sanchez. To recognize the accomplishments of Mr. Sanchez within the music industry, the city of Washington DC has proclaimed April 19 as ''Poncho Sanchez Day.''

Mr. Poncho Sanchez is a self-taught musician who has dedicated his life to the cultivation of the Latin jazz genre. He is considered one of the most prominent conga players and percussionists in America today.

Beginning his musical career in 1975 as a member of the Cal Tjader band, he toured and recorded with the band until Tjader's death. During that stage of his career he had the honor of sharing with Tjader, a friend who was also a mentor, one Grammy award for the album ''La Onda Va Bein.'' Mr. Sanchez not only has enjoyed the opportunity to perform with the Cal Tjader band, he also has had the pleasure to performing and recording with other jazz stars, including Carmen McRae, Clare Fischer, and Woody Herman.

In 1982 Poncho Sanchez began his solo career with the album ''Sonando'' which helped reaffirm his place in the jazz world. His more recent achievement have included performing with Tito Puente, who played with Sanchez's band at the Playboy Jazz Festival and who appears in the album ''Chile con Soul,'' as well as receiving three Grammy nominations. The unique style he has developed, blending powerful Latin music with lyrical jass notes, places him in a category all his own.

Mr. Speaker, Poncho Sanchez is an exceptional artist whom I am honored to recognize. His contribution to Latin music is a sample of the richness of the Latin community. Again, I would like to send my sincerest congratulations to Mr. Sanchez for this deserved recognition.

TRIBUTE TO KATE BYRNES

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. WOOLSEY. Mr. Speaker, I rise today to honor Kate Byrnes, the 1995 California Teacher of the Year. Kate Byrnes works for the Marin County Office of Education as a teacher for the visually impaired and as an orientation and mobility specialist. She has served the

people of Marin County well in this capacity, and earned a reputation for being one of the most exemplary teachers in her field.

Kate Byrnes has devoted countless hours to her students and demonstrates an uncommon commitment to her educational mission. Time and time again she has intervened on behalf of her students and their families. In addition, she has coordinated overnight ski trips for the blind and visually impaired in order to increase their recreational opportunities.

Kate Byrnes has been active in organizations, including the Low Incidence Regional Network for Northern California and the shared decision-making Leadership Team of teachers and administrators for the Marin County Office of Education's special education division. She has been an instructor and guest lecturer at San Francisco State University, helping to motivate others to become exceptional teachers for the visually impaired.

Mr. Speaker, it is my great pleasure to pay tribute to Kate Byrnes for being selected as the 1995 California Teacher of the Year. Marin County owes a great deal of gratitude for the tireless efforts of Kate Byrnes over the years. I extend my hearty congratulations and best wishes to Kate.

MACK GERALD FLEMING

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MONTGOMERY. Mr. Speaker, Friday, March 31, 1995, marked the end of an extraordinary career in public service. After 26 years on Capitol Hill, serving 21 years as chief counsel and 14 as staff director of the Committee on Veterans' Affairs, Mack Gerald Fleming retired.

Superlatives just naturally come to mind when describing Mack. As stated in the resolution presented to Mack by BOB STUMP and me, his service with the committee and the Veterans Administration was distinguished by visionary leadership, profound wisdom, sound political judgment, and a passion for meeting the needs of America's veterans.

His was the deep commitment of the true believer tempered by a unique practical sense of political possibilities and opportunities. His intuitive sense of timing and ability to reach an effective compromise resulted in the enactment of far-reaching veterans' legislation. Under his guidance, the measure elevating the Veterans' Administration to the Department of Veterans' Affairs was signed into law. Additionally, the new GI bill, which profoundly improved the ability of the Armed Forces to recruit smart, capable young men and women, was nurtured into reality by Mack Fleming. I think Mack would also say he is particularly proud of his efforts to provide an entitlement to inpatient health care for service connected and low-income veterans.

We all know Mack thrived in and was energized by the rough and tumble of politics, and he loved nothing better than a good fight on behalf of a cause he championed. He nevertheless was not swallowed up or overwhelmed by the sometimes heady Capitol Hill existence. There was something in his background or the way he was raised that kept him solidly grounded, and that made the difference:

The difference between a boastful person and one whom people boast of knowing;

The difference between a cynical man and one who only sees the good he can do for other people;

The difference between a man who looks for credit for his accomplishments and a man who accomplishes much.

Mack Fleming is a person who is still filled with wonder and seeks to learn new things every day. He has the quintessentially American outlook first observed by de Tocqueville that although man is not perfect, with a decent amount of effort, he can be improved.

Mack came from a humble background in Georgia and South Carolina. He graduated from Clemson University in 1956 and was commissioned as an officer in the U.S. Army. He served on active duty for 2 years with the Second Armored Division in Europe. He subsequently returned to South Carolina where he was a supervisor in a textile mill for 2 years. After coming to Washington in 1960 to serve as administrative assistant to William Jennings Bryan Dorn, Mack graduated from the Washington College of Law at American University in 1966.

Mack also met his wife Libby in Washington, whom he married in 1963. He has been a devoted husband and a supportive and proud father of their children, Katie (Katharine) and John. Mack has long been an active member of the Capitol Hill United Methodist Church and regularly serves as a volunteer at the soup kitchen sponsored by his church.

Mack Fleming loved his work. He was as loyal as they come—smart, tough, a savvy politician. He particularly admired Speaker Sam Rayburn and Presidents Abraham Lincoln and Lyndon Johnson—and one could see Mack's respect for these practical politicians reflected in his strong character and deep sense of personal honor. Now, I don't want anyone to get the idea that Mack was a saint. He was occasionally more passionate than logical, and serene is not a word I associate with Mack, but he never retreated from the consequences of his conviction.

Mack brought old-fashioned values with him when he arrived in Washington 35 years ago. Through his influence and powers of persuasion, those values are integral markers for much of the work carried out by the committee and its staff. I often said he was the best, and we will certainly miss him.

''TAKING'' IT TOO FAR

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MILLER of California. Mr. Speaker, and fellow Members, I bring to your attention the attached article by Charles McCoy, from the April 4, 1995, edition of the Wall Street Journal.

Mr. McCoy presents an even-handed report of the congressional debate on the issue of private property rights and the ''takings'' issue, which, after passing the House, is now underway in the Senate. As Mr. McCoy notes, the House bill would require the Government to pay landowners full compensation when certain environmental protection actions trim the value of any portion of their land by 20 percent or more. In the Senate, majority leader BOB DOLE has introduced a measure (S. 605) that would lift the threshold to 33 percent and would apply to all Federal actions.

Proponents contend that the Republican bills aim merely to put common sense back in Government's attitude about private property. Perhaps these advocates can explain the logic behind these examples of litigation currently being fought under the guise of private property rights:

Summitville Mine. The Canadian company that operated Summitville Mine created a Superfund site that will cost the taxpayers about $120 million to clean up, filed bankruptcy and left the country. Now the owners of the mine site are suing the Governor of Colorado on the grounds that because the State permitted the mine, that gave the owners significant profit but also polluted their property, the value of the land was decreased due to regulatory action.

California Central Valley [CVP]: Big agricultural corporations now receive huge amounts of public water at subsidized rates to pour on their corps. Under the CVP legislation enacted in 1992, Federal and State regulators intend to divert some of that water to save and restore salmon runs. Now, the agriculture bigwigs are claiming that if these plans go through, and the takings legislation is enacted, they will claim reimbursement for any diversion of their subsidized water allotments—at market rates—not the subsidized rates.

The argument for ''takings'' legislation is not simply about that bedrock of American values: protection of private property. Unfortunately for those citizens who honestly believe in the rightness of their cause, it is more a ruse being played on the American people by the proposal's strongest supporters: industries such as mining, ranching, timber, oil and gas, and agriculture. These corporate players and their lawyers know that if enacted, this bill will not bring common sense to governmental actions, but will flagrantly inflate the number of lawsuits crowding our courts and cause governmental gridlock at all levels.

I urge you to take the time to read Mr. McCoy's article.

[From the Wall Street Journal, Apr. 4, 1995]

THE PUSH TO EXPAND PROPERTY RIGHTS STIRS BOTH HOPES AND FEARS—SOME CALIFORNIA FARMERS SEE WINDFALL IN GOP BILLS; OFFICIALS FRET ABOUT COSTS

DO GRAZING ELK ''TAKE'' GRASS?

(By Charles McCoy)

The new Republican-controlled Congress is on its way to passing the biggest expansion of property rights in U.S. history. In California, this could very well radically drive up the cost of saving salmon—and add to the tide of litigation those rescue efforts have already spawned.

Indeed, the Republican proposals, depending on their final form, promise a procession of policy zigzags and lawsuits at all levels of government, both critics and even some proponents agree.

MURKY CONSEQUENCES

Consider the salmon example: Big agricultural corporations in California's arid Central Valley now get huge amounts of public water at subsidized rates to pour on crops. But some of the state's historic salmon streams are drying up; under previous congressional mandates, federal and state regulators want to divert some of this water to restore salmon runs.

But, under ''takings'' legislation passed by the House last month, corporate farmers would have to be compensated for any diversion of their allotments. In fact, under some circumstances, the corporate farmers could claim reimbursement at market rates—meaning reimbursement out of the federal treasury at rates 10 times the subsidized rate they now pay. ''We have a right to that water, and if the government wants it for fish, they have to pay us,'' says Jason Peltier, a top California farm lobbyist.

Until now, federal courts and the U.S. Supreme Court have, in a number of decisions, rejected this view. But the breadth and wording of the new Republican takings proposals would unquestionably give Central Valley farmers a potent new weapon; they are already preparing lawsuits in anticipation of passage of a generous takings law.

BLESSING OR DISASTER?

Environmentalists are naturally alarmed. Says Hal Candee, an environmental lawyer with the Nature Resources Defense Council: ''This is insane—the public is already subsidizing irrigation that is devastating the environment, and now we have to pay even more to make it stop?''

Moreover, the takings movement is being watched with growing concern by numerous state and local governments, which fear a huge hit on the public treasury—or a sharp decline in their ability to enforce what they consider reasonable environmental, planning and other regulations. In Riverdale, Calif., a fast-growing Southern California city bedeviled by numerous endangered species, traffic and open-space conflicts, city planner Stephen Whyld calls the new takings proposals ''prescriptions for total gridlock.''

Nonsense, say proponents, who argue that such legislation is necessary to rein in overweening regulators. ''It's obvious that bureaucracies from the federal level down to the local school board have come to believe that the Fifth Amendment just doesn't apply to them,'' says R.S. Radford, a property-law expert at the Pacific Legal Foundation, a conservative legal think tank that has handled many takings lawsuits on behalf of landowners. The takings movement, he says, confronts ''terrible abuses by government against individuals.'' Central Valley farmers, for example, have long painted efforts to save salmon as an example of government ''worrying more about fish than people.''

What is certain is that the takings campaign, both in Congress and in a number of states, seeks to significantly expand interpretation of the Constitution's so-called takings clause. This is a snippet of the Fifth Amendment that holds that government ''shall not take private property for public use without just compensation.''

KEEPING A PROMISE

The recent House proposal also fulfills a promise in the ''Contract With America'' and is strongly supported by large industries such as mining, ranching, oil and agriculture. It requires the government to pay landowners full compensation when certain government actions to protect the environment trim the value of any portion of their property by 20% or more. The Senate is considering a proposal championed by presidential hopeful and Senate Majority Leader Robert Dole that lifts that threshold to 33%—but it would apply to all federal regulations, not just environmental rules.

Whatever its final form, such a bill, if passed, would be a populist rallying point that may be difficult for President Clinton to veto. Even if he does, the movement has plenty of steam at a state and local level. Colorado, Oregon, Texas and other states are considering their own expanded takings bills.

In fact, some private-property interests have already begun to push novel legal theories under the current state of takings law—theories that they clearly hope will be enshrined under the more expansive Republican bills. Wayne Hage, a Nevada rancher and a leader of the West's private-property movement, alleges in a lawsuit pending in the federal court of appeals in Washington that the government owes him compensation because fish and game agencies don't prevent elk herds from drinking from his streams and munching range on his 7,000-acre spread. That is a taking of his water and grass, he contends.

Mr. Hage also is credited with devising another now-popular theory in the West: that ranchers have what amounts to a private-property right to graze on public range land. Thus, Mr. Hage and several other Western ranchers have sued the U.S. Forest Service and the Bureau of Land Management, claiming that they suffered takings when the agencies tried to restrict grazing on public range, which in many areas has been scalped by years of overgrazing.

In Mr. Hage's case, the Forest Service confiscated some of his cows because he repeatedly defied the agency's orders to stop grazing on public land that federal range experts considered ''trampled, compacted, gullied.''

For damage from regulators and elk, Mr. Hage seeks compensation of at least $28.4 million.

MOUNTAINS OF CONCERNS

Then there is the case of the Summitville Mine in south-central Colorado. Mining practices there have created a heap of cyanide-laced mine wastes; the Superfund cleanup is expected to cost taxpayers at least $120 million. The Canadian company that operated the mine for its owners has declared bankruptcy and left the country.

Now, the mine owners, Aztec Minerals Corp., Gray Eagle Mining Corp. and South Mountain Minerals Corp., have sued Colorado's governor and main environmental agencies. Their claim: Because regulators did as the companies wished and permitted mining that earned them substantial profits but polluted their property, their land has been devalued by regulatory action—a taking under the Colorado constitution. The mine owners also say their property values have been hurt because regulators' emergency cleanup of Summitville, undertaken to prevent further poisoning of their land, has closed down mining, possibly for good.

''Let me get this straight: It's a taking when you're allowed to mine, and a taking when you're prevented from mining?'' scoffs Roger Flynn, an environmental attorney with the Western Mining Action Project.

Just so, says Tim Gablehouse, the mine owners' attorney: ''Government action and inaction have damaged the value of private property, and we have a constitutional right to compensation.''

INTANGIBLE COSTS

Colorado is one of many states considering local takings legislation modeled on the new congressional proposals, and indeed, it is at the state and local level, where planning commissions make numerous decisions on a daily basis, that such measures could really open the floodgates. For example, local governments often deny permission for landowners to subdivide lots or undertake high-density development, on the theory that approval would aggravate congestion or traffic. Yet such decisions often diminish land values by as much as one-third.

Jennifer Moulton, Denver's planning director, predicts that takings legislation pending in the Colorado state legislature would mean ''a nightmare of dueling appraisers and dueling lawyers.'' The Colorado proposal says that any diminution of property values whatsoever requires compensation but leaves it to appraisers to determine how much. ''Property owners will have their appraisers, and we'll have ours, and we'll all go around and around and around,'' Ms. Moulton says.

TEXAS NOTIONS

Other recent federal takings claims have featured coal companies alleging that they must be compensated because federal law requires them to pay money into a fund for miners stricken with black lung. And a company owned by Texas oil millionaire Clayton Williams has sued Wyoming wildlife agencies over limits and licensing requirements for hunting deer, elk and antelope. Mr. Williams's theory: He owns the wildlife on his 90,000-acre Wyoming hideaway, and state hunting restrictions are a taking of his private wildlife for which he must be compensated. Mr. Williams lost the first legal round in federal court, but he has appealed.

Not all the recent federal cases deal with environmental matters. International House of Pancakes Inc. has claimed that modifications to restaurants required by a 1990 handicap-access law are a taking for which it should be paid.

IHOP made the claim in defense of a lawsuit brought by Theodore Pinnock, a San Diego attorney with cerebral palsy who sued after he allegedly couldn't get his wheelchair through a narrow restroom door and had to crawl into the men's room. Last summer, the U.S. Supreme Court refused to review a lower court decision against IHOP's takings claim. But many lawyers say IHOP probably would have prevailed under some of the new takings theories being pushed in Congress.

It is that kind of scenario that concerns people like Jerold S. Kayden, a Harvard University property-law scholar. In his view, the Republican takings bills would ''vastly expand'' the opportunities for claiming compensable takings—and would likely trigger a blizzard of such claims that will force a cash-strapped government to choose between enforcing regulations in the public interest or paying huge sums to landowners.

More fundamentally, the new takings proposals mark a drastic departure from how courts and policy makers have historically interpreted the Fifth Amendment's taking clause. In general, courts have allowed the government significant latitude to make regulations impinging upon private property in the interest of protecting public health and safety, building highways, limiting growth and the like, particularly when the regulation didn't wipe out all economic value of the private land.

NARROW RULINGS

The Supreme Court twice in recent terms has taken up major takings claims; both times the court ruled narrowly in favor of landowners, strengthening private-property rights without fundamentally altering past property-law concepts. The court is currently hearing another potential landmark private-property case involving how far regulators can go to enforce the federal Endangered Species Act on private land.

Mr. Kayden also posits another question: If property owners are going to be paid by the public when a regulation decreases property values, he asks, why shouldn't they have to repay the public when regulatory action—flood control, for example—enhances property values?

Takings proponents, however, contend that the Republican bills aim merely to put common sense back in government's attitude about private property, and they have their own list of abuses that they believe shows the need for a radical change in the takings law. There is the case of a Washington man who was barred from cutting down a few

trees on his land because a spotted-owl nest had been discovered some five miles away. There is the South Carolina developer whose $1 million investment in residential property was totally wiped out by subsequent erosion-control rules, even though his lots were a football-field distance away from the beach. There are the various landowners who have been thrown in jail for dumping clean sand on slivers of their property that were classified as wetlands; in some cases, the ''wetlands'' had been dry for decades.

Backers also accuse their critics of fear-mongering when they suggest the bills invite landowners to raid the environment and the national treasury. Critics ''have propounded the myth that private property and environmental protection are inconsistent,'' says Rep. Lamar Smith, a Texas Republican and a House leader on property rights.

The House takings proposal, for example, wouldn't apply to any activity that runs afoul of state nuisance laws; that, he and other supporters say, will prevent landowners from ''getting paid not to pollute.''

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Mr. FOGLIETTA. Mr. Chairman, I hope kids aren't watching because today, we are ripping apart a great bedtime story—Robin Hood. In the rewrite, Robin has been bought off by rich, fat cat lobbyists. He isn't wearing his tights anymore. Instead, he's wearing an Armani suit and Gucci loafers. This time, Robin's taking the little the poor have left and giving it to the rich.

The facts make this story a horror story. Fifty-four percent of the tax cuts in this Contract On America would go to families with incomes of $100,000 or more. Thirty-two percent of the tax cuts go to families earning over $200,000. What's left in the Republican pot for poor and middle-class Americans? A mere 14 percent.

A mere 14 percent of the tax cuts of this Republican plan will benefit the average family struggling to send kids to college, struggling to make a downpayment on a home, struggling to make ends meet.

As an alternative, DICK GEPHARDT's tax bill provides families with a way to meet one of their many challenges—providing their children with opportunities for higher education. Importantly, this Democratic alternative targets those American families who need this help the most—families earning $100,000 or less per year.

There were some well-meaning Members on the other side of the aisle who were trying to do the right thing.

They sought to rid the bill of some of its inherent inequity by delivering the tax cuts only to working families making $95,000 or less per year. But when they arrived at the Sherwood Forest on the second floor of this building, they were rolled.

It would be nice if this was just a fairy tale, but it's not. The unfairness and the inequity of this bill are going to fall hardest on people like my constituents. My colleagues, this bill is called the Tax Fairness and Deficit Reduction Act. I cannot think of a worse name for it. It is anything but fair and it makes the deficit grow even larger than the tax cuts of the 1980's. My colleagues, oppose this bill.

IN HONOR OF DR. J. HENRY ZANAZALARI, SUPERINTENDENT OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS AS HE RETIRES

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Dr. J. Henry Zanazalari, Superintendent of the Middlesex County Vocational and Technical High Schools. Dr. Zanazalari, who has dedicated 47 years to educating our youngsters, will be retiring at the end of this school year. I would like to take this opportunity to acknowledge his accomplishments.

Thoughout his career, Dr. Zanazalari has been a county and statewide advocate of vocational training. For 24 years, he has served as superintendent of the Middlesex County Vocational and Technical High Schools. Under his leadership, the school district was recognized by the New Jersey Department of Education with the Commissioners Cup Award for 5 of the 7 years it was presented. This award is given to the New Jersey school district which placed the highest percentage of graduates in jobs in the field for which they were trained.

Dr. Zanazalari has also expanded the vocational school program in Middlesex County. He spearheaded the construction of the fifth vocational school in Piscataway, thus increasing the opportunity for hundreds of students on waiting lists. He is also responsible for the construction of additions to the East Brunswick, Piscataway, and Woodbridge campuses, which provided special education vocational training programs for the increased number of students with disabilities. In doing this, Dr. Zanazalari demonstrated that he recognizes that there will be more and more people with disabilities in the workforce in the years to come.

Dr. Zanazalari has received many awards for his work in the field of education. Among them are the Rutgers University Distinguished Service Award, and the National Vocational and Technical Honor Society Honorary Member Award. He was also inducted in the Perth Amboy High School Hall of Fame, and was a member of Phi Beta Kappa and Epsilon Pi Tau and the Phi Delta Kappa Honor Society. He is a member of numerous educational associations, including the American Vocational Association, the New Jersey Association of School Administrators, and the New Jersey Council of Local Administrators and Supervisors of Practical Arts.

On Friday, April 7, Dr. Zanazalari will be honored at a retirement dinner at the Landmark Inn, in Woodbridge, NJ. Please join me in wishing Dr. Zanazalari a happy and healthy retirement. He has set a great example for future generations. I am proud to have him as a constituent.

CENTRAL NEW YORK PEE WEES FIRST U.S. TEAM TO BE WORLD CHAMPIONS

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. WALSH. Mr. Speaker, last year I was as proud as I could be, or thought I could be, of some very special young athletes in my home district, the Syracuse Stars Pee Wee Hockey Team. They had won the U.S.A. Nationals and all of our hometown was awash in publicity and congratulations.

Today I am eager to report that the same team has once again prevailed. They are now the holders of the World Cup of Pee Wee Hockey, having won on February 19 this year the 36th Annual Tournoi De Quebec in Quebec City. The tournament hosted 115 teams from 17 countries. The Stars defeated teams from Russia, Ukraine, Detroit, and Toronto on their way to becoming the first United States team to ever win the World Cup.

To put this tournament in perspective, more than 550 former or present NHL players have participated, including Wayne Gretzky, Brett Hull, and Mario Lemieux.

The players are: Daniel Bequer, goalie, of North Syracuse; Brain Balash, forward, of Auburn; Gary Baronick, forward, of North Syracuse; Drew Bucktooth, forward, of the Onondaga Indian Nation; Tim Connolly, forward, of Baldwinsville; Jeremy Downs, defense, of Syracuse; Joshua Downs, defense, of Syracuse; J.D. Forrest, defense, of Auburn; Todd Jackson, forward, of Cortland; Josh Jordan, forward, of Marathon; Tom LeRoux, forward, of Syracuse; Doug MacCormack, forward, of Cortland; Matt Magloine, defense, of North Syracuse; Freddy Meyer, defense, of New Hampshire; Anthony Pace, forward, of Cortland; Steve Pakan, defense, of Syracuse; Mike Saraceni, goalie, of North Syracuse; and Ricky Williams, forward, of McGraw. Head Coach Don Kirnan was assisted by coaches Mike Connolly and John Jackson and manager Chris Kirnan.

Freddy Meyer won the Tournament MVP trophy and Drew Bucktooth won the Grand Finale Game MVP. Tim Connolly was top scorer of the tournament and along with Anthony Pace was named a single-game MVP. Dan Bequer gave up only two goals in the last three games, which proved for some exciting hockey, especially in the Stars' 4–0 final game win over Czechoslavakia.

I ask that my colleagues join me in congratulating these young athletes for their performance, and for bringing home to the United States our first World Cup of Pee Wee Hockey.

THE CONTACT LENS PRESCRIPTION RELEASE ACT OF 1995

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STARK. Mr. Speaker, in the final days of the last session of Congress, I introduced legislation to strengthen the ability of consumers to purchase contact lenses at lower prices, without compromising the quality of the products or services received. It was my hope that interested consumers, providers, and regulators would review and provide comment on the bill prior to reintroduction of the bill in the 104th Congress.

Over the past several months, I have received comments from constituents, consumers, providers and various other interested parties. The overwhelming message is that a Federal law requiring prescribers to release contact lens prescriptions will benefit consumers across American.

Today I am introducing ''The Contact Lens Prescription Release Act of 1995.'' This legislation will require the Federal Trade Commission [FTC] to issue regulations mandating the release of contact lens prescriptions after the initial fitting process has been completed.

While some who provided comments favor mandating the immediate release of prescriptions, and others favor no requirements at all, the balance struck in this legislation ensures that consumers will have enhanced bargaining power when purchasing replacement contact lens without putting the quality of patient care in jeopardy.

Today, more than a dozen States require some form of contact lens prescription release. This experimentation by the States has allowed us to monitor whether unintended consequences have occurred—such as a reduction in the quality of patient care—as a result of mandatory release. To date, I have not seen reports that the quality of patient care has suffered as a result of requiring prescription release after the initial fitting process is complete.

While this legislation provides a minimum standard regarding prescription release, it is likely that some States will experiment with additional ways, such as immediate release of prescriptions, to advance the ability of consumers to purchase high quality contact lens products at the most competitive prices. This legislation allows States to continue to undertake such efforts. We in Congress would serve our constituents well if we continue to monitor these State efforts and follow-up with additional Congressional action if appropriate.

I'd like to take a moment to provide some background to ''The Contact Lens Prescription Release Act of 1995.''

In 1989, the Federal Trade Commission [FTC] restated their requirement that eyeglass lens prescriptions be released by ophthalmologists and optometrists. In the FTC's ruling on eyeglasses, their comments explaining why they did not require the release of contact lens prescriptions is instructive for why this legislation is necessary today. The Commission found the following:

While the record suggests that it is not uncommon for practioners to refuse to give patients copies of their contact lens prescriptions, and that resulting costs to consumers could be significant, *we do not believe that the record contains sufficient reliable evidence to permit a conclusion that the practice is prevalent.''* [Emphasis added, Federal Register, Vol. 54, No. 47, Monday, March 13, 1989.)

One of the benefits and responsibilities of representing the 13th District of California is having constant contact with constituents. Over the past few years, I have had the opportunity to gather ''sufficient reliable evidence'' that nonrelease of contact lens prescriptions does result in higher costs for consumers and that this practice is sufficiently ''prevalent'' to warrant legislative action.

This legislation, Mr. Speaker, is rather simple—to allow greater competition in the marketplace. It achieves this goal by calling upon the Federal Trade Commission to issue a regulation requiring the release of contact lens prescriptions after the initial fitting process is complete. While there is strong sentiment in this body to forgo calling for any additional Government regulations, it would be shortsighted to turn aside this legislation for that reason. In enacting this legislation, this bill would eliminate dozens of State regulations that, however well-intentioned and well-suited to the technology and market conditions at the time, have come to block consumer choice today.

Mr. Speaker, I urge my colleagues to support this legislation. A copy of the legislation follows.

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 ''Contact Lens Prescription Release Act of 1995''.

SEC. 2. PRESCRIPTIONS FOR CONTACT LENSES.

(a) IN GENERAL.—The Federal Trade Commission shall amend its trade regulation rule on ophthalmic practice published at 16 C.F.R. 456 to require the prescriber to offer to release a copy of the prescriber's prescription for contact lenses—

(1) after the contact lens fitting process is completed, or

(2) in the case of a renewal of a prescription, immediately if there is no change in the prescription's specifications,

regardless of whether or not the patient requests a copy of the prescription. Such a prescription shall expire 2 years from the date of its issue unless the prescriber otherwise specifies based upon the medical judgment of the provider.

(b) DEFINITIONS.—For purposes of subsection (a):

(1) The term ''prescription'' means the specifications necessary to obtain contact lenses and includes data on the refractive status of patient's eyes and clearly notes that the patient is suitable for contact lenses.

(2) The term ''prescriber'' means an ophthalmologist or optometrist who performs eye examinations under a license issued by a State.

(3) The term ''contact lens fitting process is completed'' means the process which—

(A) begins after the initial eye examination and includes an examination to determine what the lens specifications should be, the purchase of lenses, and an initial evaluation of the fit of the lens on the patient's eyes and follow-up examinations, and

(B) is completed when the prescriber is satisfied that a successful fit has been achieved.

SEC. 3. EFFECT ON STATE LAW.

The prescription release requirement of section 2 does not affect any State law which permits the release of prescriptions for contact lenses on terms which are not more restrictive than the terms of section 2 or regulates who is to be legally permitted to fit contact lenses.

THE CAREER PREPARATION EDUCATION REFORM ACT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. CLAY. Mr. Speaker, I rise today to introduce the administration's Career Preparation Education Reform Act.

The administration's legislation ensures that: First, funds for in-school youth are administered at the local level by schools; second, the governance structure for education which is determined by State law is respected; and, third, more funds are driven by a needs-based formula to local education agencies than in the current law.

I want to strongly emphasize that, as under the current Perkins Act, any State that receives a grant must designate an education agency or agencies to be responsible for administration. In addition, the State plan must be submitted by the State education agency. This requirement will ensure that funds are used to improve career education in our schools and help schools participate in the development of effective school-to-work opportunity systems to prepare students for college and careers.

I also want to emphasize that this bill ensures that funds will be distributed to local education agencies and postsecondary institutions based on need and directs more funds to local schools than before. It is critically important that we make sure that funds get down to those local schools and communities where the need is greatest.

One of my major concerns over the years has been to ensure that students who are members of special populations benefit from Federal education investments. The intent of this legislation is to focus on achievement for special populations and to ensure that they have the chance to participate in quality programs. The legislation requires that the State describe in its plan how it will serve special populations, and uses a substate allocation formula that drives funds to the neediest schools and communities. States must gather and disseminate data on the effectiveness of services and activities in meeting the needs of women and special populations. They must review applications and grants to ensure that the needs of women, minorities, and other special populations are addressed. They must work to eliminate bias and stereotyping in education, and recommend best practices for serving members of special populations and for training for nontraditional jobs. States must set performance goals for students and provide reports on their progress in achieving their goals, including information on the progress of students who are members of special populations.

I am committed to ensuring that students who are members of special populations receive quality services and the assistance they need to achieve the necessary skills to be successful. We intend to scrutinize this issue as legislation moves through the committee

process to ensure that every effort is made to meet the needs of educationally disadvantaged young women and men.

Let me highlight some other key features:

First, the bill will encourage States to use their vocational education, elementary and secondary education, and second-chance program funds to develop comprehensive, quality school-to-work and education systems.

Second, it proposes a State grant and a national program authority, and it will increase the amount of the formula-driven State grant distributed to schools and colleages.

Third, it proposes that vocational education support the development of the in-school part of school-to-work opportunity systems.

Nonetheless, as I introduce this legislation, there are several areas where I continue to have concerns, and I look forward to working with our colleagues on many of these provisions as this bill proceeds through the legislative process. Among these concerns are:

The Perkins legislation should build more on the vocational system in place and improve upon those systems.

Section 101 and 103—I want to work with our colleagues to strengthen these sections and write them so that the Federal investment is more focused and States and locals are held accountable for implementing the priorities.

Section 104—I would like to see standards and limitations in the section permitting States and local education agencies to combine funds for any purpose in order to carry out services and activities.

Section 113—I have another concern with regard to the option for States to develop alternative formulas to distribute funds to local education agencies.

OPPOSING THE REPUBLICAN TAX PLAN

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. MALONEY. Mr. Speaker, I rise to explain my opposition to the tax and spending cut plan offered by the Republican leadership.

There are several individual tax cuts in this bill that I support. Unfortunately, all tax cuts were lumped into one bill and could not be voted on separately, due to the procedural rule under which the bill was debated.

Therefore, Members were compelled to vote ''yea'' or ''nay'' on the entire plan. In the final analysis, the plan as whole was fiscally irresponsible, extremely damaging to New York City, and not in the long-term best interest of our children and grandchildren.

Over the next 5 years, this bill will cost more $189 billion dollars, and over 10 years—because of the corporate tax giveaways tucked into the legislation—that cost will rise to as much as $600 billion.

The bill provides only the most illusory plan of how to pay for these tax breaks in the first 5 years. The specifics that the new leadership has provided are devastating to urban areas in general and to New York City in particular.

Further, the plan offers no provision whatsoever to deal with budget-busting corporate tax breaks in the second 5 years, when the deficit is projected to skyrocket specifically because of those tax breaks.

The plan will eliminate the corporate minimum tax and change the rules on depreciation, significantly boosting the deficit beginning in the year 2001.

For example, the depreciation changes will actually increase revenues slightly between 1996 and 2000, but cause a revenue loss of more than $120 billion between the years 2001 and 2005.

Only a small fraction of the tax breaks embodied in the bill—like indexing capital gains for inflation, which I support—will sufficiently stimulate the economy to begin to pay for themselves.

This year, interest on our national debt totals $235 billion. It is the third largest portion of the Federal budget. By 1997, it will overtake defense spending as the second largest portion of the Federal budget, second only to Social Security.

Why? Largely because in 1981, the Reagan administration sought to provide tax cuts and increased defense spending before deficit reduction. And Congress went along with it. The result was an explosion in our annual budget deficit from $40 billion in 1981 to nearly $300 billion in 1992; and an increase in the national debt from approximately $1 to $4 trillion.

With the exception of tax cuts which truly pay for themselves, tax cuts should be our reward after we cut the deficit. But until we get our fiscal house in order, it is irresponsible to engage in a frenzy of tax cuts that are not credibly paid for.

We have made great progress in deficit reduction since President Clinton took office. We have reduced the deficit for 3 consecutive years, thanks to the budget package that I voted for in 1993. In so doing, we are reducing the cruelest tax of all on our children. Now is precisely the wrong time to take a U-turn on our road to successful deficit reduction.

That being said, there are several individual tax cuts in the package which I think are important and I might well have supported were they stand-alone bills that were responsibly paid for. It is likely that the Senate will overhaul this plan, restoring fiscal sanity to it before it comes back to the House for a final vote. If so, I will strongly consider voting for a bill or bills which include various forms of tax relief.

I have always supported expanding IRA contributions, so that all Americans will be encouraged to save. I also support allowing families to use their IRA—without penalty—for purchasing their home, in the event of illness or to help pay for the education of a spouse, child, or grandchild.

Since I came to Congress in 1993, I have been an advocate of reducing the marriage penalty, which charges couples more taxes than if they were two unmarried people filing independently. I have worked closely with my good friend, Congressman JIM MORAN, and have cosponsored legislation that would completely eliminate this problem.

In 1993, I was one of the staunchest opponents of the provisions in the Omnibus Budget Reconciliation Act to raise the amount of Social Security benefits that could be taxed on recipients earning more than $25,000 a year or couples earning more than $32,000 a year. I was very proud to play a role in changing those thresholds, thus sparing thousands of middle-class recipients around the country from a tax increase. And I continue to support rolling back the increased benefits tax on those recipients earning more than $34,000 or couples earning $44,000.

Coupled with that change, I believe that we should also increase the amount that Social Security recipients can earn without losing their benefits. I think that raising that ceiling from $11,000 to $30,000 over the next 5 years is a good idea.

I emphatically support a meaningful capital gains tax reduction. I strongly believe that such a cut would provide a major boost to economic investment in the country and would be beneficial to individuals of all income levels.

Both individuals and corporations hold on to assets that have appreciated because they are unwilling to pay the Government almost 40 percent of the profits from their investment. This means that money that could be used for new investment or reinvestment remains locked into these assets and thus unavailable for the kinds of purposes that would help boost economic growth across the country.

But as much as I support these particular items, I could not, in good conscience, vote for a tax cut bill that will explode the deficit and result in massive tax increases to our children and grandchildren.

What few specific cuts that the new congressional leadership has specified to partially pay for these tax breaks will have a drastic, negative impact on New York City's economy.

Overall, the Republicans intend to squeeze $62 billion from their welfare reform bill to pay for a portion of their tax cuts. In my opinion, that bill—which among many other things, cuts school lunches and takes away protection for children in foster care—is an unmitigated disaster.

I voted for a Democratic welfare reform bill that offered welfare recipients the tools of economic empowerment—training, education, child care—to help them get back to work and take charge of their lives. The bill demanded work, responsibility, and child support. That Democratic substitute could be described as ''tough love.'' The Republican bill just told defenseless children, ''tough luck.''

It won't fix what is wrong with the welfare system. It won't empower people to go to work. It will only put families with children out on the street, which will increase homelessness and desperation in New York City and damage quality of life for all of its residents.

The cuts from the GOP welfare plan will take more than $6 billion in Federal aid from the city and will cost tens of thousands of children—including many in my district—their basic nutritional benefits.

I recently issued a study on the welfare plan, which was reported in the New York Times, that stated the following:

Through cuts to Aid to Families with Dependent Children:

New York City will lose $1.3 billion because title I freezes Federal funding at fiscal year 1994 levels over the next 5 years. That will result in over 280,000 New York City children losing their AFDC benefits through the planned Republican family-cap and time-limit provisions.

New York City will lose $62 million in child care assistance because of the proposal's funding level cuts for fiscal year 1996 to 2000, resulting in 10,504 New York City children losing child care.

New York City will lose $200 million in funding for child nutrition provisions, including the school lunch and school breakfast programs, meaning that 60,000 New York City children will be dropped from the school lunch program because projected funding levels under the welfare plan won't be able to keep up with annual 3.5 percent inflation and annual 3-percent increases in school enrollments by fiscal year 2000.

Of the 641,000 New York City children enrolled in the school lunch program, 522,000 of these children, the children who receive free lunches, may be forced to begin paying for lunch, with money they simply do not have.

Of the 170,000 New York City children enrolled in the school breakfast program, 154,000 of these children, the children who receive free breakfasts, may be forced to begin paying for breakfast, with money that they simply do not have.

New York City will lose over $35 million in funding for family-based nutrition provisions.

The 316,000 children who participate daily in the Summer Food Program will see their food budgets cut by 50 percent as the result of massive cuts under the House-passed provisions.

The 85,000 children who participate daily in day care food programs will also see their food funding drop by 50 percent.

New York City would lose $1.75 billion in food stamp assistance through the Republican funding level cuts over 5 years.

One million four-hundred thousand New York City food stamp recipients would see their food stamps allotment decrease beginning in fiscal 1996; 640,000 of these recipients are children. By the year 2000, food stamp authorizations will decrease by at least 30 percent compared to current projected levels of need.

New York City would lose over $760 million in SSI benefits over 5 years under the welfare plan which means that 22,500 blind and disabled children in New York City alone would lose all benefits over 5 years, including AFDC and JOBS work training.

This litany describes just one-third of how the Republicans plan to pay for this tax plan. To make matters worse, the lion's share of the cuts—$100 billion—are coming through broad reductions in spending caps.

Although the individual, specific cuts are to be made later, the Budget Committee has offered some suggestions concerning what programs to cut in order to meet these new spending cap reductions. These so-called suggestions add to the damage done to New York City by the Republican welfare bill.

The chairman of the Budget Committee proposes slashing mass transit, which all New Yorkers need to get from one place to another. The suggested cut will take almost $.5 billion out of New York City over the next 5 years.

The Republicans suggest eliminating LIHEAP, which provides heat in wintertime to low-income senior citizens and low-income families who are among our most vulnerable citizens. This ill-advised proposal will take close to $520 million out of New York City over the next 5 years.

They suggest cutting medical research by the National Institutes of Health, which will take more than $153.6 million out of New York City's research institutions like Rockefeller University, Sloan Kettering and NYU.

The Budget Committee's scheme to eliminate the National Endowments for the Arts and Humanities will not only result in a nation that is culturally poorer and spiritually malnourished, but will result in New York City losing a total of $259.1 million in grants over the next 5 years.

This is just a sample of what Republicans are suggesting that Congress cut in order to pay for this tax cut plan. And when all of these harsh cuts are made, this country will still be saddled with a growing deficit that the new House leadership does not even make a pretense of addressing.

And, this bill contains one final indignity for New York City. Tens of thousands of families, including more than 6,000 in my district alone, will have to pay for a $10 billion tax increase through changes to the retirement system that will more than triple the cost to Federal workers.

Mr. Speaker, as I said earlier, none of these spending cuts will go to deficit reduction. While it is widely recognized by both political parties that the deficit is the cruelest tax of all, the Republican plan provides absolutely no tax relief from it.

We must not repeat the irresponsible tax cuts of the 1980's, which have been so disastrous for our economy. And I believe that yesterday's vote will result in greater deficit increases.

I have little faith that having now passed some harsh cuts to pay for the popular part of the Contract With America, the Republican majority will not have the stomach or incentive to vote for even more unpopular cuts to Federal programs to further reduce the deficit.

Reinforcing my concerns about repeating the mistakes of the 1980's is the fact that the Republicans have pledged to increase defense spending again.

In all, Mr. Speaker, April 5 was a lost opportunity.

A lost opportunity for those of us who wanted to vote for tax cuts that would be both prudent and beneficial to the economy.

And, most importantly, a lost opportunity to help future generations of Americans who will pay for this tax folly. Ultimately, it is our children and grandchildren who will suffer the ill effects of the 104th Congress excesses here yesterday night.

JUST A PIECE OF PAPER

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. KINGSTON. Mr. Speaker, on April 3, 1895, one of the great cities of Georgia's First Congressional District and indeed America was born. The following article, written by Mrs. Lois Barefoot Mays talks about this event and the celebration of the Folkston, GA, U.S.A. centennial parade last Saturday on April 1.

[From the Charlton County (GA) Herald, Mar. 1, 1995]

JUST A PIECE OF PAPER

(By Lois Barefoot Mays)

To see me from afar, you would think I was just an ordinary piece of paper. But I'm very special. Why, I'm one hundred years old and still going strong. I am the charter for Folkston, Georgia, United States of America, North American Continent, God's little blue planet Earth, the Universe.

On April 1st, 1995, my little town will be the center of the universe. There will be a joyous homecoming of people who once lived within my borders and who will return for my one hundredth birthday. They'll celebrate together with the residents by dancing, eating tasty food, enjoying a patriotic parade and especially by greeting friends they haven't seen for a while.

There'll be lots of smiles, hugs and handshakes. They'll speak of friends that have died and maybe even take time for a thoughtful walk through the well-kept cemetery.

Perhaps they'll recall leaders of the Folkston community who made lasting impressions on their lives. People like Dr. McCoy, Mrs. Belle Roddenberry, L.E. Stokes, Miss Mayme and John Harris, William Mizell, Mary Stokes Davis, Scott and Ralph Johnson, Tom Gowen, John Southwell and others. And they will have good stories to tell about those leaders, stories worth remembering, that can be used in Sunday School rooms later when they study what integrity means.

I won't be able to hear all that's going on because I will be resting in a file somewhere, but my spirit is alive and well in this southeastern Georgia bit of heaven.

I was really born as the Town of Folkston in April, 1895, but before that date the Village of Folkston was here. As the cry of a new-born baby signals a brand new life, the wail of a steam engine on the newly-laid rails of the S.F & W. Railroad brought folks together and when stores and homes were built near the covered platform called ''The Station'', the Village of Folkston was born. That first loud train, scaring people and animals alike, thundered through what is now Folkston on March 30, 1881. Why, that's the same year President James A. Garfield began his term of office and the year the painter Pablo Picasso was born!

Fourteen years later the village had a splendid depot, large Masonic Lodge, at least six stores, two hotels, cotton gins, grist mill and homes for the nearby families. It was no longer called ''The Station'' but had been named for Dr. W.B. Folks of Waycross and called at first, ''Folkstown'' and quickly shortened to ''Folkston''.

As the men of the village, always eager to argue the merits of their favorite horse, leaned on the fence of the Roddenberry Hotel livery stable in the spring of 1895 and discussed events of the times, the main topic must have been local government and how to have some control over clearly illegal situations. They needed strict rules that would make it unlawful for anyone to indulge in card playing or dancing on the Sabbath; rules that made it against the law to fasten horses or mules to shadetrees or buildings in such a way that folks couldn't walk on the sidewalk or get in the door of a store. And they needed men elected by the majority of the other men of the village to be the ones to enforce these rules.

So, on the 26 day of March, 1895 a referendum was held, seeking the will of the people. A decision was to be made: did they really want a charter with printed laws with which to abide, or did they want to continue as just a group of families brought together by the common bond of living close to the railroad tracks.

Results of the election were probably predicted beforehand. Thirty-two men voted on that day and those thirty-two men voted a resounding unanimous ''YES, we want to be a real TOWN of Folkston.'' Three of the community's leaders, J.S. Mizell, H.S. Matox and H.A. Renfroe were election superintendents that important day and immediately a short

petition was drawn up, which twenty-three men signed, asking the Charlton Superior Court for permission to incorporate.

Eight days later, on April 3rd, 1895, probably as the first order of business of Superior Court Judge, J.W. Sweat at the April term of court of Traders Hill. I was born. The order creating me as the Town of Folkston was scratched with quill pen and ink on this yellowed sheet of ruled paper and signed by Judge Sweat.

So that's who I am—just a folded paper document—an object that means home and life-long friends to those who once lived within my borders . . . but to those fortunate ones who enjoy the privilege of strolling my sidewalks, or talking daily with friends made fifty years or more ago, or the unexcelled pleasure of standing on the depot porch hearing and watching a mile-long train roar through Love, Main and Martin Streets all at once. I'm a sacred piece of paper. . . . I'm the best!

In fact, right now I'm the center of the universe!

DR. L.D. BRITT, 1995 RECIPIENT OF THE GREAT AMERICAN TRADITIONS AWARD

HON. ROBERT C. SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SCOTT. Mr. Speaker, on behalf of the B'nai B'rith Foundation of the United States, I am pleased to announce that Dr. L.D. Britt is a 1995 recipient of the Great American Traditions Award.

Dr. Britt, a renown surgeon and educator, serves as Professor, Chairman of General Surgery, and Chief of Trauma and Critical Care at Eastern Virginia Medical School. He is also Medical Director for the Shock Trauma Center at Sentara Norfolk General Hospital, is a general surgeon in the Norfolk and Suffolk Virginia area and serves on the boards of Norfolk State University and the University of Virginia.

He received a B.A. from the University of Virginia, a M.P.H. from the Harvard School of Public Health and a M.D. from the Harvard Medical School.

But as great as they are, Dr. Britt's professional accomplishments are not the reason he was chosen for this award. What distinguishes Dr. Britt from other accomplished men and women is his tireless service to the Tidewater Virginia community.

He has given freely of his time, talents, and resources to others. From church, to Boy Scouts, to cultural institutions, Dr. Britt has worked to bring all elements of the Tidewater community together regardless of race, ethnicity, or religion. It is in that tradition that the proceeds from his award dinner will go to the Dr. L.D. Britt Young Leaders Scholarship Fund.

Dr. Britt finds the time to give so freely of himself to others because he believes that we should reach out to those around us. It is for this spirit of giving to others that Dr. L.D. Britt is presented with the Great American Traditions Award.

THE OSHA CONSULTATION AUTHORIZATION ACT OF 1995

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. HAYES. Mr. Speaker, the Occupational Safety and Health Administration's [OSHA] Consultation Services [OSHCON] currently derive their authority from a shaky regulatory framework. OSHCON programs compete for very limited dollars with other OSHA education and training compliance assistance programs. Therefore, in an effort to enhance the Federal Government's responsiveness to the business community and to provide more effective solutions to the problems impacting safety and health in the workplace, I, along with my colleague Congressman CASS BALLENGER, am introducing the Occupational Safety and Health Administration Consultation Authorization Act of 1995.

Our bill would, simply put, statutorily codify the authority of the Department of Labor to establish the current scheme of cooperative agreements with States. There is overwhelming and widespread support for our language amongst representatives of both large industry and small business, officials from the Occupational Safety and Health Consultation Programs, and the Administration.

Businesses in Louisiana and throughout the country convey to me horror stories about the burdens that OSHA standards and paperwork requirements impose upon their fiscal stability without producing discernable corresponding benefits to safety and health. They would welcome initiatives that seek to distribute information on safety and health in a more timely and efficient manner. Businessmen realize that safe employment practices enable them to compete for and retain the most qualified employees.

State run consultation offices are overworked and understaffed. OSHA has consistently failed to allocate adequate resources to OSHCON programs. With the proposed fiscal year 1996 budget request, we are again faced with a budget recommendation heavily slanted toward enforcement rather than compliance assistance. We owe businesses and employees alike the opportunity to work in a safe environment. We can and should redirect our priorities toward productive and pro-active strategies, such as consultation assistance, and away from the reactive and cumbersome overregulatory approaches of the past.

I welcome my colleagues to join Mr. BALLENGER and I in our fight to ensure the successful continuation of a health and safety program that works.

BELEN JESUIT SCHOOL KEY CLUB

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. DIAZ-BALART. Mr. Speaker, I rise today to pay special tribute to the Belen Jesuit School Key Club and their continuing meritorious service and assistance in providing relief to refugees from tyranny.

As my colleagues are aware, the massive Cuban exodus that occurred last summer has been just the latest sad chapter of a 36-year saga. The suffering faced by those brave rafters did not end when they were rescued from their rafts or when the television crews went home. Because of circumstances beyond their control, many are still suffering today from privations and indefinite detention.

From the onset of this latest crisis, the young men of the Belen Jesuit Key Club have been sacrificing and working to help alleviate the many hardships faced by these brave Cubans. Among other things, these selfless high school students have bottled water to be dropped to rafters while they were still at sea, collected donations for pillows, pencils, and paper for those in the camps, and traveled themselves to the camps to help distribute aid.

Most importantly Mr. Speaker, it should be noted that these young men continue to demonstrate time and time again their concern and humanity towards those who are suffering. They truly exemplify the Jesuit ideal and can be called ''men for others''. We as a country must be proud to have such men in our society. I for one am privileged that they reside in my community.

METRO ARBITRATION RELIEF ACT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. WOLF. Mr. Speaker, today I am introducing legislation for myself and Mr. DAVIS of Virginia, to provide financial relief to the Washington Metropolitan Area Transit Authority [WMATA] and to the citizens of the Washington metropolitan area by allowing for more flexibility in resolving labor disputes. Under the interstate compact establishing Metro, WMATA must have a balanced budget and Metro cannot provide service unless there are funds to pay for it. These funds are becoming more and more pinched by rising labor costs that threaten the affordability of the Metro system for the ridership.

Labor costs at Metro are among the highest in the Nation in terms of operator salaries and benefits. For example, starting operator wages for bus drivers in New York City are $12.35 per hour compared to $13.76 in the District. The average annual wage for a Metrobus operator is currently $45,683. This is higher than the average wage for teachers in our area and is more than a GS–12 starting salary for many professionals in the Government. With overtime, Metrobus operator salaries can approach $60,000 to $70,000 per year, the equivalent salary of a GS–14 or GS–15 or an assistant school principal.

In addition, Metro salaries and benefits are far higher than other transit operators in the region when compared with bus operators such as Montgomery County Ride-On or Fairfax Connector and Dash. The average annual wage for Ride-On, DASH, and Connector operators is $27,148, $25,459, and $23,400 respectively. These high comparative costs have made it very expensive for local governments to continue to contract with Metro bus service. As a result, local governments are increasingly choosing to provide their own service leaving Metro with fixed overhead costs to distribute among shrinking bus services.

This bill will allow arbitrators to take these local factors into consideration when evaluating wage scales. As a result, we will be simultaneously maintaining an affordable transit system, reducing the risk of massive job losses, and introducing more competition into area transit. This is a workable, practical and fair solution as we address the budget problems facing both the District and public transit in our area.

As fares increase, ridership dwindles and a downward spiral continues. Metro management has testified before the Transportation Appropriations Subcommittee that it is close to the point where higher rates will mean more Metro riders will return to their cars. For example, a single mother traveling from Vienna, VA, to downtown will spend approximately $8.50 per day in parking and Metro fares—nearly $200 per month. For a GS–7 earning some $24,000, and netting perhaps $1600–$1700 per month, this cost amounts to one-eighth of take home pay.

Affordable public transportation is essential to the economic vitality of the Washington metropolitan area and to reviving the sagging economic fortunes of our Nation's Capital. Many low income and working individuals and families depend upon public transportation as their primary means of travel. However, use of mass transit is substantially affected by the fares charged for such mass transit services.

Currently more than two-thirds of the cost of the Metro system is attributable to labor costs. Metro labor costs have increased at an alarming rate and are among the highest in the Nation. Salaries for Metro have gotten out of line with many other occupations in the area and with local bus systems. When evaluating and balancing competing needs, there has to be more flexibility in this area. That is what this legislation will do. It will provide for more consideration to be given to the impact that wage increases have on the ability of transit patrons and taxpayers to fund the increases through subsidies or at the fare box. This act will adopt standards governing the arbitration process when resolving disputes involving Metro labor issues.

Over the past 5 years, Metro has reduced staff by more than 500 positions—almost 10 percent of the workforce. In the past year alone, it has cut over 250 positions, bringing the current personnel level to that in 1988, even though Metro has increased rail service by 64 percent since that time. But labor costs still are the major driver of increasing fares. If fares continue to increase, ridership will decline and other competitive systems will enter the system further driving down Metro ridership.

At a time when we are facing severe budget limitations, we must think more creatively about how transit agencies can manage scarce Federal dollars. We must also face budgetary realities before they reach the crisis point. The current labor costs put the future of the Metro system on a collision course with the Metro ridership public. Already we have strongly competitive bus service in the area resulting in decreased bus ridership of Metro buses. When ridership goes down, jobs are lost and those in the areas with the least alternatives for transportation suffer the most. These areas usually serve the most economically disadvantaged neighborhoods.

The financial difficulties faced by the District of Columbia threaten the ability to make operating subsidy payments that could result in further bus service reductions or route terminations on a very broad scale. Metro bus service has already been reduced by $5 million to meet current budget needs.

As Metro general manager Lawrence Reuter recently testified before the Transportation Appropriations Subcommittee on which I serve, Metro is working closely with Maryland, Virginia, the District of Columbia, and Members of Congress from this region to minimize the impacts of the District's financial crisis on Metro's ability to provide transit service throughout the region. As we work to find better solutions for the District of Columbia, providing more flexibility to Metro in labor disputes will assist in the bigger financial picture for the District.

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 ''National Capital Area Interest Arbitration Standards Act of 1995''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) affordable public transportation is essential to the economic vitality of the national capital area and is an essential component of regional efforts to improve air quality to meet environmental requirements and to improve the health of both residents of and visitors to the national capital area as well as to preserve the beauty and dignity of the Nation's capital;

(2) use of mass transit by both residents of and visitors to the national capital area is substantially affected by the prices charged for such mass transit services, prices that are substantially affected by labor costs, since more than ⅔ of operating costs are attributable to labor costs;

(3) labor costs incurred in providing mass transit in the national capital area have increased at an alarming rate and wages and benefits of operators and mechanics currently are among the highest in the Nation;

(4) higher operating costs incurred for public transit in the national capital area cannot be offset by increasing costs to patrons, since this often discourages ridership and thus undermines the public interest in promoting the use of public transit;

(5) spiraling labor costs cannot be offset by the governmental entities that are responsible for subsidy payments for public transit services since local governments generally, and the District of Columbia government in particular, are operating under severe fiscal constraints;

(6) imposition of mandatory standards applicable to arbitrators resolving arbitration disputes involving interstate compact agencies operating in the national capital area will ensure that wage increases are justified and do not exceed the ability of transit patrons and taxpayers to fund the increase; and

(7) Federal legislation is necessary under Article I of section 8 of the United States Constitution to balance the need to moderate and lower labor costs while maintaining industrial peace.

(b) PURPOSE.—It is therefore the purpose of this Act to adopt standards governing arbitration which must be applied by arbitrators resolving disputes involving interstate compact agencies operating in the national capital area in order to lower operating costs for public transportation in the Washington metropolitan area.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) the term ''arbitration'' means—

(A) the arbitration of disputes, regarding the terms and conditions of employment, that is required under an interstate compact governing an interstate compact agency operating in the national capital area; and

(B) does not include the interpretation and application of rights arising from an existing collective bargaining agreement;

(2) the term ''arbitrator'' refers to either a single arbitrator, or a board of arbitrators, chosen under applicable procedures;

(3) an interstate compact agency's ''funding ability'' is the ability of the interstate compact agency, or of any governmental jurisdiction which provides subsidy payments or budgetary assistance to the interstate compact agency, to obtain the necessary financial resources to pay for wage and benefit increases for employees of the interstate compact agency;

($) the term ''interstate compact agency operating in the national capital area'' means any interstate compact agency which provides public transit services;

(5) the term ''interstate compact agency'' means any agency established by an interstate compact to which the District of Columbia is a signatory; and

(6) the term ''public welfare'' includes, with respect to arbitration under an interstate compact—

(A) the financial ability of the individual jurisdictions participating in the compact to pay for the costs of providing public transit services; and

(B) the average per capita tax burden, during the term of the collective bargaining agreement to which the arbitration relates, of the residents of the Washington, D.C. metropolitan area, and the effect of an arbitration award rendered pursuant to such arbitration on the respective income or property tax rates of the jurisdictions which provide subsidy payments to the interstate compact agency established under the compact.

SEC. 4. STANDARDS FOR ARBITRATORS.

(a) FACTORS IN MAKING ARBITRARY AWARD.—An arbitrator rendering an arbitration award involving the employees of an interstate compact agency operating in the national capital area may not make a finding or a decision for inclusion in a collective bargaining agreement governing conditions of employment without considering the following factors:

(1) The existing terms and conditions of employment of the employees in the bargaining unit.

(2) All available financial resources of the interstate compact agency.

(3) The annual increase or decrease in consumer prices for goods and services as reflected in the most recent consumer price index for the Washington, D.C. metropolitan area, published by the Bureau of Labor Statistics of the United States Department of Labor.

(4) The wages, benefits, and terms and conditions of the employment of other employees who perform, in other jurisdictions in the Washington, D.C. standard metropolitan statistical area, services similar to those in the bargaining unit.

(5) The special nature of the work performed by the employees in the bargaining unit, including any hazards or the relative ease of employment, physical requirements, educational qualifications, job training and skills, shift assignments, and the demands placed upon the employees as compared to other employees of the interstate compact agency.

(6) The interests and welfare of the employees in the bargaining unit, including—

(A) the overall compensation presently received by the employees, having regard not only for wage rates but also for wages for

time not worked, including vacations, holidays, and other excused absences;

(B) all benefits received by the employees, including previous bonuses, insurance, and pensions; and

(C) the continuity and stability of employment.

(7) The public welfare.

(b) COMPACT AGENCY'S FUNDING ABILITY.—An arbitrator rendering an arbitration award involving the employees of an interstate compact agency operating in the national capital area may not, with respect to a collective bargaining agreement governing conditions of employment, provide for salaries and other benefits that exceed the interstate compact agency's funding ability.

(c) REQUIREMENTS FOR FINAL AWARD.—In resolving a dispute submitted to arbitration involving the employees of an interstate compact agency operating in the national capital area, the arbitrator shall issue a written award that demonstrates that all the factors set forth in subsections (a) and (b) have been considered and applied. An award may grant an increase in pay rates or benefits (including insurance and pension benefits), or reduce hours of work, only if the arbitrator concludes that any costs to the agency do not adversely affect the public welfare. The arbitrator's conclusion regarding the public welfare must be supported by substantial evidence.

SEC. 5. PROCEDURES FOR ENFORCEMENT OF AWARDS.

(a) MODIFICATIONS AND FINALITY OF AWARD.—In the case of an arbitration award to which section 4 applies, the interstate compact agency and the employees in the bargaining unit, through their representative, may agree in writing upon any modifications to the award within 10 days after the award is received by the parties. After the end of that 10-day period, the award, with any such modifications, shall become binding upon the interstate compact agency, the employees in the bargaining unit, and the employees' representative.

(b) IMPLEMENTATION.—Each party to an award that becomes binding under subsection (a) shall take all actions necessary to implement the award.

(c) JUDICIAL REVIEW.—Within 60 days after an award becomes binding under subsection (a), the interstate compact agency or the exclusive representative of the employees concerned may file a civil action in a court which has jurisdiction over the interstate compact agency for review of the award. The court shall review the award on the record, and shall vacate the award or any part of the award, after notice and a hearing, if—

(1) the award is in violation of applicable law;

(2) the arbitrator exceeded the arbitrator's powers;

(3) the decision by the arbitrator is arbitrary or capricious;

(4) the arbitrator conducted the hearing contrary to the provisions of this Act or other statutes or rules that apply to the arbitration so as to substantially prejudice the rights of a party;

(5) there was partiality or misconduct by the arbitrator prejudicing the rights of a party;

(6) the award was procured by corruption, fraud, or bias on the part of the arbitrator; or

(7) the arbitrator did not comply with the provisions of section 4.

HONORING THE CESAR CHAVEZ WRITING CONTEST AWARD WINNERS OF THE EAST SIDE UNION HIGH SCHOOL DISTRICT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to recognize the remaining winners of the first annual Cesar Chavez writing contest held by the East Side Union High School District in San Jose, CA. I had the great privilege of attending the award ceremony honoring the student winners on March 31, 1995, and would like to continue sharing the essays and poems written by the student award winners with my colleagues.

On April 4, 1994 I began by sharing the essays and poems of the grand prize winners and three of the first place winners. Yesterday, I shared the five remaining first prize entries, and the first three of eight second place winning entries. Today, I will share the remaining five essays and poems of the second place winners.

The second prize winning essays and poems of Marie Aloy of Mount Pleasant High School, Mark Papellero of W.C. Overfelt High School, Raymond Ramirez of Piedmont Hills High School, Ester Martinez Estrada of Santa Teresa High School, and Anthonette Pena of Silver Creek High School follow:

UNTITLED

(By Marie Aloy, Mount Pleasant High School)

It was all very irrelevant to me. I'm not a farmer. I didn't live during the Great Depression or the years following. I don't grow fruit or pick it for that matter, and I'm not even of Hispanic descent. The dates and strikes and marches are just another group of history facts that I am asked to know and memorize for one reason or another. So far my life and the life and accomplishments of Cesar Chavez have no relation or commonality to bind him to my memory . . . except for one thing.

Something that I value greatly, that earns my genuine respect and admiration, I found hidden in a comment made about the great and greatly known Cesar Chavez. Actually it was his nephew Rudy Chavez Medina who inadvertently helped me find my way to relate to Cesar Chavez. Rudy came and spoke to us a few days ago about his famous uncle and mentioned offhandedly that his uncle Cesar was never afraid to ask for help. He was not the type to put himself on a pedestal for everyone to worship. When a goal was achieved he didn't credit it to his magnificent leadership. He praised everyone involved, and humbly made himself equal to every individual in the crowd. In a position of such great power I am amazed and in awe that this man could remain so wonderfully humble.

The ''equality'' of the man staggered me. He had opportunities, as all celebrated leaders do, to leap from poverty into a more comfortable life. But I'm sure he knew that that separation between his life and the lives of the farmers and laborers he inspired would lessen his effectiveness as a leader. So he sacrificed his own comfort for the welfare of the organization, for the thousands who needed his guidance.

They say he is comparable to Gandhi and took his passive resistance techniques from Martin Luther King, Jr. as well. He never put peoples' lives in danger. He wanted only a better world and envisioned achieving that new existence in a peaceful manner. No riots or destruction, only marches and calm demonstrations. Usually human nature turns people to the dark side of things. It is uplifting to learn about someone who wanted only to help and made sure that he didn't hurt anyone in the process.

No facts or figures, just feelings. That is what binds us together and that is what creates a bond in my mind and heart. I never really knew who he was, and the bits and pieces I had grasped had little to do with my life. Now I know who he was and what he did. I know that he was humble to the core and self-sacrificing in all that he did and a truly great man.

THE LIVES OF WORKERS

(By Mark Papellero, W.C. Overfelt High School)

4:00 am
Wake up! Time for work!
Here's a piece of bread and tiny glass of powder milk.
Now go or you'll be late!

5:00 am
Plow. Have to work hard.
Plow. Need to support the family.
Plow. Need to survive.
Plow. Simple.

6:00 am
The sun rises.
Plow. Plant. Need clean water.
Plow. Plant. Pesticides in my lungs.
Plow. Plant. Tired.

7:00 am
The sun grows warm.
Plow. Plant. Lift. Need to rest.
Plow. Plant. Lift. Pesticide grows strong.
Plow. Plant. Lift. Sweat.

8:00 am
The sun is warmer.
The grower comes.
He demands. He orders. He pushes.
He is mad. He gets his way.

9:00 am
The sun gets hot.
Plow. Plant. Lift. Carry. The work is too much.
Plow. Plant. Lift. Carry. I am the pesticide.
Plow. Plant. Lift. Carry. The condition needs to change.
Plow. Plant. Lift. Carry. Sweat and Ache.
This treatment has to stop. We have to overcome.
Plow. Plant. Lift. Carry. Six more hours left.

CHAVEZ Y LA CAUSA

(By Raymond Ramirez, Piedmont Hills High School)

Just a man
No more, No less
Victim of intolerance
Who just wanted the best

For his people
The workers of the field
With words of compensation
For the crops that they yield

La Causa or The Cause
A movement without fear
It was forged by its people
And it streamed like a tear

They said it was impossible
Pero si se puede hacer
With hearts filled with determination
Y amor para la mujer

He carried on for years
Giving only of himself
He did it all for love
And cared nothing for wealth

His presents was mighty
His movements was strong
And although he is gone
His glory lives on!

A HERO TO THE MEXICAN COMMUNITY

(By Ester Martinez Estrada, Santa Teresa High School)

No words I can write can describe how Cesar Estrada Chavez dedicated his heart and soul to love and justice as we all know.

He was a leader that influenced strongly on rights.

A man that went out there and suffered with others day and night.

Cesar Chavez supported nonviolent actions on their part. For he declared, ''truest act of courage, the strongest act of manliness, is to sacrifice ourselves for others in a totally nonviolent struggle for justice,'' and this came from his heart.

Farmworkers gathered in his demonstrations and his strikes to unite the true Mexican pride.

A pride no Mexican individual can hide.

They came together for the security of justice in peace.

They came together with strength to see their work environment rights be released.

They came together to rise out of the fields and stand up and never sit 'till they were treated with respect and good pay.

They came together to revise their situation and at least get minimum wage.

Cesar Chavez joined hands with his line of Mexican blood without fear.

Cesar Chavez led the Mexican community hoping their aim and dream was near.

For they all knew that they had to start today for the sake of the future's eye.

Together and always together they had to rise.

Together they all struggled and prayed.

Together they knew justice would serve one day.

Cesar Chavez and his fellow farmworkers came out of nowhere and bewildered all on their way to their destination.

Without the help of Cesar Chavez, injustice would have gone on for generations.

Cesar died peacefully in his sleep and is now up in heaven.

He symbolized the brown pride and that strength of respectible love.

Now is the time Mexicans can stand proud and say, ''My bond is Cesar Estrada Chavez and no one can ask why.''

CESAR CHAVEZ

(By Anthonette Peña, Silver Creek High School)

As a young boy, Cesar Estrada Chavez experienced the hardships of being the son of a migrant farm worker. As his family worked in the crops, they learned hoe to survive in the harsh conditions such as lack of shelter, money, and even food. Racism was also an issue that affected his life. Although his family were third generation Americans, because his ancestors are Mexicans, he was classified as a second-class citizen.

After working with the Community Service Organization from 1952 until 1962, he then moved on to found the National Farm Worker's Association. Under the NFWA, he organized nationwide boycotts of grapes, wine, and lettuce in an attempt to pressure California growers to sign a contract which would increase the farm worker's pay and provide them with a minimum amount of safety, Cesar Chavez became a symbol of hope for the people.

In particular, youth can look up to Cesar Chavez as a role model because it is at this point in our lives that we want to take an active role in mending society's flaws and begin to stand up for what we believe it. However, many of us are unsure of the role we should play and how far we are willing to go to stand by our decisions. As children, we had the vision of making a difference and had dreams of leading a successful life. At this age, reality begins to take its toll and we realize that if we really want to make a difference and lead a successful life there are things which we must do to accomplish these goals. Like Cesar Chavez, we must be willing to put ourselves on the line and uphold our principles and defend our sense of morality.

Cesar Chavez was a man who was not only determined, but courageous as well. ''The only way is to keep struggling,'' he says. ''Fighting for social justice is one of the most profound ways in which a man can say yea to man's dignity, and that really means sacrifice. There is no way on this earth in which you can say yes to a man's dignity and know that you're going to be spared some sacrifice.''

PERSONAL RESPONSIBILITY ACT OF 1995

SPEECH OF

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 24, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence:

Mr. HORN. Mr. Chairman, all parties to this debate acknowledge that our current welfare system is flawed to the point of indefensibility. It is a program that, despite the initial good intentions of its founders, has spun out of control to the point where it now generally keeps too many people who are economically poor, and ensures that their children will likely end up economically poor as well.

We have a welfare system that rewards not working, instead of working. We have a system which, if not directly encouraging out-of-wedlock births, is certainly guilty of providing the oxygen needed to spark illegitimacy into a full-fledged fire. We have a welfare system which has led to the dissolution of the family, which has pushed the father out of his duty and responsibility to provide for his children, and then heaped sin upon error by ensuring that critical child support payments are not collected. We have a welfare system which perpetuates a degrading and intergenerational economic dependency. We have a welfare system which has forgotten the need for personal responsibility and undercut the American ethic of rewarding those who struggle to better themselves. Instead, we provide sustenance to those who are content to do nothing to improve their own condition. That must change. That will change. H.R. 4, The Personel Responsibility Act, is designed to do just that.

Nothing like our discussion over how to reform our failed welfare system reveals the ideological chasm which exists in this House. Those opposed to the Republican-led welfare reform effort have leveled accusations that this bill goes too far, that it is too extreme, that it is mean-spirited, that it attacks children, that it makes cuts in welfare spending to make room for tax cuts for the rich. Such attacks are to be expected, wrong as they may be. They come from those whose compassion is so misguided that they are willing to perpetuate failure in face of the fear that the changes we propose may place at risk those who already live in poverty. Thus, we hear claims of acceptance of the need for change without a commitment do anything to reform our truly warped system.

We hear claims of the need for more funding, without a commensurate willingness to attack the social pathologies which underlie and are reinforced by our welfare system. Yes, we need to preserve our sense of compassion, our commitment to help those who are temporarily unable to help themselves. But compassion must come with common sense. It must be coupled with a sense of vision and recognition of the need for change. Defending what has not worked is not acceptable public policy. We must conclude that spending dollars is not the same as creating solutions. A handout does not help. It perpetuates the dependency of the person seeking help. And that cannot be construed as doing someone a favor.

The campaign to paint Republicans as pillagers of the school lunch program is egregious in its deliberate falseness and intent to mislead. Of course, the opponents of this bill fail to mention that spending on the WIC Program and the school nutrition program will be increased every year for the next 5 years. The school lunch program will rise 4½% each year. These opponents fail to accept that, at some point, simply throwing more money at a problem does not work. However, on a range of issues, reasonable people may differ. The democratic process we have in this House is designed to ensure that those differences are explored and debated, and then voted upon.

What makes this an important bill is that it forthrightly addresses the two major issues in the welfare debate: work and illegitimacy. This bill ends the entitlement now current enshrined in law that mandates cash payments even to those who refuse to work. In its place, tough work requirements are enacted. By the year 2003, 50 percent of the one-parent families caseload will be required to be working. By 1998, 90 percent of two-parent family welfare recipients must be working. All welfare recipients must be working after 5 years, and the States have the option of making that 2 years if they so choose. Contrast this to the current system, in which 65 percent of the 5 million families on welfare will be on welfare for 8 years or more, where the average length of stay for people on welfare at any given time is 13 years. Those statistics are unacceptable. Time limits and the teaching of skills so one can become self-sufficient are an integral part of ensuring that welfare dependency comes to an end.

On the issues of illegitimacy, this bill is equally clear-headed. Mothers under the age of 18—commonly known as teenagers—who have a child out of wedlock will be ineligible for Federal assistance. Thus, we end the perverse rewarding of children having children. Likewise, we prohibit the payment of additional benefits for children born to families already on welfare. The taxpayer has no responsibility to provide additional levels of financial support to those who cannot support themselves before they choose to bring another life into the world. Finally, no cash payments will be allowed for mothers who refuse to help establish the paternity of their child.

Certainly, there will be instances when the result of these changes will seem punitive, but this step must be taken if we are to put an end to children bringing into the world other children for whom they do not have the wherewithal to care. Today, this new family is left unable to cope for itself and is caught in a

cycle of dependency, bereft of the education, the work training, the skills, and the resources to become self-supporting. How can anyone claim that putting an end to this reward is harmful of children? I, for one, feel that we do a great disservice to the lives of children by encouraging illegitimacy than we do by taking steps to reverse this unsustainable, cruel tide.

The last major point of contention is the return of control of the welfare system to the States through the use of block grants. Opposition to these block grants reflects a philosophy of Federal control, that believes at its core that States cannot and should not be trusted to attend to the needs of their own residents. It is a philosophy that I reject. We have built a Federal system that dares to presume that administrative rules and a bureaucracy based in Washington, DC, have all the answers to the localized, individualized problems in States ranging from California, to Maine, to Mississippi. The failure of the current system reveals the fallacy in that notion.

The existing welfare system proves that the creation of new program after new program is not an answer that works. In contrast, this bill takes the reverse tack of consolidating the numerous welfare programs into several targeted block grants. These dollars would be returned to the States, with important but minimal Federal standards, to be used in the manner that the States regard as the most efficient. I believe that the States will be more fully able to adjust their welfare programs to the particularized needs without having to come to the Federal Government to get approval to take the necessary action. An approach that gives power to those closest to the problem is one that will work.

Mr. Chairman, great change inevitably is accompanied by great controversy. Such is the case with this bill. But if we are to reverse the course of failure, if we are to refocus the welfare program to one that requires work, one that no longer rewards out-of-wedlock births, one that requires fathers to participate in the financial well-being of their children, one that gives States the freedom and resources to develop welfare programs that are compatible with the welfare needs they see, one that helps restore a sense of values to our welfare system, then we must be bold.

We can quibble around the edges. We can argue about funding levels. But the solution to obvious failure is not to perpetuate the system responsible for that failure. Instead, we must change course and seek answers in new and innovative approaches. This bill does that. And that is why H.R. 4—the Personal Responsibility Act has my support.

ON HOW THE REPUBLICAN CONTRACT WITH AMERICA HELPS AMERICA'S SENIORS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SMITH of New Jersey. Mr. Speaker, as we reach the end of the first 100 days of the session, it is fitting that the grand finale of the Contract With America honors our senior citizens by easing the burdens older Americans now face.

For instance, the comprehensive tax bill, which we approved by a substantial margin yesterday evening, includes a substantial reduction in the Social Security earnings test, which unfairly penalizes seniors for working to supplement their Social Security benefits.

If the November elections taught us anything it was that the American people want to see their fellow citizens begin to take more responsibility for their personal circumstances. Many seniors want to do just that, but have been hindered from doing so by the Social Security earnings test.

The earnings test was instituted during the Great Depression when the Federal Government wanted to encourage older Americans from remaining in the national work force and occupying much-needed jobs. Despite the fact that this provision is clearly obsolete, it continues to be an unfair penalty to industrious seniors.

Essentially, seniors who earn more than $11,280 a year face a supplemental tax of 33 percent on that income. This is in addition to the 7.65-percent FICA withholding tax and a 15-percent Federal income tax, bringing a hard-working, low-income senior's tax burden up to nearly 56 percent.

How many times have we all heard from constituents who acknowledge that they cannot survive on the meager Social Security benefits they are due? We cannot earnestly encourage these people to work to supplement these benefits while simultaneously taxing them at a highly unfair rate.

Furthermore, the earnings test deprives the American workplace of the talents and knowledge of our most experienced laborers.

The Contract With America, through H.R. 1215, increases the threshold at which the earnings test kicks in to $30,000 in annual income over a 5-year period.

While this does not represent perfect resolution on this issue, it is a step toward equity in the workforce. In fact, I would encourage my colleagues to continue to work toward a full repeal of the earnings test, such as that represented by Representative HOWARD COBLE'S H.R. 201, of which I am a cosponsor.

In addition, the tax relief bill includes a full repeal of the 1993 Clinton tax increase on Social Security benefits over a 5-year transitional period. In the mid-eighties, Congress instituted a tax on 50 percent of the Social Security benefits received by seniors earning $25,000 as individuals or $32,000 as couples.

Many of you voted against this tax—as I did—recognizing it as a double taxation on seniors who had taken the initiative to plan and save for their retirement. However, instead of repealing this unfair and counter-productive tax, President Clinton pushed through Congress in the first months of his administration—and over the vote of every House and Senate Republican, I might add—an increase in this tax.

The Clinton tax package allowed 85 percent of the Social Security benefits received by seniors making only $34,000 per year to be counted as taxable income. This runs entirely contrary to the pact between the Federal Government and seniors which the Social Security program is supposed to represent.

Seniors involuntarily turned over portions of their hard-earned paychecks to the Federal Government as a safety net for their retirement. They should not be taxed on this meager nest egg when they most need it and when many of them are living on fixed incomes.

I immediately introduced legislation to repeal the Clinton Social Security tax, but it was unfortunately stonewalled. I am very pleased that the Republican Contract With America includes a full repeal of President Clinton's unfair tax and that we have had the opportunity to relieve seniors of this burden.

The tax cut bill also makes great strides toward improving the provision of long-term care for seniors. Specifically, the bill provides a $500 non-refundable eldercare tax credit to families caring for a dependent senior in their home.

Currently, 12.5 percent of our Nation's population is aged 65 and older. By the year 2030, when baby boomers peak in their golden years, fully one-fifth of our population will be in this age bracket. Already, American families nationwide have been faced with the difficult decision of how to best care for an aging parent or relative within their financial means. As society ages, more and more families will face this dilemma.

Many aging adults, particularly those suffering from Alzheimer's and other dementia, cannot lead a quality life without assistance and constant care. Often the full-time attention and individualized care these men and women require can only be found in a nursing home facility or in the privacy of their family home.

Providing the care at home can be costly and time-consuming. However, this sort of personalized care is preferable to many families, especially since it affords a terrific opportunity to solidify the family unit. Children can learn so much from the knowledge and experiences of their grandparents. And having a loving family around does a world of good for an ailing senior.

Last year, the Alzheimer's Association reported that more than one-half of all working Americans have either provided long-term care for their friends or relatives or believe that it is likely in the near-future. The Contract With America's eldercare tax credit will go a long way to help these well-intentioned people meet the needs of their loved ones.

The tax cut bill includes other improvements in the long-term care market as well to make it easier for seniors and their families to purchase long-term care insurance. In 1990, seniors aged 65 and older faced a 43 percent lifetime risk of requiring nursing home care. By 1992, the cost of such care was approximately $30,000 per year.

Too frequently, seniors are caught between a rock and a hard place as they get older and need this more constant medical attention. Private long-term care insurance as it currently exists is often too costly to be comfortably within reach and Medicaid assistance is only available if they spend down their savings.

This measure provides seniors and their families with the financial incentives they need to save for quality long-term care. For instance, it: First, gives long-term care insurance the same preferable tax treatment as accident and health insurance, second, excludes up to $200 per day in long-term care benefits from taxable income, third, excludes employer-provided long-term care coverage from taxable income, fourth, allows long-term care expenses to be treated equal to medical expenses as an itemized tax deduction, fifth, excludes withdrawals from IRAs and other pension plans for the purchase of long-term care

insurance from tax penalties, and sixth, allows the accelerated payment of death benefits from life insurance for the terminally or chronically ill to be paid tax-free.

These are common-sense approaches to a problem faced by more and more families every day and they are long overdue.

Finally, the tax relief bill increases the current estate and gift tax exemption over a 3-year period of time from $600,000 to $750,000. Through this modest change, seniors will be able to pass along their family business or family farm to their children and grandchildren without passing along an unmanageable tax burden as well.

In addition to these pro-senior provisions in the tax cut bill, the House overwhelmingly passed H.R. 660—which I am cosponsoring—to ensure that seniors will not be unfairly discriminated against for living in senior housing communities. These communities allow seniors to live amongst their peers and often provide access to services of particular need to seniors—such as periodic blood pressure screenings by local medical personnel.

Despite their increasing popularity amongst the senior population, vague language in the Fair Housing Act has left these communities vulnerable to litigation claiming that they discriminate against younger families. Furthermore, proposed HUD interpretations of this language have placed an insurmountable financial burden on these communities, requiring extravagant services and facilities to quality for Fair Housing Act exemptions.

The language of H.R. 600 clarifies the definition of an ''adult-only'' housing community as a residential area consisting of a population of at least 80 percent seniors aged 55 and older. With this clarification, seniors will be able to form neighborhoods which conform to the unique needs of their retirement years without fear of unfair litigation or retribution.

I am proud to have supported each of these measures over my tenure in Congress and to have cosponsored them as part of the Contract With America as well. It is a credit to these past 100 days that we have soundly approved these proposals as the crowning achievement of the contract. America's seniors deserve no less.

THE 20TH ANNIVERSARY OF THE CLASP CHILDREN'S CENTER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my constituents and residents of the Great Neck community in honoring the CLASP Children's Center as they celebrate this organization's 20th anniversary.

In 1975, with the support of a local chapter of the National Council of Jewish Women, CLASP was founded by a group of working parents. Over the years, CLASP has grown in size and developed such an exemplary program that it has been accredited by the National Academy of Early Childhood Programs. Set in a safe, challenging, and noncompetitive surrounding, children are offered a variety of activities that encourage them to express their creativity, and to develop friendships and positive social skills. CLASP reaches out to a variety of age groups and has established a preschool program for students 2 to 4 years old, before and after school programs for children attending the elementary schools in the Great Neck School District, and a 4–H Club for 8- to 10-year-old participants.

Realizing that CLASP is part of a most dynamic community, the organization joined in 1983 with the Great Neck Senior Center to provide an intergenerational program merging the children and the seniors of the area. This has resulted in a most successful and widely acclaimed effort, giving both age groups a feeling of support and appreciation.

CLASP has also had the good fortune to be able to draw upon the community for continuous support and creative leadership. On its 20th anniversary, as it celebrates this special milestone in this successful growth, CLASP is recognizing a group of individuals who have played a most effective role in helping it grow into such a renowned organization. Irene Lichtenstein has served as a founder and board member; Arlene Kase, current educational coordinator, was a president, board member, and a dynamic supporter of CLASP for legislative issues; Hon. May Newberger, town supervisor of North Hempstead, has for years championed family issues and consistently emerged as a supporter; Rabbi Robert S. Widom, spiritual leader of Temple Emanuel in Great Neck, has taken an ever-present role in community leadership that has greatly benefited CLASP; and Ann Durham, a long-time board member, was effective in assisting CLASP to obtain its initial funding.

Mr. Speaker, from its humble beginnings in a garage in Great Neck, CLASP has compiled over two decades of success, thanks to selfless individuals who have provided exemplary leadership and resources, and a dedicated parent group and a staff that has consistently sought to bring out the best in its students. I ask all my colleagues in the House of Representatives to join with me today in recognizing and applauding the CLASP Children's Center, and in congratulating CLASP on its 20 years of dedicated service and outstanding success.

TRIBUTE TO WESTMINSTER PRESBYTERIAN CHURCH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. BROWN of California. Mr. Speaker, today I rise to pay tribute to the Westminster Presbyterian Church of Ontario, CA, which is celebrating its 100th anniversary on April 23.

The Westminster Church has a dynamic history which I would like to share with my colleagues. The Westminster Church was organized in 1895 when Rev. H.M. MacLeod and 58 members established a Presbyterian Church in Ontario. On August 4, 1895, services were held in the first unit of the new church building at Euclid and E Street in Ontario. This new building was formally dedicated on November 9, 1902.

Due to the rapid growth of the church after World War II, the need for a modern and enlarged church building became apparent. Under the leadership of Rev. C. Eugene Barnard and with the approval of the congregation, construction of a new church building began. A ground breaking ceremony for the present sanctuary was held on June 15, 1958, with Rev. Raymond H. Gordon as interim pastor.

The Westminster Presbyterian Church operates a day care center, which has been its principal mission since the center's inception on October 6, 1969. The day care center building, known as the Christian education unit, was erected under the leadership of Rev. Don Hawthorne in April 1967 and is also used for Christian education on Sunday. Founded and organized by Directors Helen Brewster and Evelyn Hoehn, the day care center cares for approximately 128 preschool children. Over the years, the directors and staffs of the center have met the needs of each child with a spirit of Christian love and genuine concern.

In March 1975, David T. Anderson came from Paisley, Scotland, with his family to assume the pastorate of Westminster Presbyterian Church.

At this time, I would like to pay special recognition to the church's current minister, Rev. David Mote, who has been providing spiritual guidance for members of the Westminster Church since June 1993, and to Joanne McAleer, who recently became the new director of ministries and volunteer activities. Their dedication to their calling is to be commended.

This past year, the congregation participated in a miracle Sunday, collecting pledges of over $200,000 in 1 day, to refurbish the church facility in anticipation of its centennial celebration. In celebration of its anniversary, the church will be having a centennial high tea complete with period costumes and an old-fashioned song fest, tours, an art show, the opening of the church's 1958 time capsule, and refreshments.

Westminster Presbyterian Church has served the community in Ontario for over 99 years. Over the years, former ministers, assistant ministers, and church members have made valued contributions to the church. Although I am not able to mention them all by name, I wish to pay tribute to all who have been involved in the church's ministry over the years.

Mr. Speaker, it is a great honor to come before my colleagues today to recognize the dedication and care with which the Westminster Presbyterian Church has served Ontario and its surrounding communities. I ask my colleagues to take a moment and join me in congratulating the Westminster Presbyterian Church on the occasion of its 100th anniversary.

UNITED STATES-RUSSIAN PARTNERSHIP FOR PEACE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. TRAFICANT. Mr. Speaker, under the United States-Russian Partnership for Peace, the United States made a financial commitment to aid Russia's struggling economy in exchange for Russia's cooperation and compliance with international agreements. A reduced threat and defense burden were the expected outcome of the partnership. But after $12 billion worth of United States investment

in Russia, we are no closer to international arms containment and nuclear non-proliferation.

On the contrary, Russia is the biggest supplier of arms and technology to Iran. To date, Russia has sold Iran three Kilo class submarines, of which two have been delivered; MiG–29 and Su–24 deep airstrike aircraft, of which several have been delivered; and several hundred T–72 tanks, of which a few hundred have been delivered.

At the same time, China announced a 21 percent increase in its annual military budget, to approximately $7.5 billion. This new Russia-China venture could ultimately alter the balance of naval power in Southeast Asia. With the purchase of 22 new submarines, China would be free to pursue its claims in the South China Sea to Vietnam, Indonesia, Malaysia, and the Philippines.

Furthermore, on January 8, 1995, Russia signed an $800 million contract with Iran to complete two light water nuclear reactors at the unfinished Bushehr nuclear site, as well as attendant training and services. This action by Russia is in direct violation of the international Iran-Iraq Arms Non-Proliferation Act of 1992 (Title XVI of Public Law 102–484). The act imposes sanctions on countries that ''contribute knowingly and materially to the efforts by Iran or Iraq, or any agency or instrumentality of either country, to acquire destabilizing numbers and types of advanced conventional weapons.''

Similarly, Russia is in possible violation of many other United States laws which prohibit aid to countries that spread arms and nuclear weapons and related technology. The laws include, but may not be limited to: the Foreign Assistance Act Amendments, the Arms Export Control Act, the Export Administration Act, the Foreign Operations Appropriations Act of fiscal year 1994 and fiscal year 1995.

Finally, in the State Department's annual human rights report, Russia was identified as being in violation of international human rights agreements. In the report, Russia was criticized for the horrifying conditions of its jails and the cruel hazing of military recruits. The most serious violations, however, occurred in the Russian military assault on the breakaway republic of Chechnya where massive aerial bombardment of the capital, Grozny, and the dislocation of thousands of refugees ''were in conflict with a number of Russia's international obligations.'' In its most recent action, Russia reportedly has blocked humanitarian assistance to Chechnya by the International Red Cross.

In my judgment, Russia's, $800 million nuclear reactor contract with Iran is sufficient evidence alone to cut off United States assistance to Russia. With respect to the Russia's human rights violations, let me remind you that China almost lost Most-Favored-Nation [MFN] trade status with the United States, for less.

As a result, I have introduced H.R. 1418, a bill to prohibit all United States foreign aid and military assistance to Russia for fiscal year 1996, unless the President of the United States certifies to Congress that Russia is not exporting any nuclear technology, offensive military weapons, or other military technology. H.R. 1418, however, exempts U.S. aid in the form of humanitarian assistance or assistance for the purpose of dismantling nuclear and chemical weapons.

If Members support offensive military weapons containment and nuclear non-proliferation, I urge them to cosponsor H.R. 1418.

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. WILLIAM P. LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Mr. LUTHER. Mr. Chairman, as a new Member of the House of Representatives, I wish to explain my opposition to the GOP tax proposal.

For me, the most important issue is not tax fairness or the question of good tax cuts versus bad tax cuts. Many other Members have made those arguments with eloquence and insight.

There are plenty of reasons to vote ''no'' on this bill. But for me, the best reason to vote ''no'' is the impact this legislation will have on our efforts to reduce the deficit.

The proponents of this package have argued that the tax breaks they want to create are paid for with spending cuts—and they may well be. But that's not the problem.

The problem is that you can't use the same spending cut twice. If you use a spending cut to pay for a tax break, you can't use it to reduce the deficit.

And reducing the deficit must come first.

For years the national debt has paralyzed our Nation. It has prevented us from dealing with critical issues that will impact our competitiveness as a Nation well into the next century. Past efforts to deal with the deficit have largely failed and our debt now stands at $4.8 trillion.

Whether we are Democrats or Republicans, we shouldn't risk losing the opportunity we have today to reduce the deficit now and get on the glide path to a balanced budget. Our economy is strong, productivity is up and there is a growing consensus among the public and Members of Congress favoring deficit reduction. Our country's future is too important to let this opportunity pass.

We should capitalize on the momentum we have today by reducing the deficit and finally putting this paralyzing issue behind us so that we can begin focusing on the many other issues affecting our Nation's future.

Mr. Speaker, I came to this Congress to work with Democrats and Republicans to solve the problems facing this country for the people I represent. I've voted for 10 of the 22 items we've voted on in the Contract With America so far so I'd have no hesitation in supporting this bill if it was a good idea like some of the other ideas in the contract.

But this is not a good idea at this time. There is just too much risk for our country.

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Mr. HASTERT. Mr. Chairman, I am very pleased that the House voted to pass provisions to lift the Social Security earning penalty on older Americans of retirement age from the current level of $11,280 to $30,000 by the year 2000. In part, we have seven very special senior citizens to thank for this action. These people came out to Washington to tell their stories this week because America needs to know how the earnings penalty affects its citizens. Therefore, I would like to share these stories with the Nation.

GLORIA DAVIS, MARINA DEL REY, CA

Gloria has worked since she was 16 years old. Two years ago, when she discovered she owed the Social Security Administration $4,000 for benefits she received after exceeding the earnings limit, she became active in the effort to change the law. The Social Security Administration gave her 30 days to pay. She has told her story on television and through print media and has heard from seniors across the Nation who wrote her after seeing her on television.

Gloria and her husband owned their own business, but went bankrupt in the 1980's. They lost everything and were saddled with debt. So, Gloria doesn't have a retirement income and must work. Gloria, like many older women, worked at jobs which paid little, and sometimes for employers who did not pay into the Social Security System. Her monthly benefit averages $467.

Gloria has a background in public relations, sales, advertising, and television production. At one time she was State director of the Miss U.S.A./Universe Pageants, Miss America pageant and several other pageants. She has served as an event planner and trade show organizer for many years. Gloria currently works a full time job at Car Barn Airport Parking.

BETTY BOURGEAU, TAYLOR, MI

Betty entered the workforce at age 50 when her husband left her and her children. She worked two part-time minimum wage jobs at a department store and for a security company. She then became a teacher's aide for a Head Start Program, went back to school and became qualified to be a Head Start lead teacher. However, Betty quit teaching Head Start, the job she loved, when she began taking Social Security. She would lose most of her benefits with both jobs. Her department store job included health care benefits she needed, so she remained employed there.

Betty has received several Employee of the Year awards at the department store over the years, accompanied by pay raises. However, when she takes the raises, she must reduce

her hours or lose more of her benefits to Social Security. This puts her in a particularly difficult situation because her health benefits are predicated on working a certain number of hours for the department store. Regulating her hours is also difficult during the busy holiday season at the end of the year. The store needs her more during these times, but she loses most of her benefits if her work puts her further over the Social Security limit.

MARY LOU LIVINGSTONE, SPRINGFIELD, IL

Mary Lou was divorced 19 years ago and worked ever since. She has no pension or retirement plan to draw from. She had to pay the Social Security Administration back $549 in 1991, $281 in 1992, $935 in 1993 and $730 in 1994 for earnings exceeding the Social Security earnings limit. During those years, her average Social Security check was $288 per month. In 1994, Mary Lou cut back her hours to try to avoid the penalty, but still had to pay some money back. Mary Lou supplements her grocery bill each month through the Share Program sponsored by Catholic Charities. This program allows her to pay $14 per month and receive $35 worth of groceries.

Mary Lou works as an information receptionist at the visitors center of the Lincoln Home National Historic Site in Springfield, IL. She has worked there for nearly 12 years and has received numerous complimentary letters for her job performance. She was also featured as a staff star of the Springfield Bureau of Tourism.

MR. AND MRS. ROBERT AND SHIRLEY HICKEY, UNADILLA, NY

Robert and Shirley have both worked most of their lives. Shirley suffered a brain aneurism several years ago and is no longer able to work. However, Robert still works at a calendar factory as a kensole operator imprinting the lettering on the calendars. This is just to make ends meet. They have a 401(k) plan, but no other outside income.

Last year, Robert earned more than the earnings limit allows and was recently fined $1,650 by the Social Security Administration. As a result, he and Shirley took out a personal loan against their 401(k) plan at a rate of 10 percent in order to pay their bill to Social Security. They can not afford the alternative, under which the Social Security Administration would cease payment of monthly Social Security benefits until the payment was complete. At the same time, Robert pays over $3,000 a years in Federal income taxes for the privilege of working.

MARY LOU HAGAN, GROVILLE, CA

Mary Lou is a widow and is currently looking for part time work. She has been in the banking business for years, serving as a bank manager, loan officer and operations manager. She was earning a comfortable salary when the bank went under, with her retirement benefits with it. All of her retirement plan was in bank stock. After the bankruptcy, she recovered only $1,000 from her retirement plan. In addition, much of her savings was invested in this stock, so she suffered further loss.

Mary Lou is an avid volunteer and serves on the hospital board, the Chamber of Commerce, Friends of the Park, and Soroptimists International.

Nevertheless, Mary Lou wants and needs to get back to work, but the earnings penalty poses obstacles to gainful employment. A job she has recently applied for would require her to work all year at a salary that would exceed the limit by about $3,000. She could not take the job without agreeing to this work load, but she would not receive the benefits of the extra work.

JOSEPH O'BRIEN, RANCHO PALOS VERDES, CA

Joe is an electrical engineer with 40 years of experience. He holds three patents for high speed counters. He has deliberately stopped working because he reached the earning limit after the first few months of the year. Society is being deprived of his considerable expertise because he is unable to keep his earnings if he works over the limit. He pays taxes to the Federal Government, which he feels are not adequately considered when the cost of the lifting the Social Security earnings penalty is calculated.

Joe feels that the optimum strategy is for a senior to work until hitting the limit, then quit for the rest of the calendar year. This makes it difficult for him to find a job fully utilizing his talents. His prospective employers know there must be limits on his commitments, so he ends up working on a contract basis, which means there are no benefits. In 1993, after reaching the limit, he made only 17 cents on the dollar after marginal tax rates were applied to his income. Joe realized he could have earned more on California unemployment.

Joe's father was also affected by the Social Security earning limit when he was alive. After raising three children alone—this wife died at age 42—and sending them through college, he was forced to work in his retirement years. Joe's father ended up taking money under the table through jobs that did not report his income to Social Security to avoid the law. While Joe does not advocate this, he knows it is a reality for many seniors.

THE SECOND ANNUAL SALUTE TO VIETNAM VETERANS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. BILIRAKIS. Mr. Speaker, a very special event will be taking place in my district later this month. The Hillsborough County Friends of the Parks and the Veterans Memorial Museum Committee are hosting the Second Annual Salute to Vietnam Veterans at Edward Medard Park.

This week-long salute is to honor all Vietnam veterans and will include the moving wall. This event is dedicated to Vietnam veterans and their families.

The moving wall is a one-half scale replica of the Vietnam Veterans Memorial in Washington, DC. It is 250 feet long and contains the names of 58,191 Americans killed during the Vietnam war. The wall also includes the names of American servicemembers still unaccounted for.

Eight women are listed among the names listed on the Wall. Seven of them were Army nurses and one was an Air Force nurse. There are also 16 chaplains listed on the Memorial. Two of these men were awarded the Congressional Medal of Honor.

The moving wall is a powerful symbol. Hundreds of thousands of people across the country have visited it in or near their communities. I am proud to say that on the previous occasions when it has been displayed in Florida, approximately 300,000 Floridians have visited the moving wall.

As of January 1, 1993, the memorial has been displayed in 315 communities throughout the United States and Canada. In addition, it has been displayed in Puerto Rico and Guam. Requests to have the wall have come from as far away as Australia, Ireland, and Germany.

I would like to take this opportunity to commend the organizers of this great event. It is a stirring reminder of just how blessed we are in the modern world to live in a free society, and will not allow us to forget that this blessing is due to the sacrifices of our friends, relatives, neighbors, and countrymen who served us all when duty called.

For as long as the American soldier stands ready to support his country and its allies, the forces of oppression and injustice will be held in check. For this, the American serviceman—the veteran—must never be forgotten.

CONGRATULATIONS TO ROBERT A. BURT

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. VUCANOVICH. Mr. Speaker, I want to salute Robert A. Burt, a junior at Carson High School in Carson City. NV. Robert Burt was Nevada's winner of one of the 54 Voice of Democracy national scholarships awarded by the Veterans of Foreign Wars of the United States and its Ladies Auxiliary. Along with 126,000 secondary school students, he entered the broadcast scriptwriting contest whose theme was ''My Vision For America.''

I believe his essay states an important theme and shows an optimism that we should all share, and I ask that it be reprinted in the RECORD.

MY VISION FOR AMERICA

(By 1994–95 VFW Voice of Democracy Scholarship program Nevada Winner, Robert Burt, Post 3726, Carson City, Nevada)

America. My vision of this proud and glorious lady is not a dream of highways and skyscrapers, money and influence, but a scene of common, hardworking, honest people. A people who respect their neighbors, honor their families, and stand by their country. My vision of America is of a people and a land who are, as Alexandre Dumas phrased it, ''All for one, and one for all.''

My America is a place where people are not judged because of money and influence but through the work of their own two hands and intellect. My America is a land free of prejudice and ignorance. In my vision, a poor boy from Harlem will collaborate with the daughter of refugees and the son of white middle class workers in a scientific or on a medical breakthrough of the century. They will work not as individuals, but together as Americans. It will not matter what the participants' social background, or religious faith is, but their work as human beings that will be regarded. It will be a place where tolerance and acceptance of differences is not trampled by fear and hatred.

The America of the future is a place where we know and respect one another. It is a place where neighbors greet each other, a place where parents sit down with children and teach them to read.

America is not a place of ''us'' versus ''them,'' it is a place of ''we.'' The vision I

see is one of a place where people are willing to give of themselves. It is a place where the people carry the spirit of Lexington and Concord, Vicksburg and the Marne, Pearl Harbor and Omaha. The spirit of the men who fought at these hallowed places, is the spirit we must carry. That spirit is not something easily defined. It is part sacrifice, part unwillingness to give up, but mostly, . . . the desire to move forward through cooperation.

It is because of this spirit that the vision I see will surely come to pass. When the odds seem to be too great, we unite, not as blacks, not as Christians, not as refugees, but, as our forefathers did on those cold and distant battlefields so long ago, we unite as *Americans*! We help each other, we serve each other, and if necessary, we die for each other.

It will not take years for my vision to take place. It is happening right now: a teacher in the inner city helping a struggling student; a parent playing with a child; two friends talking, regardless of their race or background. America's future is not dim; it is just beginning to shine! The future lies before us. It is up to us to undertake the journey.

JOE D'ADAMO, WINNER OF THOMAS D'ALESANDRO, JR. GOOD CITIZEN AWARD

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. PELOSI. Mr. Speaker, I rise to honor Joe D'Adamo, the 1995 winner of the Thomas D'Alesandro, Jr. Good Citizenship Award. Named for the late, great Mayor Thomas D'Alesandro, this recognition is bestowed on Mr. D'Adamo for his contribution to the Italian-American community.

Joseph G. D'Adamo, Sr., was born in Baltimore 66 years ago. While growing up in Little Italy, he went to St. Leo's School. D'Adamo studied at both Baltimore Polytechnic Institute and the University of Baltimore.

D'Adamo worked at the Baltimore Evening Sun for 42 years before retiring in 1987. D'Adamo rose to the position of chief makeup editor where he was responsible for graphics and deadlines. As the Baltimore Sun's restaurant critic for many years leading to his retirement, D'Adamo enjoyed sharing his culinary finds with Baltimore. He still loves food and writing restaurant criticism for the East Baltimore Guide.

Sports has always played an important role in this sports writer's life. Currently, he is the Baltimore correspondent for Sports Illustrated, a position he has held for 25 years. Beyond writing, D'Adamo refereed basketball games for two decades in Baltimore city schools. As commissioner of the Maryland Wrestling Association from 1988 to 1993, D'Adamo was responsible for assigning referees to wrestling meets throughout Maryland. He also coached wrestling at Catonsville Community College and Catholic High.

D'Adamo's involvement with youth also has included 6 years in the Boy Scouts of America. He has served as Scoutmaster of Troop No. 177. These activities naturally led to D'Adamo's service as president and board member of parent-teacher associations at the Catholic High School and Archbishop Curley High School.

He has been active with the Holy Name Society and in 1967, he received the President's Award. D'Adamo is a member of the Little Italy Lodge, OSIA. In 9 years, he has served in a variety of executive positions at the lodge. A proud achievement for D'Adamo is the very successful lodge cookbook, ''Let's Cook Italian'' which he conceived, edited, and compiled.

Joe is married to the former Anna Giorgilli, also a native of Little Italy and a member of the lodge executive council. They have three children and nine grandchildren.

Mr. Speaker, I am pleased to salute Joe D'Adamo for the honor he has brought to the Italian-American community by his personal, professional, and civic accomplishments. He truly deserves this award for his contributions in the tradition of Thomas D'Alesandro, Jr.

INTRODUCTION OF THE FAMILY FOOD PROTECTION ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. BROWN of California. Mr. Speaker, I am pleased to introduce The Family Food Protection Act of 1995 along with my colleague from New Jersey, Mr. TORRICELLI. USDA's recently proposed rule to implement a mandatory Hazard Analysis and Critical Control Point [HACCP] plan was a good first step toward modernizing our meat and poultry inspection system. However, we need to do more.

The meat and poultry inspection of this system needs to be modernized. There is broad consensus that our current system does not adequately address the most prevalent public health problem associated with our meat and poultry supply—microbiological contamination. The Economic Research Service estimates that microbial food contaminants and the foodborne illnesses that result from them cause between 6.5 and 33 million human illnesses and 6,000 deaths annually in this country. While we can debate the actual figures, it is clear that we can and should be doing a better job of preventing these illnesses and deaths.

The problem has been attributed to consumer's failure to prepare meat and poultry products properly. Consumer education is clearly an important way to minimize this problem. However, the problems that have arisen with institutional and retail food preparation and more recently in salami, a ready-to-eat meat product, illustrate the need for a much more comprehensive approach to the prevention of foodborne illness.

The Family Food Protection Act would require USDA to develop microbial testing procedures to control the presence of pathogenic microorganisms in meat and poultry products. It would enable the Secretary of Agriculture to require slaughter and processing plants to adopt processing controls that will ensure the safe handling and processing of these products. The bill also establishes voluntary guidelines for retail establishments to ensure that the food handled and served by retail stores and restaurants is safe for consumers. Under this bill, USDA will have the authority to recall products that are found to be unsafe if the products are not subject to an adequate voluntary recall process. In short, it represents a comprehensive farm-to-table approach to upgrading our meat and poultry inspection system so that the quality and safety of these food products is assured.

Modernization of our meat and poultry inspection system is overdue. Consumer confidence in the quality and safety of our food supply is essential to maintaining a healthy meat and poultry industry, and public health should be protected by a modern science-based meat and poultry inspection system. I urge my colleagues to join Mr. TORRICELLI and I in co-sponsoring this legislation which will provide USDA with the statutory tools necessary to improve and modernize our meat and poultry inspection system.

SALUTE TO HERBERT F. (BERT) BOECKMANN II

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a selfless philanthropist, a successful businessman, a good friend, and recipient of the 1995 Horatio Alger Award—Bert Boeckmann.

A native Californian, Bert established early in life a commitment to hard work and a spirit of entrepreneurism that have served him well and have endured to this day.

In his early teens, when many of his peers were focused on the simple pleasures of youth., Bert began mowing the lawns, cleaning the basements, and washing the windows of local estates. He later put himself through the University of Southern California by working a weekend maintenance job and the graveyard shift at Lockheed Aircraft.

He took a job as a car salesman at Galpin Ford in 1957 and—less than 4 years later—was promoted to general manager of the company. His leadership ushered in an unprecedented period of prosperity for the struggling dealership, which he acquired in 1968.

Galpin has ranked first in profits among all Ford dealerships for 21 of the past 25 years, which is not surprising given Bert's dedicated leadership and the fact that he has created an environment that encourages his best people to stay with the company. Top Galpin managers have tenures ranging from 17 to 36 years, a nearly unheard of record of commitment in the industry.

But life for Bert has hardly been just about business. A husband and proud father, he has demonstrated time and time again that he cares more about others than he does about himself—that no demand is too great when there are people out there in need of assistance.

In 1991, Bert and his wife Jane joined Secretary of State and Mrs. James Baker in honoring Mother Theresa with the Prince of Peace Prize. Bert also helped raise $1 million in medical supplies, food, and clothing for Mother Theresa's charities.

Two years ago, Bert responded to a desperate plea from Russian farmers for seeds needed to ensure an adequate harvest. Not only did he orchestrate the donation of 56,000 pounds of seeds from several American companies and arrange for their transport by the Department of Defense, Bert and Jane met

the transport plane in Russia and personally directed the distribution.

Mr. Speaker, these are only a few examples culled from a lifetime spent serving people. As his friend, I know that Bert is the kind of person who, when faced with a challenge, never wonders whether something can be done. He is the kind of person who is always willing to do whatever it takes to make a difference.

LOBBYIST DISCLOSURE REFORM

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MILLER of California. Mr. Speaker, Kevin Phillips has called the Contract With America a ''dubious mix of reforms, gimmicks and con jobs.''

I call it a ''friendly corporate take-over of the Congress'' because the new Republican leadership has been encouraging lobbyists to serve as de facto official staff in drafting and amending legislation.

I am not being naive about the existence, or the value, of lobbyists. But with the carte blanche provided them by the Republican leadership, lobbyists can contaminate the legislative process. And they have.

The headline in last Friday's New York Times said it all: Business Leaves the Lobby and Sits at Congress's Table.

Time magazine says that the Republican leadership ''has attached its fortunes to private lobbyists, and is relying on their far-flung influence to pass its agenda.'' Newsweek says that lobbyists are actually writing the bills. And they have it exactly right.

Corporate representatives, individually and through coalitions like the Thursday Group, have been writing whole bills and amendments, with no public review and often without hearings, to serve their clients' narrow interests. Little wonder that the Contract With America has been described as ''a triumph for business interests, who * * * find themselves a full partner of the Republican leadership in shaping congressional priorities.'' The arm-length relationship between lobbyist and legislator has been brazenly abandoned.

The examples are stunning: A committee of lobbyists rewrites the Clean Water Act ''to satisfy industry goups like the Chemical Manufacturers Association.'' Lobbyists, working from a Capitol office, plot the strategy and drafting of bills on regulatory reform and risk assessment. A lobbyist for the Wholesale Distributors develops the strategy on the product liability bill from an office provided by Republicans. A former Republican congressman is allowed to sit on the committee dais during a hearing on matters affecting his current client.

With all due respect, what is going on here?

I frankly do not know what is more disturbing: that these abuses are occurring, or that the Republican leadership and membership appear unconcerned and unaware that these practices degrade the democratic process.

The American people did not vote last year to turn the legislative process over to lobbyists to rewrite our health and safety laws, our environmental laws, and our tax laws for the benefit of their corporate employers. And the Congress cannot allow this abuse to continue.

Today, I am introducing an amendment to the House rules to require full disclosure of the role of all nonpublic employees in the drafting of legislation, amendments, reports and other products of the legislative process.

I note that Speaker GINGRICH was questioned about the substantial role of lobbyists in drafting the Contract, and replied, ''As long as it's out in the open, I have no problem.''

My resolution assures that lobbyists' handiwork will be ''out in the open,'' and I think the integrity of the Congress requires that it be adopted without delay.

REPORT ON HAITI

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. RICHARDSON. Mr. Speaker, I commend to my colleagues a report drafted by Congressman JACK REED. The report: ''The Situation in Haiti—March 1995'' is an excellent overview of what the United States has managed to accomplish since United States troops were introduced in Haiti in order to help restore democracy. The report also looks at Haiti's immediate future and provides insight into what can be expected in Haiti after the departure of many of the United States military personnel currently on duty there. Perhaps most important, the Reed report serves as an excellent primer on the security situation in Haiti, future United Nations involvement in Haiti, attempts to create a new Haitian police force, the re-creation of a justice system, the prospects for fair and open elections, and the outlook for economic development in Haiti.

Congressman REED wrote his remarks after a recent second visit in Haiti. Last year, JACK REED and I travelled to Haiti together. At that time, I found his perspective there to be very helpful. As a former company commander in the 82d Airborne Division, Army Ranger, and West Point graduate, JACK REED has the ability to look at a foreign policy problem from a soldier's point of view. JACK REED also is not afraid to do some heavy lifting when it comes to forming his own opinions. In the last few years, in addition to his trips to Haiti, Congressman REED traveled to Somalia twice and to Bosnia. After each trip, Representative REED sits down and drafts a report on what he learned from his travels. I ask that a summary of his most recent report, ''The Situation in Haiti—March 1995'' be printed in the CONGRESSIONAL RECORD. Members interested in reviewing the complete text of Congressman REED's report should contact the Congressman's Capitol Hill office.

THE SITUATION IN HAITI—MARCH 1995

(By Congressman Jack Reed)

INTRODUCTION

On March 10 and 11, I travelled to Haiti with a Congressional delegation led by Benjamin A. Gilman, Chairman of the House Committee on International Relations. The particular focus of my efforts was to assess the security posture of Haiti in light of the scheduled transition from the American-led Multi-National Force (MNF) to the American-led United Nations Mission in Haiti (UNMIH). Based on this assessment, a further evaluation of the prospects for developing a stable, democratic government in Haiti may be made.

AMERICAN MILITARY FORCES

As an initial point, the superb performance of American military personnel must be recognized. The skill, discipline and professionalism of the American forces are in keeping with the highest standards of our Armed Forces.

Outstanding leadership has been demonstrated by the principal commanders, including, but not limited to, MG George Fisher, Commanding General of the 25th LID, BG Paul Hill, The Assistant Division Commander of the 25th LID, and COL Charles Swannack, Commander of the 2d Brigade of the 25th LID.

The success of United States military forces is also attributable to the effective working relationship with the American embassy. Ambassador Swing is a consummate professional who continues to provide great leadership in a demanding situation.

SECURITY SITUATION

The assessment of the principal commanders and soldiers in the field is that there is no organized, military threat to the MNF or UNMIH. Sporadic violence exists, but it does not appear to be based on political motivation, rather it stems from criminal activity or domestic violence.

MG Fisher is confident that he has effectively accounted for all members of FAH'D (the former Haitian army/police). These individuals are part of the Interim Police (after proper vetting), employed by other ministries of the Haitian Government, or involved in public works programs.

In addition, there does not appear to be large scale stocks of military weapons which potentially could arm a dissident force. Shotguns and handguns are prevalent in private hands, but are increasingly rare on the streets.

Evidence of the improved security situations was obvious in my nighttime patrol of Port au Prince with COL Swannack. We observed several roadblocks being conducted by elements of the 2d Calvary. In the course of the evening, these control points stopped several hundred vehicles and no weapons were found.

The present, tranquil situation should not be allowed to mask continuing and fundamental tensions within Haitian society which could, in the absence of international forces or a capable local police, explode into destabilizing violence. Nevertheless, at this juncture, there does not seem to be any potential military threat to the transition to UNMIH. Although there is speculation that opponents of democracy may try to test UNMIH after the departure of MNF, the large and continuing presence of American personnel and the continued leadership of MG Kinzer significantly diminishes this potential.

From a security standpoint, the next critical crossroad is the scheduled departure of UNMIH in February of 1966. The ability of UNMIH to successfully depart and, conversely, the ability of the Government of Haiti to function without a large, international military present is dependent upon the accomplishment of several critical tasks. The major challenges that must be met are: (1) the creation of a professional and non-political police force, (2) the successful conclusion of scheduled elections, (3) the reform of the judicial and prison systems and (4) the initiation of sustainable economic development.

POLICE FORCES

Having visited Somalia twice during the recent deployment of United States personnel, I am particularly sensitive to the need to create a credible, stable and democratically oriented police force. In Somalia, the

failure to even begin this effort was one of the major contributing factors to the overall failure of the mission there.

Efforts to date indicate that MNF and UNMIH are trying to avoid this mistake. The MNF quickly stood-up an Interim Police (''IPSF''). These police were culled from vetted members of the FAH'D and from Haitians in Guantanamo. They received six days of training. Their role is carefully circumscribed so that they do not operate independently of MNF forces and the International Police Monitors (''IPM'').

The IPSF will be a bridge to a new permanent police force which is currently in training. Unlike the IPSF, the permanent police force has been recruited to avoid former members of FAH'D.

The MNF has established rigorous selection criteria and a demanding training program for the permanent police. Contrary to tradition, candidates for the permanent police were selected by both physical and academic examinations. The MNF specifically rejected the ''recommendations'' of local political leaders. The initial pass rate was 9% for the first exam (661/7,736). The pass rate is 19% for the current exam (164/868).

Although an impressive start has been made to constitute an effective police force, key questions remain. Primary among these questions is the command structure. Aristide has indicated that he would like the police to be controlled by local mayors, but with a national ''Director General'' who would be charged with overall supervision of the police. Since the police will emerge as the only effective armed force in the country, the control of the police will be a critical decision. A police solely under the control of a national leader could quickly come to dominate the political scene. On the other hand, local control could lead to multiple power bases throughout the country with the potential for conflict. Careful thought should be given to the command relationships of the police.

In a related point, Aristide has indicated that he does not favor the recreation of an army. If no army is created, then the permanent police will likely have to be expanded to take on the tasks of border patrol, customs collections and other functions that are carried out by uniformed forces.

The decision has been made to provide strong economic incentives to attract the best candidates and to ensure as much as possible that the police avoid corruption. As such, police are scheduled to receive compensation on the order of $365 a month which is roughly the annual per capita income of Haiti. This raises the possibility of creating an economic elite. Nevertheless, the alternative of an inadequately paid police raises the possibility of a quick reversion to the corruption of the police which existed under previous regimes.

THE SYSTEM OF JUSTICE

Closely related to the need for an effective police force is the necessity for effective judicial and penitential systems.

The judicial system is plagued by corruption, incompetence and archaic procedures. The result is a system where a prisoner can languish in jail for five years before he even sees a judge for a preliminary hearing.

The penal system is equally in disarray. I visited the jail adjacent to the police station in Petionville. Under the direction of United States military police, the jail had been cleaned and reorganized. On their arrival, it was filthy with inadequate sanitation. There was no real accountability of prisoners nor even rudimentary programs to maintain the health of the prisoners. The entire penal and judicial system has to be overhauled.

Since a fundamental reform of the Haitian judicial system may require a change of the Constitution, I asked President Aristide if he would support such efforts. He indicated strong support for such changes and spoke passionately in decrying the current shortcomings of the judicial system.

THE CONDUCT OF ELECTIONS

The credibility of the Haitian government and the international community will be decisively tested by the outcome of scheduled elections. At this time, parliamentary elections are scheduled for June 4, with a run-off scheduled for June 25. The national election to select the next President to succeed President Aristide is scheduled for December with the new President to assume office in February of 1996. (UNMIH will depart in February, 1996 coincident with the installation of the new President.)

The elections provide a daunting political as well as logistical challenge. Over 9,000 polling booths and 30,000 to 40,000 election officials must be organized. All of this in a country where communication and transportation are severely limited and the potential for violence is persistent.

To deal with these challenges, MG Kinzer will redeploy UNMIH forces to specifically prepare for the elections.

Another good sign for the election is the presence among the UN staff of Mr. Dong [phonetic] who has direct UN responsibilities for the election. Dong is a veteran of the Haitian elections in 1987 and 1990. Coincidentally, the Nepalese contingent commander just finished providing security for elections in Nepal. He brings immediate experience and expertise to the UN effort.

Successful conclusion of the parliamentary elections will be a significant first step in developing a stable political system. In addition, it will provide the institutional framework of a functioning parliament necessary to continue reforms in Haiti, particularly with regard to the judicial and penal systems. Finally, it will set the stage for the Presidential election in December. If the parliamentary elections fail, then the Presidential elections are likely to collapse also. This development could mortally wound efforts to restore democracy to Haiti, embarrass international efforts, and create a power vacuum which could see the continuation of President Aristide beyond his Constitutional term or the reemergence of anti-democratic forces.

ECONOMIC DEVELOPMENT

If UNMIH can stand-up a police force, help reform the judicial and penal systems, and broker successful elections, then Haiti can focus on the persistent and excruciatingly difficult task of sustained economic development.

Initial plans call for an international aid package of $1.2 Billion with the United States responsible for $200 Million.

This package recognizes that the United States should not bear the lion's share of the cost. Despite the outline of this aid package, actual donations have not been readily forthcoming.

The most visible aid program in Haiti at the moment is a jobs program run by USAID. This program puts Haitians to work on public works projects. The program is short-term and there is an ongoing debate on whether the program has reached the employment goals originally outlined to the Aristide government. Recently, a longer-term effort was announced by the signing of an agreement to create a credit facility with the Bank of Boston guaranteed by OPIC. This $68 Million facility will provide credit for businesses to locate in Haiti. Outside of these notable efforts, the development effort continues to lag.

Without adequate international aid and a coherent plan, economic development will not occur and the ultimate goal of a stable, market-oriented democracy will be frustrated. However, the task of economic development cannot be accomplished without effective action by the Haitians themselves. At present, the Aristide government is concentrating on four major issues: macroeconomic stabilization, trade liberalization, privatization of state-owned enterprises, and decentralization of government operations.

As part of the macroeconomic stabilization, the government is attempting to reform its tax policy. Present reform efforts are limited to increasing the rate of collection. Last year, collections represented 3.3% of GDP. The Haitian government has committed to the IMF that it will raise collections to 6.5% of GDP. Nevertheless, these figures are well short of 12% of GDP which is accepted as an international benchmark.

THE UNITED NATIONS

As the MNF departs and UNMIH assumes responsibility, it is appropriate to raise some cautionary points.

First, the presence of USAID and numerous NGO's indicate the UN coordination role should be handled by a minimal number of personnel. It would be a misuse of resources and a potential political liability if the UN effort was portrayed as an expensive and expansive operation.

Second, the current care and comfort of the troops is of the highest order.

Third, it seems that the aviation assets for UNMIH are unduly limited. Helicopter lift capacity is an extraordinary multiplier of military effectiveness in a country like Haiti.

Fourth, there is a huge need for basic infrastructure repairs and a complementary need to put Haitians to work. Both of these objectives can be served by civic action with UNMIH forces.

CONCLUSION

Through the leadership and skill of the MNF, Haiti enjoys a degree of public security and civic peace which is rare in its tumultuous history. An opportunity exists for fundamental economic and social reforms. The leading edge of these reforms is the successful completion of scheduled elections followed by governmental reforms of the judicial and penal systems. Undergirding these efforts is the constant imperative of economic development to sustain a viable democratic process.

Based on my observations, the transition from the MNF to the UNMIH is likely to be uneventful. The continuing strong United States presence in UNMIH is also likely to ensure a stable security environment through February 1996 when the UN mandate ceases.

After February 1996, the outlook is not so clear. So much depends on the confidence building steps of successful elections and the effectiveness of international aid and local economic reforms. I harbor a degree of skepticism that a society without a strong tradition of political participation and market economics can, in a short time build institutions that will endure, even if the international community makes good its promise of support.

After February 1996, I would not anticipate a dramatic uprising. Rather, the greatest danger would be a return to the corruption that dominated previous regimes; corruption that would gradually undermine reform efforts, frustrate economic progress and invite an abandonment of the democratic process.

The United States, as the leader of the international community, has taken a decisive stand against an illegal military dictatorship in the Hemisphere. It has restored a

democratically elected government. It has purchased time to build a stable society. But ultimately, the fate of Haiti is in the hands of the Haitian people. In the next few months, the international community has the opportunity to give the people of Haiti a chance to forge a more decent and productive future.

JOB CREATORS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FORBES. Mr. Speaker. We in Congress are obligated to protect the interests of our small businessmen and women. These job creators make enormous contributions to the local economy on Eastern Long Island. As a Member of Congress, I will always champion the cause of small business.

The recent cap levied on travel agency commissions could devastate small business. Most travel agencies are small businesses and a significant source of employment and tax revenues for our area. I am concerned about the outrageous action taken against the travel industry. Moreover, the impact on consumers will be harmful.

I have set up a meeting with Anne Bingaman, Deputy Attorney General for Antitrust, to express my outrage and request that the Justice Department take a more active role in investigating this situation. I will be very involved in fighting to restore fairness to the travel agents.

Following is a recent article that ran in the New York Times, describing this problem:

[From the New York Times, Mar. 29, 1995]

SOME AIRLINES BREAK RANKS OVER FEES PAID TRAVEL AGENTS

(By Adam Bryant)

Several airlines, following in their long tradition of breaking collective decisions, are already starting to chip away at the industry's recent move to cap commissions for travel agents.

In early February, in a bid to cut costs, the airline industry imposed a maximum commission of $50 on a round-trip domestic ticket. But some carriers—including Delta Air Lines, the pioneer of the limit on travel agent fees—are now offering new backdoor financial incentives that reward bigger agencies for exceeding sales goals. These moves mean some airlines are effectively giving back some of the money they said they would save when they announced the caps. Before the cap, airlines generally paid travel agents a 10 percent commission on the price of ticket.

''Continental wants all of your high-yield business—and we'll pay you for it!'' reads a flier that Continental Airlines sent recently to only about one out of 10 of its travel agents. Continental, in outlining its new ''Fast Cash'' program, offered a $50 ''bonus payment,'' in addition to existing incentive programs, for costlier round-trip tickets on transcontinental flights.

Similarly, travel agents said sales representatives from Delta had visited them recently with new contracts that offered extra payments for swinging business the airline's way.

Given the fiercely competitive nature of the business, other airlines will probably follow the lead of Continental and Delta. Except for Continental, the largest airlines declined to comment yesterday on whether such incentive programs were in place or were under consideration.

There are many implications of this new wrinkle in the way airlines compensate travel agents.

Perhaps the biggest losers will be smaller travel agencies, which often lack the volume of business to win extra payments. And some travel agents warn that the new incentives, if they spread, may force them to act against their customers' best interests by steering them to a certain airline. ''People trust travel agents, and travel agents can influence some people's choices,'' said Blake Fleetwood, president of Planetarium, an agency in Manhattan affiliated with American Express.

Some travel agents, including Mr. Fleetwood, had predicted that the airlines would have trouble making the cap stick. History was certainly on their side. In 1983, for example, Delta, Eastern and United refused to go along when American Airlines and Trans World Airlines lowered their commission rates.

To the extent the cost savings that airlines had expected shrink, the latest moves could affect the stocks of a number of carriers. The stocks of several airlines jumped several points last month after they announced in rapid succession that they would follow Delta's lead in capping commissions for domestic tickets.

''This was viewed as a fundamental change in the industry,'' said Julius Maldutis, an airline analyst at Salomon Brothers. But now that at least some of those touted savings are going to be returned to travel agents, it ''is going to cause investors to pause and rethink their exuberance,'' he added.

The American Society of Travel Agents said that such incentives would hurt smaller agencies the most because they were not being given the opportunity to make up the revenue they expected to lose because of the commission caps. The new caps angered thousands of agents who said the cuts would devastate their industry.

''It does appear that the airlines were essentially winking at some of the larger travel agent partners when they made their original announcement,'' said Steve D. Loucks, a spokesman for the travel agents' trade group. ''The playing field is far from being level.''

The Justice Department signaled its concern about such incentive programs in late 1993 when it announced that it was investigating Delta's deals with travel agents in Salt Lake City and the effect of those deals on a smaller competitor, Morris Air. That investigation has since been dropped, but the department said yesterday that it was continuing to investigate the possibility of socalled exclusionary practices, like extra commission incentives, by airlines that dominate certain cities.

Airlines have had difficulty making other industry-leading initiatives stick. The main reason is that every extra fraction of market share is so important to each airline that they often break away from the pack in the hope that they will gain a competitive advantage. That is one reason why America West and Southwest Airlines still offer travel agents a 10 percent commission.

American Airlines learned this lesson in 1992 when it tried to establish a new, simplified fare structure that it called Value Pricing. Many airlines immediately followed, but others did not, and the new system crumbled.

The fallout of the effort, however, offers a parallel to the current capping of commissions. The simplified fare structure from 1992 wiped out the earlier deals for discounted tickets that big corporations had made with airlines. Corporations insisted on restoring some kind of discount, but the break with the past gave the airlines an opportunity to negotiate new pacts.

Similarly, many large travel agencies have complained to some airlines after the recent capping of commissions that they need a way to make up the reduced revenue while others began charging fees to ticket purchasers to make up some of the loss. An executive at one major carrier, who asked not to identified, said his airline was negotiating new contracts with those agencies whose support it needed the most.

CONTRACT WITH AMERICA TAX RELIEF ACT OF 1995

SPEECH OF

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1215) to amend the Internal Revenue Code of 1986 to strengthen the American family and create jobs:

Mr. PACKARD. Mr. Chairman, every person and business in the United States is overtaxed. Whether young or old, a struggling family or an affluent family, a small business or a Fortune 500 company, Government remains a fiscal burden. The tax reform provisions within our Republican Contract with America work to ease this financial load by reducing the size of Government, the size of the deficit and the size of the American tax bite for all people.

Our tax bill represents a historic piece of legislation. It cuts taxes, pays for each dollar of those tax cuts with a dollar in spending cuts, and substantially lowers the deficit by $91 billion—all at the same time. Simply put, this bill gives the American people back the money that rightfully belongs to them.

Our tax plan embraces the notion that economic growth is economic justice. It promotes savings and investment by getting Government out of the way of the American economy. The fiscal incentives in our tax bill encourage Americans to save more and to invest more. That means more jobs, greater productivity, higher paying jobs and, most importantly, a brighter economic future for our children and grandchildren.

Our tax relief bill represents another Republican effort to cut Government down to size. It is a crucial step on the long road toward restoring our Government's fiscal sanity. Mr. Chairman, Republicans continue to do exactly what they set out to do—make Government smaller, less costly and more efficient.

CANDIS ''CANDY'' SNIFFEN

HON. G.V. SONNY MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MONTGOMERY. Mr. Speaker, on March 28, 1995, I had the bittersweet experience of saying goodbye and thank you to Candy Sniffen who retired from more than 25-year years of exemplary service on the Veterans' Affairs Committee staff. I say bittersweet

because, although Candy was looking forward to a well-earned period of comparative peace and quite, I know that her extraordinary skills, deep dedication to veterans, and expansive knowledge of veterans' legislation and programs are nearly irreplaceable.

Candy worked with Mack Fleming, who recently retired as chief counsel and staff director of the committee, for 21 years. I want to stress that Candy worked with Mack. Theirs was a remarkably effective and professional partnership, and Mack would be the first to say that Candy was indispensable to him, both as a valued colleague and as a trusted friend. When I was told that Candy and Mack were going to retire at the same time, it seemed somehow very appropriate to me.

During her long tenure with the committee, Candy worked under five chairmen—Olin Teague, Bryan Dorn, Ray Roberts, BOB STUMP, and me. As you can imagine, dealing with these very different individuals was a challenge, but Candy met this challenge with great grace, and I am grateful that I had the benefit of her support and assistance for more than 14 years.

As a working mother, Candy somehow managed to balance all of her responsibilities and excel at all she did. At the same time she was training at least two generations of committee staff and keeping Mack on target, she also raised two beautiful daughters and contributed an enormous amount of time to her church.

Lest anyone think of Candy only as a solemn do-gooder, I am told she did a very funny Dolly Parton imitation and knew many ways to bring amused smiles to the faces of her fellow staff members. Candy's lightness of heart and quick wit frequently served to lessen the tension during stressful and sometimes very long days and endeared her to her colleagues.

Candy lived out and acted on her deep, sincere concern for other people—both in her professional and her personal life. Her spirit of caring and compassion, her professionalism, and her can-do attitude touched and improved the lives of countless individuals—many of whom will never know how much Candy Sniffen contributed to their well-being. On their behalf, then, and on behalf of the other members of the committee, I want to say thank you to Candy Sniffen for her dedication, her high principles, and her strong character and to wish her well in her future endeavors. Our world is a measurably better place because of her ideals and commitment.

TRIBUTE TO THE HONORABLE BEVERLY SAVITT

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. WOOLSEY. Mr. Speaker, I rise today to honor one of my district's most dedicated public servants, Marin County Superior Court Judge Beverly Savitt. In 1983, Judge Savitt became the first woman to serve on the Superior Court bench in Marin County.

She has served the people of Marin County well in this capacity and earned the reputation for streamlining and humanizing the county justice system.

Judge Savitt earned her law degree at Boalt Hall School of Law at the University of California at Berkeley. She and two other attorneys formed the first all female law firm in the country. She has contributed her time and energy to the education of lawyers and judges, particularly in the area of family law.

As we celebrate Beverly Savitt's years of service to this community, I wish to recognize Judge Savitt for her commitment to the people of Marin County, and to thank her for her long record of public service. She has been a role model for women and a founding member of many organizations devoted to empowering women. She helped start the California Women Lawyers, the Marin Chapter of the National Women's Political Caucus, and the Center for Families in Transition. She has been very active in the Marin County Chapter of the League of Women Voters. Beverly Savitt has also served as Vice Chair of the Juvenile Justice Commission. She helped restructure the grand jury selection process and developed a questionnaire that is still in use today.

Beverly Savitt has been instrumental in planning and implementing changes that improve the quality of justice in Marin County. She initiated a new method of handling family law matters and promoting alternative dispute resolution. I continue to be impressed by her dedication and vision. Her latest achievement was being elected into the Marin Women's Hall of Fame this year.

Beverly and her husband, Jack, have been married for 48 years and have a son and daughter, both married. They live in Belvedere.

Mr. Speaker, it is my great pleasure to pay tribute to Superior Court Judge Beverly Savitt upon her retirement. Marin County owes a great deal of gratitude for the tireless efforts of Judge Savitt over the years. Time and time again she has extended herself on behalf of so many people and for so many causes. I extend my hearty congratulations and best wishes to Beverly and to Jack for continued success in the years to come.

TRIBUTE TO HUGH LYNN ANDERSON

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. PASTOR. Mr. Speaker, I rise today to recognize and congratulate the Arizona Agriculture Committee's 1995 Friend of Agriculture award winner, Hugh Lynn Anderson.

An Arizona native, Mr. Anderson has been a rancher, farmer, and community leader for over 50 years. His career in agriculture began at a young age while working on his parents' ranch in Adamana, AZ. He later attended the University of Arizona and received his bachelor of arts degree in animal husbandry and range ecology in 1934. After working for the U.S. Department of Interior and Agriculture, he moved with his wife to Maricopa County where they purchased a 1,900 acre ranch.

Throughout his life, Mr. Anderson has played an active role in community and agriculture-related organizations. He has served as the president of the Arizona Cattle Growers' Association, director of the Arizona Cotton Growers' Association and the Maricopa County Farm Bureau. He has also served as a mediator for the State land commission during the implementation of the Taylor Act. I am proud to know Mr. Anderson as a friend, and it is my pleasure to recognize his outstanding achievements and contributions to the people of Arizona.

A TRIBUTE TO LT. COL. MARY KRAWEC COX

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FAZIO of California. Mr. Speaker, I rise today to pay tribute to Lt. Col. Mary Krawec Cox, who will retire effective July 1, 1995, after 26 years of dedicated service to the U.S. Air Force. Lt. Col. Cox has been the Chief, Primary Care Clinic, USAF Clinic, McClellan AFB in Sacramento, CA, for the past 6 years.

A native of West Roxbury, MA, Lieutenant Colonel Cox graduated, Emmanuel College, Boston, MA, BA degree in biology; Columbia University, New York, NY, BS in nursing; University of Minnesota, Minneapolis, MN, masters degree in public health. Her first job as a registered nurse was in labor and delivery, Kaiser Foundation Hospital in San Francisco, CA, October 68–May 69.

She began her Air Force career as a 2d Lieutenant, staff nurse, labor and delivery, Wilford Hall Medical Center, San Antonio, TX, May 69–70. Her Air Force career has taken her To Tachikawa, Japan, staff nurse, labor and delivery, USAF Hospital Tachikawa, March 70–March 72. Albuquerque, NM, charge nurse, labor and delivery, USAF Hospital Kirtland AFB, NM, March 72–July 75. Minneapolis MN, USAF nurse recruiter, July 75–Sept 78. Mather AFB Hospital, Sacramento, CA, health education coordinator, June 79–June 85. Adana, Turkey, primary care nurse practitioner, Incirlik Hospital, June 85–Oct 86. Sacramento, CA, Mather AFB Hospital, primary care nurse practitioner, Oct 86–July 89, and McClellan AFB, chief, primary care clinic, July 89–Dec 94. Fairborn, OH, Wright-Patterson AFB Hospital, investigator-Desert Storm medical evaluations, January 95–May 95, and McClellan AFB, CA, June 95.

Lieutenant Colonel Cox has received several distinguished honors through her career. Tri Beta Biology Society, Sigma Theta Tau National Honor Society of Nursing, Meritorious Service Medal, Air Force Commendation Medal, Chief Nurse Insignia, California Air Force Association Meritorious Service Award, California AFA Outstanding Performance Award, and Mather AFB Nurse of the Year Award.

She has served with the American Heart Association, AHA Speakers Bureau, Greater Sacramento Hypertension Council, Chairman-Consumer Health Education Program Advisory Committee, Member-Medical Advisory Board: Sierra-Sacto Hypertension Council and McClellan AFB Health Consumer Education Committee.

The extraordinary leadership, outstanding dedication, and ceaseless efforts of Lieutenant Colonel Cox culminate a distinguished career in the service of her country and reflects great credit upon herself and the U.S. Air Force.

THANK YOU, CORINNE MARTIN

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. BARCIA. Mr. Speaker, we each have the good fortune to encounter many talented and devoted people during our lives. Occasionally we have the very rare treat of being associated with someone so special that we should constantly give thanks for our good luck.

I have had such a rare opportunity in my association with Corinne Martin, who had served as the executive assistant to the city manager of Bay City, MI, and in the city attorney's office, the city clerk's office, the planning office and the personnel office. Her efforts significantly contributed to the betterment of the lives of thousands of Bay City residents over her term of service.

Corinne Martin has earned the respect of her colleagues, Bay City officials, and Bay City residents for her sense of professionalism and for her exemplary integrity. Her demonstrated capability to draft public proclamation for important local events have significantly contributed to the sense of understanding of our community and the appreciation of its history.

Her absence from city hall has been noticed by those of us who appreciate and respect her years of service. I know that her retirement has been a happy one, and that she continues to find new ways to be of help to her community.

Mr. Speaker, I invite you and all of our colleagues to wish Corinne Martin the very best after her many years of devoted, conscientious, and outstanding public service to the people of Bay City.

TIME TO ENERGIZE AND RENEW THE WAR ON DRUGS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SOLOMON. Mr. Speaker, the time has come to refocus our sites on the number one problem in this country, drugs. Today, I am submitting into the RECORD a recent statement by Bill Bennett and John Walters entitled ''Renewing the War on Drugs''.

Fortunately, the public has more sense than to believe the nonsense being sent out by the Cato Institute and other pro-legalization organizations. They would have us believe that since we have failed to make progress, as measured by them, it is time to give up the fight. For the sake of our children and our grandchildren we must never, never give up.

As the war on drugs goes on, it may be appropriate to remember the words of one of our greatest Presidents as he reassured the American people: ''* * * the crisis we are facing today * * * requires our best effort and our willingness to believe in ourselves to believe in our capacity to perform great deeds, to believe that together with God's help we can and will resolve the problems which now confront us. After all, why shouldn't we believe that? We are Americans.''—President Ronald Reagan.

As Americans we must win and we will win the war on drugs. As a Marine I can assure you that you don't win a fight, battle or a war by giving up.

The most serious problem with legalization is that it will hurt those communities who can least afford a significant increase in the number of addicts, violence and crime. But do the libertarian elites at the Cato Institute or the wealthy Hollywood cocaine users in Hollywood really care about this community? Don't kid yourself, they couldn't care less about the damage legalization would do to the inner-city poor so long as it helps them justify their self-centered and self-indulgent lifestyles.

They know legalization would be luckly to get more than three votes in the House or even one in the other body. Legalization was jettisoned with Joyclyn and is not coming back. However, it is useful if your real purpose is to influence young people to try and use drugs.

The message the American voters sent Washington last November had nothing to do with surrending the war against drugs. On the contrary, the public wants a Congress willing to stick with and win the war on drugs. This Congress should consider and enact the bold strategy for winning the war on drugs developed by past Drug Czar Bill Bennett:

First, empower and demand action from the largely irrelevant White House Drug Policy Office; second, place economic sanctions against drug exporting nations; third, transfer control of drug interdiction to the military; fourth, identify and dismantle drug trafficking organizations; fifth, block grant drug enforcement funding; sixth, demand some Presidential leadership in the War on Drugs; seventh, close open aid drug markets; and eighth, expand drug testing programs.

These are some of the legislative approaches we should move to enact when the Congress reconvenes. It is time to prove to the American people we are serious about winning the war on drugs and we now have the votes to make these accomplishments.

EXPAND DRUG TESTING IN THE PRIVATE SECTOR

I will soon be introducing legislation to make it easier to drug test in the private sector. I will also be offering amendments to the appropriations bills requiring drug testing of all applicants for employment with the Federal Government, including summer employment and random testing of all federal employees. These amendments were narrowly defeated in the last Congress. We now have the votes to enact these provisions.

DENY STUDENT ASSISTANCE AND SUMMER JOBS TO DRUGS USERS

I will also be offering an amendment to the Higher Education Reauthorization Act to deny loans or grants to anyone convicted of using drugs. This amendment was narrowly defeated in the last Congress. We have just begun to use the tools at our disposal to win the war on drugs. What we have run out of is tolerance for policies which have failed.

END TAX EXEMPT STATUS TO DRUG LEGALIZATION ORGANIZATIONS

Today I am introducing legislation to end the tax exempt status of organizations which promote or advocate the legalization of drugs. I would ask all of my colleagues to join in sponsoring this bill. I will offer this as an amendment to the first appropriate vehicle.

The American family, trying to raise their children in a drug free environment, is under attack by organizations, which actually promote the use of illegal drugs. To make matters worse, these organizations receive favorable treatment under our laws. This is dead wrong and our tax code must be immediately corrected to end this travesty.

The pro-legalization message being sent out by these organizations is providing results. More kids are involved with drugs than anytime in the past 20 years. Consequently, the number of addicts on our streets will rise dramatically within a few more years. These organizations are not charitable organizations. Just the opposite. They are organizations which deliberately deceive the public and the media by using legitimate sounding names such as the Drug Policy Foundation, or the Organization for Responsible Drug Information. Yet, they are financed and run by people who advocate or condone the use of illegal drugs.

Mr. Speaker, I would also point out that these organizations have knowingly and willfully violated our laws by actively lobbying Congress. Officials from the so-called Organization for Responsible Drug Information has contacted my office to state their opposition to my drug prevention legislation and I received a flyer just today from the Cato Institute advocating drug legalization. Who is contributing to Cato? These organizations and the individuals involved with them are violating United States Tax Code. They need to be investigated and their contributors should be required to pay taxes on past contributions.

PLAYING ABC NEWS LIKE AN OLD FIDDLE

A pseudo new report airing tonight on ABC entitled ''America's War on Drugs: Searching for Solutions'' fails the most fundamental journalistic standards by portraying pro-legalization groupies as so-called ''experts.'' The public relations efforts of these concerns come right out of a Dale Carnegie book and the news media is certainly giving them credibility. Whether duped or receptive the media in this country is influencing a generation to try drugs. Consequently, a higher percentage will try and never stop. Their lives and the lives of their families will be destroyed.

We have come to expect little more than violence, sex, and the glamorization of drugs from Hollywood but the news media should have a higher standard. I am submitting into the RECORD a statement by John Walters entitled ''Tonight only; ABC Does Drugs''. We would be doing the young people in this country a service a favor by requiring ABC news reporters and executives to take drugs—truth serums.

WORST OF THE WORST—DRUG POLICY FOUNDATION—DECEPTIVE, SINISTER AND SEEDY

The time has come to expose some of these more sinister organizations and the seedy individuals involved with them for what they really are * * * organizations engaged in immoral and unethical activity operating in the gray area of the law. They are sending a damaging message to the young people in this country and our tax law needs to more accurately reflect American people's tolerance level for this type of activity. The IRS has already threatened to revoke NORML's tax-exempt status for illegal activity. This is a step in the right direction.

THE TRUTH ABOUT THE DRUG LEGALIZATION IN THE NETHERLANDS

What pro-legalization organizations refuse to disclose about the disastrous human consequences which have occurred in the country

where they have already tested legalization tells you a lot about their true intentions. You will never hear the truth about the failure of drug legalization in the Netherlands from Drug Policy Foundation.

According to the President of the Dutch National Committee on Drug Prevention, K.F. Gunning, M.D. crime and drug use has skyrocketed since legalization was implemented in the Netherlands. According to the Dutch Government, the results of their decriminalization/legalization drug policy has resulted in: A 250 percent in drug use since 1993; a doubling of marijuana use by students since 1988; armed robberies up by 70 percent; shootings are up by 40 percent; and car thefts are up by 60 percent.

The number of registered addicts in the Netherlands has risen 22 percent in the past 5 years. There were 25,000 new addicts in 1993 alone. Furthermore, the number of organized crime groups has grown from 3 in 1988 to 93 in 1993. The drug legalization has had a disastrous effect in the county where it has been tested.

CLINTON'S LEGACY, A DRAMATIC INCREASE IN DRUG USE AND DRUG VIOLENCE

Mr. Speaker, President Clinton is not going down in history for any great domestic policies or strides in economic improvement. Certainly, he isn't going to be known for any diplomatic or human rights breakthroughs. The only measurable difference the American people have witnessed during his tenure in office is that the crime and drug situation dramatically worsened. The crime and drug statistics will speak for themselves in 1996.

Today, 1 out of every 10 babies born in the United States is addicted to drugs. How can anyone honestly believe that selling drugs is a nonviolent crime when even newborns are the victims. And under this President's watch, according to the 1994 University of Michigan study of 50,000 high school students, drug use is up for all grades. These numbers reveal that drug use is up in all these grades for crack, cocaine, heroin, stimulants, LSD, and marijuana.

And let's face the facts about violence in this country. Drug users and drug pushers are responsible, directly and indirectly, for most of the violence in this country. According to the Partnership for a Drug Free America, drug use is related to half of all violent crime. Illegal drugs play a part in half of all homicides. In fact, over half of those arrested for homicides in this country test positive at the time of arrest.

Drug use is a factor in half of all family violence and most of this violence is directed against women. And over 30 percent of all child abuse cases involve a parent using illegal drugs. The Nation's health care system is straining from the war on drugs with nearly 500,000 drug-related hospital emergencies a year. Yet, under President Clinton's term in office, these visits continue to escalate. In fact, drug-related emergency room visits are up 8 percent over last year.

LEGALIZATION POSES GREATER HEALTH RISK FOR BLACKS AND WOMEN

Most of the new AIDS cases in this country are women. Legalization in the Netherlands led to a dramatic increase in the number of addicts in that country. More addicts translates into more intravenous drug users and more prostitution. An increase in the number of addicts in this country will translate into an increase in drug-related AIDS deaths for women.

Drug dealers and drug users are financing the violence which permeates many of the cities, towns, and schools of this country.

CRIME, VIOLENCE—DRUGS—THE COMMON DENOMINATOR

Mr. Speaker, I would simply conclude by quoting the Chairman of the Partnership for a Drug Free America, Mr. James Burke, "We cannot and will not make progress with crime, violence or other ills until we make a long-term commitment to addressing a common denominator in so many of these problems—drug abuse."

RENEWING THE WAR ON DRUGS

(By William J. Bennett and John P. Walters)

Through its indifference to rising drug use and its erosion of the moral and governmental foundations of the successful anti-drug efforts of the past two administrations, the Clinton Administration has put the nation on a dangerous path. The President bears the principal political responsibility for this record. And only he can use his office to begin to correct it. Congressional leaders in both parties should give him every possible incentive to do just that. If the Clinton Administration does not see the light, it should feel the political heat.

As the past two years demonstrate, the nation cannot sustain an effective anti-drug effort without leadership. Congress, governors, mayors, and community leaders, need to meet this challenge. There are specific roles to fill for federal, state, and local governments, as well as the private institutions that support our families and communities.

RESTORING EFFECTIVE FEDERAL ACTION

The cornerstone of national anti-drug efforts is to give force to the principle that drug use is wrong, harmful and will not be tolerated. This principle should be embodied in the institutions of society, which, in turn, should be organized to give force to that principle. Without the federal government doing its part, this endeavor will be much more difficult.

First, while efforts by the federal government are not sufficient, they are a necessary element of an effective national anti-drug effort. Executive leadership begins with the president and his appointees in relevant executive agencies. The White House drug policy office was created—at the insistence of a Democratic Congress—to organize and lead the war on drugs. Right now that office is not doing its job, and the Clinton Administration has made it largely irrelevant. The President should give someone the responsibility and the authority to get the executive branch, and the federal government, back in the fight.

Second, the world headquarters for the cocaine industry is Colombia. The era of meaningful partnership with that government has ended. And there are reliable press reports that the current president of Colombia received campaign money from the cartels. But the heart of the matter today is that U.S. and Colombian enforcement agencies know who the leaders of the cartels are and where they are. The Colombians could arrest or force into hiding the management of the cocaine industry, and disrupt the cocaine trade as they have done in the past. But there is no evidence the Colombian government has any intention of doing so. Occasional showy enforcement operations continue, but no real efforts are mounted and therefore no real progress is made. The U.S. government has done virtually nothing to give the legitimate interests in Colombian society reason to undertake the risk and effort of making their government put the cocaine trade out of business. It is time to give them such a reason. During the recent embargoes on Iraq and Haiti, experts warned that these measures are most effective when applied rapidly and totally against a trading ally. The U.S. accounts for more than 70 percent of Colombia's licit foreign exports. We need to tell the Colombians, in effect: "Stop sending the cocaine, or you can keep everything else. If the cocaine keeps coming we don't want your $[to be added] in coffee." Such action against Colombia would change the priority of anti-drug efforts throughout the international community.

Third, put the U.S. military in charge of stopping the flow of illegal drugs from abroad. Require federal law enforcement agencies responsible for drug interdiction to operate under the overall command and control of the military. This mission will require continuous adaptation because traffickers will inevitably try new avenues as the old ones become too costly. Some in the military will object to this non-traditional mission and its cost. But no law enforcement organization will ever have the intelligence and operational capabilities for the interdiction task that the military already possesses. Over the last few years the U.S. has used its military resources to protect poor and endangered citizens of other countries. It is time—it is past time—to stop overlooking the poor and endangered in our cities.

Fourth, the drug trade inside the U.S. relies on sophisticated senior management. Despite periodic law enforcement successes, federal domestic enforcement agencies have produced no serious disruption of major trafficking operations. And for the last two years the Clinton Administration has allowed the DEA, FBI, and other drug enforcement agencies to curry political favor with local authorities by assigning federal personnel to augment manpower for cases with no federal significance. This might be acceptable if important federal responsibilities were being met. But they are not. We therefore need to establish clear federal drug enforcement priorities and hold enforcement authorities accountable for meeting them. For example, the Attorney General should be required to prepare a report every six months identifying all major drug trafficking organizations known to be operating in the U.S. and a plan to deploy federal enforcement personnel to dismantle them. Congress should also make the funding for federal drug enforcement agencies contingent on effectively implementing this policy.

Fifth, the Congress should combine existing federal aid to the states and localities for drug enforcement, prevention, and treatment (now, roughly $3.5 billion per year) into a single block grant distributed on the basis of population. Individual program mandates should be abolished so states and localities can establish and pursue their own priorities for fighting drug use and drug crime. Law enforcement, drug treatment, and prevention education are local responsibilities. Washington's bureaucratic regulation has utterly failed to engender programs that foster local accountability. Therefore, the new block grant should be designed to restore local responsibility by phasing them out after three years. In this way, communities will have an incentive to use these funds for those activities that demonstrate sufficient merit to deserve long-term support entirely from local sources.

CREATING EFFECTIVE LOCAL ACTION

Sixth, drug prevention is central to all effective anti-drug efforts. Young people who do not use drugs in their teens are unlikely to ever become involved with illegal drugs.

But each generation must be taught that illegal drug use is wrong and harmful. This lesson must be taught by the community as a whole; indeed, by our culture. Children learn about drugs by what the adults around them as a whole say and do. Parents teach by precept and example. The same is true of schools and the communities. If drug use and sale is not aggressively opposed and prevented, children learn it is acceptable, despite what some adults may occasionally tell them. Teaching drug prevention must be a part of teaching children right from wrong. It will always fall to parents to provide that education in the home and act to ensure that schools and their communities are teaching this lesson effectively. This task is easier if national leaders set the right example and speak in support of parents. But since that national support has seriously eroded, parents, churches, schools, youth organizations, and communities are more important than ever. They have always been, and will always remain, the first line of defense for children.

Seventh, open-air drug markets feed addiction and are a visible sign of the toleration of the drug trade in our nation. It is a national disgrace that such markets are tolerated in virtually every major American city. Drug pushers cannot operate effectively when law enforcement personnel are present. Forcing drug deals from open spaces makes their lives more difficult and dangerous and hence their activities less frequent. Many communities have demonstrated that creating a law-enforcement presence and maintaining it in response to relocation efforts by drug dealers is doable—but only if closing drug markets is made a priority. In the next year, mayors, city councils, and police chiefs should pledge to close all open air drug markets in their communities. Citizens should demand such a pledge and make clear that they will insist that these officials keep it. We need to stop claiming that the crime and drug problem in our communities is someone else's responsibility. Decisive action can be taken by local officials and community members now.

Eighth, drug testing is a proven tool to discourage drug use by individuals in treatment and those in the criminal justice system. Good treatment programs require regular testing and apply sanctions against individuals who relapse. Drug testing arrestees provides a basis for using bail, sentencing, release conditions and other aspects of the criminal justice system to compel individuals to stop using drugs. Including an extended period of regular testing after convicted drug-using offenders complete their sentences, discourages a return to drug use and crime. Positive drug tests must involve steadily escalating penalties (starting with a one or two-day return to jail or a half-way house and moving to reincarceration for an extended period). Most heavy drug users pass through the criminal justice system and any short-term costs of creating temporary detention facilities for the enforcement of a drug testing program will save larger costs to the community in repeated criminal justice expenditures on the same individuals and the damage their crimes do to the innocent.

These eight steps—involving federal, state, local, and individual action—will reverse the dangerous resurgence of drugs that has occurred during President Clinton's watch. These actions will help turn the country away from its present course and go a long way toward making progress in the war on drugs. And that, in turn, will help America to become a safer, more decent and more civilized society.

TONIGHT ONLY: ABC DOES DRUGS

(By John P. Walters)

Tonight, Jeff Diamond—the NBC ''Dateline'' producer who took the blame for rigging those exploding pickup-truck gas tanks—is back, and he's on drugs. Specifically, he is part of the team that created the ABC News special: ''America's War on Drugs: Searching for Solutions.''

The show, hosted by Catherine Crier, begins with the usual ''we've lost the drug war'' footage and rhetoric. Of course, the show never explains that drug use declined steadily and dramatically prior to the Clinton administration, which undermined anti-drug efforts on all fronts. But this is standard fare. Tonight's program is designed to break new ground.

It begins in earnest with the story of Jim Montgomery, who, we are told, was sentenced to life in prison for having two ounces of marijuana in the backpack of his wheelchair. This is the show's illustration of drug enforcement in America. Apparently, ABC couldn't find a grandmother on death-row for carrying a roach clip in her purse. ABC does not just want to keep alive the liberal myth that prisons are filled with ''low-level drug offenders,'' ABC wants to take that myth to a new level. Never mind that the Bureau of Justice Statistics reports that federal inmates convicted of marijuana trafficking were involved, on average, in the sale of 3.5 tons of pot. And forget that only 21.3 percent of state prisoners are drug offenders and that more than 96 percent of state prisoners have prior convictions.

But this is all just an introduction to the ''solution'' ABC wants to offer for the drug problem. That solution is, of course, legalization.

First, Ms. Crier and Mr. Diamond present a loving portrait of—you guessed it—the Netherlands, especially Amsterdam. Drugs are accepted, addiction is limited, and, according to ABC, crime is not a serious problem. The only problem with this idyllic picture is that it is an utter fabrication. A 1992 study found that the Netherlands now ranks first in Europe in the category of threats and assaults; robberies increased by more than two-thirds from 1988 to 1992 (with 43 percent of burglars describing themselves as drug-users); gun-related deaths are on the rise (almost all involving drug disputes); and out of roughly 100 ''highly organized'' criminal gangs operating in the Netherlands, 73 are engaged in drug trafficking.

The Amsterdam Municipal Health Service reported a rise in hard-core addicts, attributed to a significant rise in the local heroin supply and a drop in price of as much as 75 percent in the last few years. ABC also missed the fact that the Rotterdam Municipal Council has reported that cocaine use has risen substantially, to 3.3 percent of the resident population over age 15. And in Amsterdam, cocaine users have been estimated at 5.8 percent of the population—vastly higher than anything in the United States.

After a fantasy trip to the Netherlands, Ms. Crier takes her audience to England for a loving look at the ''successes'' of legally prescribing heroin to addicts. ABC, however, does not review what happened the last time Britain experimented with legalization, back in the 1960's. As James Q. Wilson has written, that British Government experiment with controlled heroin distribution resulted in, at minimum, a 30-fold increase in the number of addicts in 10 years as heroin was diverted from patients to new users on the streets. And a British Medical Journal report on the ''experiment'' estimated that the number of heroin users doubled every 16 months from 1959 to 1968. Now some in the English medical community are trying to repeat this experience, and ABC seems to think Americans should join them.

If America's drug problem were not so serious, it would be possible to regard a program this bad and heavy-handed as comic. But America's drug problem is no laughing matter. Thus this show is not just inexcusably bad journalism—it is highly irresponsible broadcasting.

THE AMTRAK RESTRUCTURING ACT OF 1995

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. LIPINSKI. Mr. Speaker, at the request of the President Bill Clinton and Secretary of Transportation Federico Peña, Transportation and Infrastructure Committee Ranking Member Norm Mineta and I are today introducing the Amtrak Restructuring Act of 1995 and the Interstate Commerce Commission Sunset Act of 1995.

I have not agreed to introduce these two pieces of legislation at the request of the President because I support or endorse them in their entirety. Rather, I am introducing them in an attempt to bring the administration's views to the table on these important and controversial issues.

Mr. Speaker, these are but two of the bills that will be introduced this Congress on the restructuring of Amtrak and the sunset of the Interstate Commerce Commission. I may even introduce other legislation on these issues myself. These two bills are merely the Administration's contribution to the debate.

When we return from the April District Work Period, the Subcommittee on Railroads will be marking up legislation on Amtrak and the ICC. As the Ranking Democratic Member on the Subcommittee, it is my responsibility to evaluate every alternative—Democratic, Republican, bipartisan, or Administration—and provide the opportunity for the other members of the subcommittee to do the same. That's why I've agreed to introduce these bills today.

INTRODUCTION OF THE DELAURO-LOWEY WATER POLLUTION CONTROL AND ESTUARY RESTORATION ACT OF 1995

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. LOWEY. Mr. Speaker, today Congresswoman DELAURO and I are once again joining with a geographically diverse group of our colleagues in reintroducing legislation to renew and expand the Federal Government's role in controlling pollution and in stewarding our coastal resources.

Our legislation—the Water Pollution Control and Estuary Restoration Financing Act—was first inspired more than 4 years ago by the dedication of citizens in our communities who have spearheaded the effort to save Long Island Sound. In fact, labor, business, and environmental groups in New York and Connecticut have taken the bold step of setting aside historic differences to work together to address the need for effective water pollution

control. Just last fall, their hard work took a major step forward with the signing of the Long Island Sound Clean-up Plan by the States of New York and Connecticut and EPA Administrator Carol Browner.

Despite these achievements for Long Island Sound, much remains to be done to take our Nation's estuaries off the endangered list. Nationally, we face an appalling backlog of water quality infrastructure upgrade needs that threatens to choke our economy just as it is robbing our waters of life-giving oxygen. Quite simply, we need leadership at the Federal level to match the energy and ingenuity of our communities that are working toward a better environmental and economic future. Without strong Federal leadership and substantial funds to back it up, we run the risk of squandering over 20 years of progress in cleaning up and protecting our waters.

Therefore, our legislation will re-ignite Federal, State, and local cooperation in water pollution control by significantly increasing annual authorization levels for the State Revolving Fund [SRF] Program to $4 billion and then $5 billion beginning in 1998. In the context of our continuing budgetary problems, these authorizations may appear high. But without a renewed Federal commitment to clean water, the estimated $200-billion shortfall over the next decade in sewage treatment upgrades leaves our States with two unacceptable alternatives: swamp their residents with higher taxes, or allow vital waterways to die and their economies to stagnate. It is encouraging that the Subcommittee on Water Resources and Environment has recently approved an increase in the SRF to $3 billion. This is an important step in the right direction, but I hope this Congress can do better before the bill becomes law.

In addition to expanding and modernizing the Nation's water pollution control infrastructure, we must support efforts to spend clean water dollars as intelligently as possible. To that end, our legislation departs from past practice by earmarking a portion of the SRF funds for the implementation of comprehensive estuary management plans. These comprehensive conservation and management plans are designed to utilize the most cost-effective mix of policies to reduce water pollution in sensitive coastal regions. And, rather than heavy-handed mandates from Washington, these plans are founded on voluntary partnerships among people with a shared vision for reinvigorating our economy and revitalizing our bays, rivers, and beaches. At present, communities in and around 21 of our Nation's estuaries are at work developing plans; another half dozen will be added to the National Estuary Program [NEP] later this year.

Moreover, our legislation would strengthen section 320 of the Clean Water Act, which authorizes the National Estuary Program. First established under the Water Quality Act of 1987, the NEP provides a mechanism for bringing together Federal, State, and local authorities—and interested citizens—to develop comprehensive, watershed-based plans for cleaning up and protecting nationally significant estuaries. In Long Island Sound, Puget Sound, Massachusetts Bay, and a number of other estuaries, the NEP has helped bring about unprecedented cooperation aimed at saving these threatened waters and the economies that rely on them.

Our bill would build on the success of the NEP by clarifying the funding and staffing responsibilities of Federal agencies concerned with the program, including the Environmental Protection Agency [EPA] and the National Oceanic and Atmospheric Administration [NOAA]. Specifically, the bill states that implementation of estuary management plans is a non-discretionary duty of the EPA. The measure seeks to improve Federal leadership in the NEP by directing the EPA to promulgate guidelines for development, approval, and implementation of comprehensive management plans. Other important proposed changes include measures to improve coordination of clean-up efforts with other Federal activities in estuaries. In short, this bill is designed to make certain that those plans do not end up on shelves in bureaucrats' offices, but instead truly clean up these critical bodies of water.

In the 103d Congress, the DeLauro-Lowey Water Pollution Control and Estuary Restoration Financing Act received strong bipartisan support and backing from a unique nationwide coalition of business, labor, and environmental groups who recognize the ties that bind the condition of our waters and the state of our economy. Provisions similar to our bill were included in the clean water reauthorization bill reported last year by the Senate Environment and Public Works Committee.

As we reintroduce our legislation today, however, we do so at a time when the Clean Water Act is under attack. The act's reauthorization that is being developed in committee threatens to undermine much of the progress that has been achieved in approving our Nation's water quality. For example, by decreasing protection for our Nation's remaining wetlands and repealing provisions in the Coastal Zone Management Program that require coastal States to develop enforceable polluted runoff control programs, this legislation would turn back the clock on environmental protection and pose new threats to our Nation's vital waterways. We must not allow this to happen.

Mr. Speaker, our legislation is a call to action that says through sensible investments in water pollution control we can help ensure our economic and environmental future. Without Federal assistance, our estuaries will die while the long-term growth of our economies suffers.

In conclusion, I want to thank all 36 of my colleagues who have joined Ms. DELAURO and myself in introducing this legislation. We all are keenly aware that by failing to help our municipalities meet their infrastructure needs, we are forcing them to tie up scarce local dollars that otherwise could be used to improve schools, fight drugs and crime, provide housing and health care, or meet the needs of the elderly and disabled. In the end, every one stands to lose. We also understand that clean water is a national priority. Just as rivers and coastal waters affect and are affected by the policies of various States, an interstate commitment is essential to success.

The time has come to act, Mr. Speaker.

SALUTE TO MR. ROBERT A. BRADY

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. FOGLIETTA. Mr. Speaker, I rise today to salute Mr. Robert Brady of Philadelphia whose 50th birthday will be celebrated on April 7, 1995. Throughout his lifetime, Mr. Brady has contributed greatly to the people of the City of Philadelphia.

A graduate of Saint Thomas Moore High School and the Martin Technical School, Mr. Brady began a distinguished career in public service in 1975. Mr. Brady served as the Assistant Sergeant at Arms for the Philadelphia City Council and the Labor Liaison to the Mayor's Office from 1975 to 1986. A working man first, last and always, Bob Brady has served as Legislative Representative of the United Brotherhood of Carpenters and Joiners.

Since 1965, Mr. Brady has been a leader in the Democratic Party of Philadelphia, culminating in his election as Chairman of the Democratic County Executive Committee of Philadelphia. In addition, to his work with the Democratic Party, Mr. Brady has been appointed as a member of the Pennsylvania Turnpike Commission and the Delaware River Port Authority. In those two positions, he has made important contributions in creating jobs and protecting the rights of workers.

In his 50 years, Mr. Brady has already given more to the City of Philadelphia than many people give in a lifetime. I hope that he will continue to have a long and successful career for at least 50 more years, and I look forward to continuing to work with him. I hope all of my colleagues will join me in wishing Mr. Robert Brady a very happy 50th birthday.

VOICE OF REASON IN BOSNIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. SMITH of New Jersey. Mr. Speaker, people from the Balkans are often characterized according to their ethnic background, and the assumption is made that each person—from the villager to the leader in society—looks out for the interests of only their own people. In Bosnia, that can be a very mistaken assumption.

Three years of aggression in Bosnia have admittedly sharpened the priority given to ethnic identity by all sides, Bosnian, Muslim, Croat and Serb, which is shaped largely by religious background. However, there remains a large number of individuals more committed than ever to the concept of a multiethnic Bosnian society in a unified state, where all are equal before the law, where all tolerate each other and respect their cultural differences.

Few, if any, symbolize this true Bosnian spirit, with which Americans find so much affinity, more than the Roman Catholic Archbishop of Sarajevo, Vinko Cardinal Puljic, who recently visited Washington. During his visit, he expressed a sense of optimism about the ability of the people of Bosnia-Herzegovina to

live together in peace, but evoked as well a sense of urgency about the current plight of the Roman Catholic community. He also expressed a sense of frankness about the troublemakers that continue to exist among his fellow Bosnian Croats. Finally, he expressed a sense of outrage about the abandonment of Bosnia—Herzegovina by the international community.

On the latter point, I would like to quote an appeal for a just peace which the Cardinal released on March 30, prior to departing Washington. He said:

I, like so many in Bosnia-Herzegovina, am astonished and bewildered, almost to the point of despair, at the international community's indifferent, half-hearted, inconsistent and ineffectual response to aggression and ethnic cleansing. Not only has the international community not acted decisively, it has even contributed to the ethnic division of Bosnia and has legitimized aggression by failing to uphold basic moral and legal norms. * * * In Bosnia, the international community's tepid response has only encouraged those who would respond to extremism with extremism, to intolerance with intolerance, to aggression with aggression, and to ethnic cleansing with ethnic cleansing.

I ask that the full text of the Cardinal's appeal be printed in the RECORD, and I ask my colleagues to read it. While the politician, the diplomat or the soldier can bring about an end to hostilities in Bosnia Herzegovina, it will take people like Cardinal Puljic to bring about a real peace, a lasting peace through reconciliation and outspoken opposition to the evil forces of exclusivity that permeate his society. I applaud his efforts.

AN APPEAL FOR A JUST PEACE IN BOSNIA-HERZEGOVINA

I come to Washington, D.C. to offer another heartfelt plea that the United States, in conjunction with the international community, will take more decisive steps to support those of us in Bosnia-Herzegovina who are struggling to bring about a just peace, based on equal respect and equal rights for all ethnic and religious identities in my country.

1. The facts of Bosnia's tragedy are well known, but they bear repeating. In three years, I have seen the Catholic population of my archdiocese reduced from 520,000 to about 125,000 people, most of whom live in small enclaves. Less than a third of the parishes are still functioning. The situation is even worse in the Banja Luka Diocese, where more than 80% of the Catholics have been forced out by ''ethnic cleansing.'' Overall, of the 830,000 Catholics who lived in Bosnia before the war, only half remain. If the war continues, Catholics risk being exterminated from large parts of Bosnia and Herzegovina, despite thirteen centuries of our organized presence there. The Catholic community does not have a monopoly on suffering in Bosnia and Herzegovina. I cite these statistics simply to remind Americans of the magnitude of the suffering that is being inflicted upon the people of Bosnia and Herzegovina.

2. Despite obvious obstacles, there can be no alternative to pursuing a just peace in Bosnia and Herzegovina. Time is running out but it is still not too late.

A just peace requires respect for the territorial boundaries of Bosnia-Herzegovina and its multi-ethnic and multi-religious character. The international community must support us in our efforts to rebuild a country in which ethnic Bosnian Muslims, Serbs and Croats can cultivate their respective identities at the same time that they respect the equal rights and equal legitimacy of the ethnic and religious identities of other citizens. Therefore, it is imperative that the Bosnian Federation receive the support it needs to succeed, but it would be a tragedy if the Federation and international peace plans were used to partition Bosnia along ethnic lines. A peace which does not correct injustices, which rewards aggression, which does not permit refugees and displaced persons to return to their homes, and which is based on ethnic division can be neither a just nor a permanent one.

3. I, like so many in Bosnia-Herzegovina, am astonished and bewildered, almost to the point of despair, at the international community's indifferent, half-hearted, inconsistent and ineffectual response to aggression and ''ethnic cleansing.'' Not only has the international community not acted decisively, it has even contributed to the ethnic division of Bosnia and has legitimized aggression by failing to uphold basic moral and legal norms. If the principles of peace and international justice are buried in the soil of the Balkans, Western civilization will be threatened. In Bosnia, the international community's tepid response has only encouraged those who would respond to extremism with extremism, to intolerance with intolerance, to aggression with aggression, and to ''ethnic cleansing'' with ''ethnic cleansing.''

I am convinced that there are moral means to thwart immoral aggression. The international community must have the will to use the means available to it to protect threatened populations, to encourage demilitarization, and to establish other conditions necessary for progress towards peace. The solution can not be simply to give up and withdraw. If the United Nations and the international community do not now have effective means to respond to the humanitarian crises in Bosnia and elsewhere—and it is clear that they do not—then nations have the responsibility to take the steps necessary to develop more effective international structures.

4. This is not a religious conflict, but some would misuse religion in support of ethnic division and extreme nationalism. Therefore, as a religious leader, I believe I have a special responsibility to stand beside those who are victims of injustice and aggression, regardless of their religious, ethnic, or national identity. I also believe that, even though a just peace seems far off, religious and other leaders must not wait for an end to war to begin the daunting task of reconciling deeply divided communities. We must promote a moral and spiritual renewal that can heal the hatred, despair and division which this war has brought. Only by rebuilding the spiritual life of our people can we ensure that the horrors we have lived through for the last three years will not be repeated. With God's grace, we will succeed.

5. Amidst the great suffering we have been forced to endure, we have found the grace to persevere in hope, for we know that this war is not our destiny. We have also found hope in the prayers and moral and financial support we have received from the Catholic Bishops Conference and its aid agencies, and countless individuals and organizations in the United States. For these generous acts of solidarity, we are deeply grateful.

I conclude where I began. The ordinary people of my archdiocese and my country are tired of war; they yearn to be allowed to live together in peace. But we cannot do it alone. We need more decisive action by the international community. I implore you: Do not continue to abandon us! Do not continue to acquiesce in the practical victory of injustice and war! Help us to realize the justice, peace and reconciliation for which we so ardently pray and struggle!

There are many forces fueling this conflict, some of them coming from within my own Croatian community. This is not, however, a religious conflict, nor is it simply a consequence of the resurgence of ''ancient hatreds'' between different religious, ethnic, and national groups who cannot live together in peace. Ethnic, religious differences certainly do exist, and, regrettably, they have been depended by the war. But they cannot explain adequately what is happening in my country. The main cause of the conflict and suffering in Bosnia-Herzegovina is an attempt by extreme nationalists and others who fear democracy to create an ethnically pure Greater Servia.

LONG-TERM CARE INSURANCE TAX TREATMENT AND CONSUMER PROTECTION ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. STARK. Mr. Speaker, today I am introducing the Long-Term Care Insurance Tax Treatment and Consumer Protection Act of 1995. This bill establishes critically needed standards for long-term care insurance policies. It makes changes that will protect elderly consumers from the misleading practices that leave them without adequate insurance coverage for nursing home and home care.

The bill establishes minimum standards that long-term care insurance policies must meet. The standards include requirements for standardized outlines of coverage and terminology that will enable consumers to make intelligent choices about which policy to purchase. The standards will prevent discrimination in regard to certain disabling conditions. They assure that benefits will be delivered in the full range of settings available for the care of the elderly.

The Ways and Means Committee recently passed H.R. 1215. That bill includes provisions that allow individuals to include long-term care insurance premiums as a part of their itemized expenses for medical care, to the extent that those expenses exceed 7.5 percent of adjusted gross income. In effect, H.R. 1215 encourages people to purchase long-term care insurance by permitting favorable tax treatment of the premiums. My bill contains the same long-term care insurance provisions as in H.R. 1215, but with an important difference: my bill contains the standards that are needed to prevent consumer abuse.

Abuses of consumers in the long-term care insurance market are severe—so severe that a past president of the National Association of Insurance Commissioners [NAIC] has said that the very viability of this product is in question. The NAIC has developed model standards that each State may adopt in order to regulate long-term care insurance. States vary widely, however, in their application of the standards. For example, Washington, DC enforces none of the recommended standards, while Connecticut has adopted 24 of the 28.

This bill would require the States to certify that long-term care insurance policies being sold in the State meet the consumer protection standards. The premiums for policies that do not meet the standards could not be used as an itemized tax deduction. This structure would provide incentives to States to enforce consumer protection standards. It would also

provide incentives to consumers to purchase long-term care insurance policies, not only because they could get a tax deduction but also because they would be assured that the policies are good products.

When a consumer decides to purchase a policy, there is a dizzying array of policies and riders available. Benefits and terminology vary greatly. It is almost an impossible task for a consumer to make an effective choice of policy.

This bill would require the insurance company to provide the consumer with an outline of coverage. The outline of coverage would be in a standard format, contain specific information and use standardized terminology. The outline of coverage would enable a consumer to compare plans and to choose the policy that best meets his or her needs.

The outline of coverage would also assure that the consumer knows in advance the criteria for receiving benefits under the policy. Policies currently are so confusing, that it is often unclear when and where benefits can be used. A senior may think that, when she becomes unable to care for herself, she can get assistance with activities of daily living in her own home, and later find out that benefits are only available in a certified nursing home or when she needs skilled nursing care. By clearly defining the threshold conditions for receiving benefits, there will be no doubt about exactly what services an individual can receive and where they can be delivered.

Currently, long-term care insurance policies often do not provide for an examination period. When a consumer is dissatisfied with a policy, there is no way to return it without forfeiting the premium already paid. This bill allows a 30-day examination period during which the policy can be returned for a full refund. If a person purchased long-term care insurance through a health plan at work, the bill would assure that the person was given the opportunity to continue coverage when he or she leaves that job.

Right now insurance companies can cancel or refuse to renew a policy because the policyholder has developed an illness that the company thinks is too big a risk. This bill would prohibit companies from canceling a long-term care insurance policy unless the policyholder failed to pay the premiums, committed fraud, or did not disclose relevant information to the company.

Another important feature that most policies now do not include is non-forfeiture benefits. Non-forfeiture benefits assure that, when a policy is dropped or canceled, the policyholder gets back at least a portion of the premiums paid. This is accomplished either through a refund of money or eligibility for services when they become needed. Up to 60 percent of policyholders drop their policies within 10 years of purchase. People who drop their coverage stand to lose significant amounts of money. They should not be penalized if they can no longer afford the policies as they get older.

Policies are usually held for 10 to 20 years before the policyholder needs to use the benefits. Long-term care insurance is basically worthless unless it includes inflation protection. Inflation protection assures that most of the cost of care will continue to be covered after 10 or 20 years. Without inflation protection or with inadequate inflation protection, a policy held for 10 to 20 years, pays only a small fraction of the cost of nursing home care.

By purchasing inflation protection, a policyholder is also protected from having to buy additional coverage at a later date. Some policies currently do allow a person to buy additional coverage. When bought later, however, additional coverage is more expensive. This is because the person pays the then-current price based on his attained age. This bill would require the insurer to offer the purchaser the option to purchase inflation protection. In addition the insurer would have to provide the consumer with a comparison of the benefits over 20 years with and without inflation protection. The consumer then can make an informed decision about whether the coverage under the policy will be adequate many years in the future.

One of the ways in which insurance companies are able to avoid paying benefits to policyholders is to put restrictions on the diagnoses that will be covered. The protections in this bill would prevent discrimination against people with Alzheimer's disease and other disabling conditions. A policy could not use different criteria to receive benefits and could not pay different amounts of benefits for people with those disabling conditions.

When a consumer has a policy that provides benefits for home care, he or she expects to be able to get assistance with things like bathing and dressing. Yet some policies that cover home care will cover only the services of a registered nurse in the person's home. This practice defeats the purpose of providing coverage for home care. Many people can remain in their own homes for a much longer period of time and avoid more costly nursing home care, if they receive needed assistance with activities of daily living. That does not necessarily mean, however, that they need a nurse to provide skilled care. This bill requires that policies covering home care include those services that are most beneficial to people in their own homes. It also allows services to be delivered in all types of residential facilities, such as assisted living facilities, rather than just in skilled nursing facilities.

Last year, the Ways and Means Committee came to a bipartisan consensus on standards for long-term care insurance. Those consensus standards are embodied in this bill. In testimony on January 20, 1995 before the health subcommittee, 8 of the 14 witnesses testified as to the need for standards to protect consumers. Groups as diverse as the Health Insurance Association of America, the Partnership States of California, New York, and Connecticut, the Coalition on Long-term Care Financing and Consumers Union all firmly support appropriate consumer protection.

Long-term care insurance has been promoted in this Congress as a way to reduce the rising costs of nursing home care under Medicare and Medicaid. For the 10 percent to 15 percent of seniors who can afford to buy this insurance, it is likely to provide some modest cost savings several years in the future. More importantly, it is our responsibility to assure that the consumer abuses that have occurred in the past do not continue. I urge my colleagues to join me in support of this bill.

A summary of the bill follows:

IN GENERAL

The bill would provide that long-term care insurance contracts that meet the requirements of the bill received the tax treatment set forth in the bill. Similarly, the bill would provide a safe harbor with respect to the deductibility of certain expenses for long-term care services. Expenses for premiums and services that satisfy the requirements of the bill would be deductible as medical expenses.

QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS

In order to receive the tax treatment set forth in the bill, a long-term care insurance contract would have to meet certain requirements. A qualified long-term care insurance contract would be defined as one that meets the following requirements: the only insurance protection provided under such contract is coverage of qualified long-term care services; if Medicare is the primary payer, the contract does not cover expenses that are reimbursable under Medicare; the contract is guaranteed renewable; the contract has no cash surrender value; all refunds of premiums (other than on surrender or cancellation of the contract), any dividends, or similar amounts are applied toward future reduction in premiums or to increase future benefits; and the contract has been certified under the State regulatory program that has been approved by the Secretary of Health and Human Services.

QUALIFIED LONG-TERM CARE SERVICES

The bill would define qualified long-term care services as necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, rehabilitative, and maintenance or personal care services that are required by a chronically ill individual, pursuant to a plan of care prescribed by a licensed health care practitioner.

A chronically ill individual would be defined as one who is unable to perform at least 2 activities of daily living for a period of at least 90 days due to a loss of functional capacity or due to cognitive impairment or having a similar level of disability (as determined by the Secretary of the Treasury in consultation with the Secretary of Health and Human Services).

The activities of daily living would be defined as eating, toileting, transferring, bathing, dressing, and continence.

EXCLUSION FOR BENEFITS AND FOR EMPLOYER PROVIDED COVERAGE

The bill would provide that benefits paid under a qualified long-term care insurance contract are excludable from gross income to the extent that benefits do not exceed $200 per day (indexed for inflation after 1996).

An employer's contributions for qualified long-term care insurance would be excludable from gross income.

The bill would not permit qualified long-term care insurance to be provided through a cafeteria plan or flexible spending arrangement.

The bill would provide that distributions from individual retirement arrangements and 401K plans are excludable from gross income to the extent that they are used to pay premiums on qualified long-term care insurance contracts.

FEDERAL STANDARDS FOR LONG-TERM CARE INSURANCE

Standard formats

Each long-term care insurance policy would be required to contain an outline of coverage under the policy, using a uniform format and standard terminology, that accurately reflects the contents of the policy, reflecting specific elements. The format and standard terminology would be defined by the Secretary of Health and Human Services, in consultation with the National Association of Insurance Commissioners.

The outline of coverage would be required to include: a description of the benefits covered; the principal exclusions from and limitations on coverage; the conditions, if any, upon which the insured can obtain upgraded benefits; the threshold conditions for entitlement to receive benefits; a statement of the circumstances in which a policy may be terminated and the refund or non-forfeiture benefits, if any, applicable to each circumstance including death, nonpayment of premiums, non-renewal by the insured, any other circumstance; a statement of the total annual premium and the portion of premium attributable to each covered benefit; any reservation of the insurer of a right to change premiums any limits on annual premium increases; any expected premium increases associated with automatic or optional benefit increases, including inflation protection; circumstances under which the payment of premium would be waived; information on average costs and variation in such costs for nursing facility care and other covered benefits; comparison of benefits over 20 years for policies with and without inflation protection; a declaration as to whether the amount of benefits will increase over time and, if so, the type and amount of any limitations on, and any premium increases for, such benefit increases.

Benefit standards

Benefits under long-term care insurance policies could not be conditioned upon any of the following: the need for another type of service, such as prior hospitalization or a higher level of care; a particular medical diagnosis; compliance by the providers with conditions not required by Federal or State law; the provision of such service by a provider or in a setting providing a higher level of care than required by an insured individual.

A long-term care insurance policy that provides benefits for home care or community-based services: may not limit benefits to services provided by registered nurses or licensed practical nurses; may not limit benefits to services furnished by persons or entities participating in programs under title XVIII and XIX of the Social Security Act; must provide, at minimum, benefits for personal assistance with activities of daily living, home health care, adult day care and respite care.

A long-term care insurance policy that provides benefits for nursing facility services must provide benefits for services in all types of nursing facilities licensed by the State and may provide benefits for care in other residential facilities.

A long-term care insurance policy may not discriminate in the treatment of Alzheimer's disease or any other dementia of organic origin, any organic or inorganic mental illness, mental retardation or any other cognitive or mental impairment, or HIV infection or AIDS from the treatment of any other medical condition, for purposes of determining whether the threshold conditions for the receipt of benefits have been met, or the amount of benefits under the policy.

Inflation protection

A long-term care insurance policy would be required to offer the consumer the option to purchase inflation protection. The inflation benefits shall not be less than 5 percent per year of the full value of benefits for the previous year or such other rate of increase as the Secretary may determine adequate to offset increases in the costs of long-term care services covered under the policy.

Non-forfeiture benefits

A long-term care insurance policy would have to include a non-forfeiture benefit after being in effect for a specified period.

Right to cancel

A long-term care policy would have to provide that the insured has 40 days to cancel and obtain a full refund of any premium paid.

Guaranteed renewal

In order to be certified, a long-term care policy could not be canceled or refused to be renewed (or replaced with a substantial equivalent) except for non-payment of premium or for fraud or non-disclosure on the part of the insured.

Continuation and conversion rights of group policies

A group long-term care insurance policy would be required to provide the opportunity to continue coverage when the policy would otherwise terminate.

Approval of State Long-Term Care Insurance Certification Programs

The Secretary of Health and Human Services would be required to review and approve State long-term care insurance certification programs meeting the following requirements: The State certification program would be required to assure compliance with the standards for long term-care insurance policies as specified in this bill. State programs would be required to provide administrative procedures under which an insured individual may seek reconsideration of any denial or partial payment of a claim.

THE NEED FOR MORE THOROUGH BACKGROUND CHECKS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. OWENS. Mr. Speaker, recent background checks of public officials and candidates for public office have appropriately caused concern. The legal practices of a professional physician have been thoroughly scrutinized. A sitting cabinet secretary has been cited for not telling absolutely everything about a personal sin. It may be that the background checks by the FBI have been assigned too great a role in deciding who is fit to serve in public office. Or it may be that the well developed skills of the brigade handling these background checks could perform a higher service for this increasingly mean-spirited and merciless nation. Why not go deeper with background checks and tell us about the ancestors of our public spokespersons? The world can clearly see that some of us are the descendants of the victims of the criminal slave industry. We do not know which officials are the descendants of the oppressors who were the beneficiaries of the heinous slave industry. Such identities were not important in the past; however, now a new level of evil has been unleashed and all kinds of knowledge is needed to compare this attempt to wipe out all progress achieved by the descendants of slaves. As the scorched earth fiscal policies of the Republican majority escalate in unison with a blitzkrieg attack on affirmative action, it would be illuminating to review a more detailed background of the leaders in this public policy assault. To increase their profits, over a two hundred year period, whose ancestors promoted slave breeding with teenage pregnancies? Whose ancestors for two hundred years worked mightily to obliterate all sense of family and humanity from slaves in order to make them more efficient beasts of burden? Backgrounds should be checked and it should be a crime to tell a lie to the FBI.

IT'S A CRIME TO TELL A LIE

It's a crime
  To tell a lie
To the background brigade
  Of the FBI
Did your great
  Great grandfather
Rape his slaves
  Or torture the males
Are you the descendant
  Of greedy knaves
Enriched by human sales
  It's a crime
To tell a lie
  To honest interrogators
From the FBI
  To meet their labor need
Did your ancestors
  Make teenage girls breed
Were young females
  Forced to go
Or could they choose
  Their own Romeo
Slavery was legal
  In white men's eyes
But judged a moral crime
  By the ruler of all skies
Don't tell a lie
  To the background brigade
Of the FBI
  List deeds done
To cleanse the shame
  Attach records
Which clear
  Your family's name
Remember
  It's a crime
To tell a lie
  To the background brigade
Of the FBI.

COMMENDING SABRINA NEKAY LEWELLEN

HON. BLANCHE LAMBERT LINCOLN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mrs. LINCOLN. Mr. Speaker, I would like to recognize the accomplishments of an extraordinary young woman from my district. Ms. Sabrina Nekay Lewellen of Jonesboro, AR, was named the State winner in the annual Veterans of Foreign Wars and Ladies Auxiliary's ''Voice of Democracy'' broadcast audio-essay contest. Ms. Lewellen wrote and delivered an inspiring and challenging speech on her vision for America. After reading her speech, I have a renewed confidence in the future of our great country. I would like to include a copy of her speech to be printed in the record and I would encourage my colleagues to read it and to accept Ms. Lewellen's challenge. Thank you.

MY VISION FOR AMERICA

(Sabrina Lewellen)

All across America members of the class of 1995 are contemplating which college to attend, what major to choose, what career to pursue, and even who to take to the senior prom. We are fortunate in that we can make these decisions as individuals. We are not plagued with the same uncertainties as some previous classes. The class of 1945 was filled with loyal Americans who put their dreams on hold to serve the cause of world peace. Similarly, the brave souls of the class of 1965 put their personal visions aside so that thousands of people in Vietnam could experience democracy.

No, my class does not face these immediate tasks, but we do have an obligation to each other, this country, and the thousands of Americans before us who gave their loyal services and even their lives.

Throughout our history countless people have worked toward an ''ideal'' America. One of freedom of expression, economic possibility, toleration of uniqueness, and peaceful resolutions. They contributed wholeheartedly for everyone's prosperity until the end. As well known playwright Thornton Wilder stated in his play Our Town, ''Gradually, gradually, they let go hold of the earth—and the ambitions they had—and the pleasures they had—and the things they suffered—and the people they loved.'' They never stopped trying to turn the mediocre into the superior. They fought to make the country the best that it could be and we as the inheritors of the fruit of their imagination must make the best even better.

We have to realize that in order for a working unit to function properly each element must make its contribution. My vision for America is not one of apathy and selfishness, but of caring and involvement. Not one of violence and confusion, but one of peace and understanding. Sure, it's easy for me to sit and visualize a better society, but if I do not dedicate myself to this endeavor, how can I expect others to do the same? Therefore, my vision for America begins with me.

I plan to attend college and pursue a career in human environmental science. With this knowledge, I will strive to make not only a stronger America, but a healthier one. Additionally, I will utilize my gift as a public speaker to inform others, not only on my specific area of expertise, but on a variety of issuses to help improve their every day lives.

This is what I plan to do. Now, what about you? Do you have a vision? How committed are you to making a change in this country?

We live in one of the greatest nations on earth. Our democracy grants us many freedoms and choices other nations only dream of having. We, first as individuals, then as a people must realize that we have to start today in order to make a better tomorrow. We can no longer stare at our Constitution in a glass chamber and view it only as a piece of paper. We must rekindle its flame, make it eternal, and transform it into a ''living'' document.

All it takes is one person, in one city, in one country, in one state, in these great United States. All it takes is one.

THE 50TH ANNIVERSARY OF FRANKLIN DELANO ROOSEVELT'S DEATH

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. GONZALEZ. Mr. Speaker, I rise today to inform my colleagues that I have formally asked the President to honor the 50th anniversary of the death of President Franklin Delano Roosevelt by reissuing and updating the proclamation signed by President Harry Truman in 1945 declaring April 12th as a national day of mourning and prayer.

It is fitting, but a bit ironic and actually quite sad, for this landmark anniversary to occur this year at a time when at once the strength of Franklin Roosevelt is admired and longed for and yet the programs of this great President are under attack. I never thought I would live to see the day when Social Security, for instance, was placed on the chopping block as the new majority in Congress has so willingly done in refusing to exempt it from the balanced budget amendment. I certainly never thought I would see the day when the House would vote on the Constitution—the 4th amendment in this case—and reject it. What a sad legacy we have become to the great leaders who have preceded us such as Roosevelt—a man whose beliefs and programs embodied the preamble to the Constitution:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

I am saddened by the reality that a great deal of the greatest constitution on Earth would undoubtedly be rejected by today's Congress if put to a vote, certainly the protections for minority viewpoints, for freedom of speech, and for the separation of church and State would be thrown out in an instant.

It is a perfect time to recall the strength, vision, and perseverance of President Roosevelt and to remember that the Government should be used as a tool for the betterment of all and not as a wedge to divide us for the benefit of a few. When the most dire economic times this country has faced confronted Roosevelt, he did not blame illegal immigrants, he did not blame the poor, and he did not blame the Government—instead, he used the resources of the Government to pull us out of the Great Depression. When confronted with evil from abroad, he used the resources of the Government not only to protect our country but to protect liberty worldwide.

Never before today has there been such anger toward and distrust of Government—not even during the Vietnam war or during Watergate. Those whose tactic has been to create distrust through lies and innuendo have trampled on the legacy of one who believed in Government, who believed in truth and justice, and who believed in the inherent wisdom and goodness of the American people. As sad as it is to remember the premature death of such a great man as Roosevelt, the timing is perhaps perfect to force us to look ourselves in the eye, to force ourselves to face our history, our present, and our future, and to force ourselves to remember the tradition of compassion, justice, and honesty that gave us definition for many years.

In this respect, then, I have asked the President bring the national focus to President Roosevelt on April 12th by declaring a national day of mourning and prayer. The following is President Truman's original proclamation from 1945 on the death of President Roosevelt:

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

To the People of the United States:

It has pleased God in His infinite wisdom to take from us the immortal spirit of Franklin Delano Roosevelt, the Thirty-second President of the United States.

The leader of his people in a great war, he lived to see the assurance of the victory but not to share it. He lived to see the first foundation of the free and peaceful world to which his life was dedicated, but not to enter on that world himself.

His fellow countrymen will sorely miss his fortitude and faith and courage in the time to come.

The people of the earth who love the ways of freedom and of hope will mourn for him.

But though his voice is silent, his courage is not spent, his faith is not extinguished. The courage of great men outlives them to become the courage of their people and the peoples of the world. It lives beyond them and upholds their purposes and brings their hopes to pass.

Now, therefore, I, Harry S. Truman, President of the United States of America, do appoint Saturday next, April 14th, the day of the funeral services for the dead President, as a day of mourning and prayer throughout the United States. I earnestly recommend the people to assemble on that day in their respective places of divine worship, there to bow down in submission to the will of Almighty God and to pay out of full hearts their homage of love and reverance to the memory the great and good man whose death they mourn.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington, the 13th day of April, in the year of our Lord, one thousand nine hundred and forty-five, and of the independence of the United States, the one hundred and sixty-ninth.

By the President:

HARRY S. TRUMAN,
EDW. R. STETTINIUS, Jr.,
Secretary of State.

The White House, Washington, April 13, 1945.

REMEMBERING HENRY ATHALONE

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. RUSH. It is with great sadness that I rise today to honor the late Henry Athalone, who passed from this life on March 4, 1995.

Henry Athalone was born on July 20, 1918, in the town of Steiner, MS. After moving to Chicago in 1952, he worked at the Lindberg Engineering Co. until his retirement.

Active in his community, Mr. Athalone was a member of the Holy Garden of Prayer Church under the leadership of Elder Jeffro Williams.

Henry was a devoted family man. He was married for nearly 56 years to his wife, the former Elnora Overton. To this union were

born six loving daughters, Edna, Rosie, Louvenia, Daisy, Martha, and Denise; and one son, Samuel.

Mr. Speaker, Henry Athalone was a very dear friend to his family and neighbors, and was a loving father figure to those around him. He touched those who knew him with his intelligence, humor and sensitivity. He will be truly missed.

I am honored to enter these words of tribute to Mr. Henry Athalone into the RECORD.

TRIBUTE TO CHARLES R. SIMPSON, JR.

HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MOAKLEY. Mr. Speaker, I would like to take this opportunity to honor Charles R. Simpson, Jr., former Chairman of the South Shore Chamber of Commerce in Massachusetts. Mr. Simpson began working as a teller in the Quincy Savings Bank in Quincy, Massachusetts in 1963. Through a combination of old fashioned hard work and state-of-the-art innovative solutions, he earned steady promotions, eventually becoming President and CEO of the bank.

Throughout his professional career, Mr. Simpson has shown outstanding community leadership as director of the Quincy Community Action Organization, Inc., the Beechwood Community Life Center, and the Quincy Neighborhood Housing Services. On top of this, he was a member of the Salvation Army Advisory Board and the Project Head Start Advisory Board.

Charles Simpson's leadership abilities are best exemplified by his strong record as the Chairman of the South Shore Chamber of Commerce, the organization that will be honoring him on April 21, 1995. I, too, would like to honor him for his years of service to his community, and wish him the best of luck for the future.

A TRIBUTE TO REBECCA LOBO

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. OLVER. Mr. Speaker, I rise today to pay tribute to Rebecca Lobo of the town of Southwick, MA. A senior student athlete at the university of Connecticut, Ms. Lobo has distinguished herself as an excellent scholar and superb basketball player. The entire First Congressional District is proud of her considerable achievements.

In addition to being a key contributor on this year's NCAA Women's Basketball National Championship team, Ms. Lobo has received numerous prestigious awards. She is College Sports Magazine's National Player of the Year, Women's Basketball News Service's National Player of the Year, a unanimous first team All-American, and the Big East Conference Player of the Year (for the second consecutive year). Equally impressive athletic honors are certain to follow.

A political science major, Ms. Lobo is just as intimidating in the classroom as on the hard court. Indeed, she earned a 4.0 grade point average during the last three semesters at the University of Connecticut. This dedication to her studies has brought her the distinction of being a Rhodes Scholar finalist, and the only Big East basketball player ever to be named both the Big East Player of the Year and the Big East Scholar-Athlete of the Year. Even more impressive is the fact that Ms. Lobo has accomplished this latter feat two times!

Rebecca Lobo's unparalleled excellence in sports and in school makes her a fine role model for young people all across the country. The people of Southwick, MA, took the lead in recognizing Ms. Lobo's example when the board of selectmen voted to rename the road to Southwick-Tolland Regional High School the ''Rebecca Lobo Way.'' The board's chairman, Paul Salzer, explained that the town chose ''Rebecca Lobo Way'' as opposed to ''Rebecca Lobo Street'' because, ''It is indicative of a 'WAY' to get ahead in education, in athletics.''

In fact, during their successful quest for a championship, Rebecca Lobo, and her teammates on the Huskies, have already served as inspiration for hundreds of girls across the country, as well as igniting interest in women's basketball for thousands of men and women. No collegiate basketball team, male or female, has ever won more games than this team, and they did it through teamwork, while upholding the best traditions of this country's true scholar-athletes.

I ask my colleagues to join me in congratulating Rebecca Lobo on her successful college career. Her academic and athletic achievements do, indeed, lead the way and are an inspiration to us all.

CAMPUS GREEN VOTE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. VENTO. Mr. Speaker, I want to applaud the spirit and vitality of the Campus Green Vote contingent that visited our Nation's Capital from April 1–3, 1995. Students from 42 States gathered in Washington for an Earth Day Campus Summit and ''Eco-Show-and-Tell.'' Their purpose was to send a clear message to the 104th Congress: ''Stop attacking the environment and start working with us to craft a blueprint for better Government environmental policies!''

Campus Green Vote is a national non-profit, non-partisan organization dedicated to registering students to vote and training students in electoral and legislative skills that empower them to be catalysts for green campuses and Government policies.

Students are rightfully concerned about the future of their natural legacy. They noted that while citizens all across America prepare to celebrate the 25th Anniversary of Earth Day, policymakers in Washington, DC deem intent on tarnishing that silver anniversary celebration with a corrosive and concerted assault on decades of environmental law and policy.

Students demonstrated their concern through an ''Eco-Show-and-Tell''—powerful displays of the environmental threats facing their communities. It was certainly inspiring to talk with these students about their hopes and fears surrounding the health of planet Earth.

The students were very knowledgeable about the problems in their communities—I tested them and didn't find them lacking in knowledge or understanding! However, they were very frustrated and concerned. They pleaded with me to work hard to stop the congressional nonsense and politely reminded me of the commitment to the future that we should all share—to hand down to the next generation a healthy planet. They reassured me that the destruction of sound environmental policies is not endorsed by Republicans, Democrats or Independents; not by the American people.

Mr. Speaker, our constituents are speaking to us loudly and clearly. Let's do them the courtesy of listening. I applaud the efforts of Campus Green Vote and thank them for sharing their concerns with us.

IN HONOR OF ALLEN UNIVERSITY'S 125TH ANNIVERSARY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Allen University in Columbia, SC, as they celebrate their 125th anniversary.

Allen University has produced local and national leaders who have served their communities and the Nation in an exemplary manner, and it is fitting and proper that the accomplishments of the university be recognized.

The late Bishop John Mifflin Brown and the people of the Columbia Conference of the African Methodist Episcopal Church had the vision to establish a school for the education of newly freed slaves in 1870 in Cokesbury, SC. The school was named for Bishop Brown's predecessor, Bishop Daniel Alexander Payne. Professor J.W. Morris was the school's first president.

In 1880, the school was transferred to Columbia, SC, and was renamed for Bishop Richard Allen, the founder of the African Methodist Episcopal Church.

During its early years, Allen University satisfied the needs of the African-American community by providing courses leading not only to degrees in law, theology and the arts, but also courses of study at the elementary and high school levels.

The school has since produced numerous scholars, attorneys, physicians, teachers, business and governmental leaders, and other professionals who have risen to positions of honor in the African-American community.

Today, the university, under the leadership of Bishop John Hurst Adams and President David T. Shannon, is equipping itself to serve nontraditional students and others who would otherwise not have the opportunity for a college education, as well as remaining faithful to its traditional goals of clergy and leadership education.

Mr. Speaker, I commend Allen University for its 125 years of progress, commitment and dedication in the shaping of productive lives as it strives to live up to its motto—''Heads to Think, Hands to Work, and Hearts to Love.''

TRIBUTE TO MAYOR ROSEMARY KAPTUR

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. LIPINSKI. Mr. Speaker, I rise today to honor Ms. Rosemary Kaptur, an outstanding leader and resident of the Third Congressional District. After 17 years of dedicated public service, Rosemary Kaptur is resigning as mayor of Palos Park, Illinois.

Ms. Kaptur began her political career in 1975 when she became the first woman to be elected Commissioner to the Village Council. Prior to entering the political arena, Ms. Kaptur, who earned a degree in journalism and public relations, worked as an advertising manager. She was also very involved with community organizations and served as the public relations liaison for the Palos Park Library Board. In 1978, Ms. Kaptur was appointed as the first woman mayor of Palos Park. Since then, she has been elected by her constituents for three consecutive terms as Mayor of the Village.

During her tenure as mayor, Ms. Kaptur has accomplished a tremendous amount on behalf of the residents of Palos Park. A strong advocate for the arts, Ms. Kaptur instituted the Fine Arts Committee, allowed the continued use of the Village Hall by the Palos Village Players, and hosted the Concert in the Park and the Taste of Palos. Her beautification efforts and the development of a Tree Body Committee have earned Palos Park Tree City USA Awards for 1994 and 1995. In addition, the Village parking lot was recently paved and the Heritage Court, a historic brick patio, was constructed. Mayor Kaptur also utilized her political and public relations skills to secure various state and federal grants for Palos Park. For example, Palos Park received a $2.5 million Build Illinois grant to defray the cost of installation of a new sanitary sewer, a $1.5 million Metropolitan Water Resources Development grant for sanitary sewer lift station and force main, and a $450,000 Department of Conservation grant to rehabilitate the Village Hall. Mayor Kaptur has introduced 911 emergency services, a cable television franchise, and a cost-saving trash removal franchise to Palos Park while expanding the boundaries of the village through annexation of several properties.

After 17 years of public service, Mayor Kaptur has decided to retire in order to spend more time with her husband Joseph, her three grown sons, and her seven beautiful grandchildren. Mayor Kaptur has been a loving and strong influence on the Village for many years. I ask my colleagues to join the residents of Palos Park and myself in expressing our gratitude to Mayor Kaptur for her years of devotion to public service. I wish Mayor Kaptur good health in her retirement and, again, I thank her for her devotion to the residents of Palos Park.

TRIBUTE TO TUFTS UNIVERSITY—TUFTONIA'S DAY 1995

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MARKEY. Mr. Speaker, I rise today to recognize Tufts University in Medford, MA, and to commemorate the 11th annual observance of Tuftonia's Week. This holiday derives its name from the title of the venerable Tufts football fight song written by E.W. Hayes, class of 1916. This is a special time for the 85,000-plus alumni of Tufts University to turn their thoughts to Tufts and to reminisce with old friends.

In 1852, Charles Tuft founded this eminent university, and the brightest and best students have been graduating ever since. I am fortunate and proud to have such an outstanding university in my district. I am also proud that two of my esteemed colleagues are graduates of Tufts: Congressmen PETE DEFAZIO of Oregon, class of 1969, and BILL RICHARDSON of New Mexico, class of 1970.

This year's annual celebration, named TuftServe, is especially important, for its focus is on community service. This is an important time for fellow Tuftonian's to focus on volunteer alumni involvement in community activities. Their contributions to the community—locally, nationally, and globally—should serve as an inspiration to us all. I congratulate the alumni of Tufts University for their hard work, their dedication, and their loyalty. Your efforts have not gone unnoticed, nor unappreciated.

CHAMPIONSHIP FEVER

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. COBLE. Mr. Speaker, there is championship fever at a high school in our congressional district these days, because for the first time in its history, Eastern Guilford High School in Greensboro, NC, won its first state title in any sport. This distinction was accomplished by the wrestling team when it captured the North Carolina 1A/2A team championship on February 25 in what was called the closest championship match in state history.

Now that the Wildcat wrestlers have won the first state crown, all of the other teams at Eastern Guilford are trying to win championships, too. Athletic Director Leigh Hebbard told the Greensboro News & Record that, ''There has been some talk among our athletes in other sports that they want to get the next one. I think this has stirred up a little desire in our other athletes.''

Most of the credit for stirring things up must go to Head Coach Robbie Harris and his wrestling squad. They completed an outstanding season with an exciting win in Charlotte. Going into the final match, Eastern Guilford held a 4½-point lead over Mount Pleasant High School. If the Mount Pleasant wrestler had secured a major decision (five points) or a pin (six points) in the heavyweight title match, the Wildcats' championship would have been lost. But the Mount Pleasant wrestler could only salvage a tie in his match, thus securing the victory for Eastern Guilford.

Congratulations for this title goes to each member of the Wildcat wrestling squad: Hugh Armstrong, Alan Aufderhar, Mike Baker, Kevin Bowman, Nick Campell, Travis Coleman, Richard Mai, Thien Mai, Braxton McIntyre, Cory Phoenix, Anthony Poole, Tony Taylor, Matt Tolbert, Paul Vanness, Brooks Williams, Garrett Williams and Roy Wilson. Additional thanks for their assistance goes to the Eastern Guilford Wrestlerettes/Mat Maids: Cassa Allison, Crystal Barfield, Kristi Bettini, Erica Busick, Amber Cunningham, Amy Frazier, Sharon Garrett, Christina Hughes, and Katie Tolbert. Special thanks also goes to athletic trainer Cher Frauenhoffer and to student trainers Tracie Peeples and Jamie Russell.

To all of Eastern Guilford's students, faculty, staff, families and friends, we say thanks for your support of the Eastern Guilford High School wrestling champions. Everyone from Principal Jane Teague to Athletic Director Leigh Hebbard to Head Coach Robbie Harris should be praised for bringing the first state high school championship to Eastern Guilford High School.

VOLUNTEER OF THE YEAR

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. FORBES. Mr. Speaker, I rise today to commend an exceptional citizen. Al Philips, Jr., who as president of the Sag Harbor Ambulance Corps for 10 years, was recently named Member of the Year. Mr. Philips is a training officer, a cardiopulmonary rescusitation instructor, and an emergency medical technician certified in critical care. Mr. Philips has made great sacrifices to ensure that he has been there for the corps and the community of Sag Harbor.

Today, more and more people are seeking to get involved in their communities. The unsung leaders of this community movement are volunteers. From our volunteer firemen to the high school jazz band playing concerts for senior citizens, from child mentors to literacy volunteers, these people are the glue that keep our communities together.

But what exactly is community service? Most people think of it as the act being performed, such as a rescue of a child by an emergency service volunteer. But in fact, service is not isolated to what we call ''the action of''. Rather, service is the sacrifice one makes to be a volunteer. This may include the sacrifice of time with your family, the sacrifice of money, or even one's life. A volunteer fireman understands this every time he enters a burning building. And what about the volunteer's family? They obviously are forced to join him or her in the world of volunteerism, because they too make sacrifices.

The most important aspect of service occurs after what we are calling ''the action of.'' This is when the stories of the volunteers are relayed to others. When a college kid decides to spend an afternoon volunteering at a soup kitchen, the more important act of service occurs soon after he leaves. It occurs when he goes back to his dorm and tells the story of the grateful man who broke down in tears because the student had taken the time to help him in his time of need. It occurs when those

listening might catch the bug and get involved also. It is the testimony of a volunteer's experience that is usually the best way to recruit others. Thus, it is the act of sharing and telling that becomes the greatest service.

Mr. Speaker, the sacrifices Mr. Philips has made, along with his continuing involvement to ensure the safety and well being of the citizens of Eastern Long Island, make him worthy of the honor Volunteer of the Year.

EARTH DAY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. VENTO. Mr. Speaker, with a new Republican majority, Americans hoped for the best—now we know after 3 months, to expect the worst: Republican partisanship serving special interests, not the American people and their families.

As citizens all across America prepare to celebrate the 25th anniversary of Earth Day, I am deeply troubled that in our Nation's Capital, the 104th Congress is working furiously to destroy almost all that has been accomplished in the last three to four decades. This ''contract'' on America—on America's landscapes, on America's air, on America's water, on America's parks and wilderness, will take a terrible toll. This environmental assault is an insult to the American people.

That first Earth Day, in 1970, was based upon an enthusiastic grassroots movement that fueled a conservation ethic and commitment to the environment for future generations. In the 1970's Americans were rightly concerned about clean air and clean water and even the threatened extinction of our national symbol—the bald eagle. In response Congress enacted landmark conservation legislation, which today are household words—the Clean Air Act, the Clean Water Act, and the Endangered Species Act.

Our Nation was energized about the progress in addressing these concerns and extended this American conservation ethic and vision to challenge global problems of rainforest destruction, Antarctica's preservation, biodiversity, ozone depletion, and global warming. In response the United States has been an architect in the development of international conferences and numerous treaties to save the spaceship Earth.

But on this silver anniversary of Earth Day, we face a new challenge—a corrosive and embarrassing tarnish to America's Earth Day 1995. In Washington we have a new congressional majority with ''an attitude'': pay back the Democrats, antiregulation, antienvironment and anti-Federal Government. A Congress set to set back the environment to the thrilling days of yesterday. A new majority inexperienced and arrogant and legislating by anecdote based upon misinformation, misperceptions and fraud, but hell bent on destroying our Nation's public commitment to preservation, conservation, and restoration of future generations' natural legacy.

The intense assault on our national environmental policy and laws isn't stated clearly in the ''contract,'' but between the lines and veiled from public scrutiny under the guise of ''regulatory reform,'' property rights, unfunded mandates—the examples and justification for such action is the mosaic of environmental law. This new Congress seems intent on walking away from science and decades of environmental policy and serving as the complaint tool to special interests whose only interest is the bottom line.

Today, everything is at stake: clean air, safe drinking water, park and wilderness protection, forest conservation preservation and protection of our endangered species. The pace of the assault is purposeful and relentless—a ''hundred days'' of force fed legislation without deliberation or accountability.

Last month the House passed appropriations legislation that savages our national forests by mandating sales which would double the timber harvest nationwide in just 2 years—without regard to any current environmental law and shut off from public comment as required by law. Last week, by a single vote, the Senate refused to moderate this policy. The same House appropriations bill slashed funding needed to implement the Clean Air Act, the Safe Drinking Water Act, and the Endangered Species Act.

This month a House committee is considering legislation to rewrite the Clean Water Act. It was reported that this new proposal was actually written with the help of lobbyists in closed-door sessions without input from the Environmental Protection Agency or other Members with environmental concerns. This is not good clean water policy—the measure has been aptly dubbed ''the polluters' bill of rights.''

All this follows House-passed legislation now making its way through the Senate, that puts a freeze on all regulations with a special 2-year hold on the Endangered Species Act, forces the Federal Government to pay regulatory compensation to property owners impacted by environmental laws and requires agencies that promulgate rules to do elaborate analysis before issuance subjecting all to court challenge—simply a formula to paralyze the Federal Government.

Laws like the Endangered Species Act serve as the ''canary in the coal mine.'' Rather than denying the problem or blaming the messenger, Congress should be solving the problem-stop rationalizing excuses and promoting paid critics who justify reneging on the laws. We should become engaged in the tough job of problem solving and changing our Nation's behavior, to live in balance with the limitations of the natural environment.

Regulations are the wheels which carry the laws into effect. They are based upon the perception, knowledge, and views of the people we represent. Frustration in America has grown. In the easy politics that bemoans government and redtape and seeks instant gratification, the environmental laws have become the stumbling block, the symbol that complicates life and limits behavior. The Federal Government leads such policy because the problems don't know political lines. But it is a collaborative role—environmental policy cannot be taken for granted, cannot be permitted to be politically expedient. Rather, environmental policy is a special trust. Its application should work with States—but especially and most importantly, with citizens.

The American citizen during the next 3 weeks, while Members are in their Districts, can help stop this assault. Challenge your policymaker to see the light—or feel the heat. They need to be forcefully reminded that environmental policies and laws now brutally attacked were not forged through partisan warfare. They are not the work of Democrats or Republicans alone—rather they are uniquely derived from years of deliberation, of listening and responding to the core conservation values and ethics of the American people.

These policies are based on the wisdom of Americans who by experience, education, and ethics understood that there are some areas of this vast Nation that shouldn't be despoiled. They are based on the right of all Americans to breathe clean air and drink clean water. They are based on a commitment to the future that we all share—to hand down to the next generation a healthy planet. These views are basic to the definition of us as a people and culture.

Americans will not turn over our natural legacy to those who would destroy it. We must educate those in office with on-the-job training or by removal from office if they are incorrigible.

This vast and beautiful planet is like the design of a rare and complex tapestry. The weaving is made valuable not by any one thread but by the way that hundreds of strands are arranged. Each section is connected to the next in innumerable ways, as each thread in our eyes is connected to the next in innumerable ways to make an impression—a mosaic.

Understandably, difficult environmental policy questions follow from this example. As policymakers our task is to use this ecologically sensitive and irreplaceable resource, without arbitrarily cutting it to pieces and destroying this biosphere forever.

This involves understanding the impact of activities, measuring of the biodiversity, and the relationship of the physical and natural environment, which are all part of a larger cycle. A thread that is pulled one place changes the rest of the picture. Every action has a consequence. For these reasons and many more, the Federal Government enacted environmental laws and policies to help us be reasonable stewards of our land and resources. The intent was to guide us and limit our individual actions—a policy path that would optimize our utilization today while maintaining and enhancing the prospects for tomorrow's generations.

Citizens after all are a significant and much-needed force in these policy debates. Recruit more people, continue to make yourselves heard. Have faith. Americans haven't stopped caring, they have assumed that these issues were once achieved and are cemented in place. Americans—make yourselves heard—if the people lead, the Members of Congress will follow.

THE INTRODUCTION OF FAIR PAY ACT OF 1995

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Ms. NORTON. Mr. Speaker, in enacting the Equal Pay Act [EPA] in 1963, Congress hoped to close the wage gap between men and women by prohibiting wage discrimination based on the gender of the employees performing the work. Some progress has been

made, but much of it is illusory. In 1982, women earned 62 cents to a man's dollar; in 1992, they earned 71 cents. However, this movement reflects an alarming decrease in male wages as well as the new presence of highly educated women in entry level positions. The wage gap persists largely because most women are still segregated into a few low-paying occupations. A supplementary remedy is needed.

This bill, the Fair Pay Act, amends the Fair Labor Standards Act to ensure equal pay not just for equal work, but also for comparable work—jobs that are equivalent in skill, effort, responsibility, and working conditions. More than 30 years of EPA experience demonstrates that if we are serious about gender and race-based wage discrimination, we must sharpen our remedies.

When we look closely and objectively, can we honestly say that an emergency services operator—a female dominated profession—should be paid less than a fire dispatcher—a male dominated profession? Or that a social worker should earn less than a probation officer simply because the social worker is usually a woman? Shouldn't the market set these rates? Too often the habits of employers over the decades have been built into distortions in the market. Women and minorities pay the price in reduced wages.

The Fair Pay Act also expands protections provided in the Equal Pay Act by prohibiting wage discrimination based on the race and national origin of employees. In 1992, African-American men earned 72 percent as much as white men, while African-American women earned only 64 percent as much as white men. Hispanic men earned 65 percent as much as white men, while Hispanic women earned only 55 percent as much. While some of the wage gap results from differences in education, experience, or time in the work force, studies estimate that 75 percent of this differential may be a result of discrimination.

A remedy that exorcises only the discrimination factor is necessary. As with sex discrimination and all other kinds of discrimination, the plaintiff who alleges discrimination must carry the burden to show that discrimination is the proximate cause of the violation.

Most American families are wholly or significantly dependent on women's wages. Fair pay has become increasingly a family necessity and an urgent issue. Families cannot meet the challenge unless Congress takes up its challenge to enact a wage statute that meets the needs of the nineties as the Equal Pay Act did in the sixties.

SECTION-BY-SECTION ANALYSIS, THE FAIR PAY ACT OF 1995

SECTION 1—SHORT TITLE AND REFERENCE

Section 1 (a) states that this Act may be cited as the ''Fair Pay Act of 1995.''

Section 1 (b) provides that all amendments in this bill refer to the Fair Labor Standards Act of 1938.

SECTION 2—FINDINGS

Section (1) states that there are differences in wages for equivalent jobs in Government employment and in industries engaged in commerce or in the production of goods for commerce. These wage differences are based on sex, race, or national origin.

Section (2) states that the existence of the wage differentials causes the following:

Subsection (2)(A) provides that wage differentials depress wages and living standards for employees. Both which are necessary for their health and efficiency.

Subsection (2)(B) provides that wage differentials result in the prevention of maximum use of available labor resources.

Subsection (2)(C) provides that wage differentials cause labor disputes therefore burdening, affecting and obstructing commerce.

Subsection (2)(D) provides that wage differentials burden commerce and the free flow of goods in commerce.

Subsection (2)(E) provides that wage differentials constitute an unfair method of competition.

Section (3) states that a segregated workforce has been maintained due to discrimination in hiring and promotion of women and people of color.

Section (4) states that many women and people of color work in occupations dominated by individuals of their same sex, race, and national origin.

Section (5)(A) provides that a General Accounting Office analysis of wages in Washington State civil service found that, in 1985, of the jobs studies that paid less than average, approximately 39 percent were female dominated and approximately 16 percent were male dominated.

Subsection (5)(B) provides that a study of wages in Minnesota using 1990 census data found that 75 percent of the wage differential between white and non-white workers was unexplained and may be a result of discrimination.

Section (6) states that Section 6(D) of the Fair Labor Standards Act prohibits discrimination in compensation for ''equal work'' on the basis of sex.

Section (7) states that the United States Supreme Court has held that the prohibition against discrimination in Title VII of the Civil Rights Act of 1964 extends to jobs which do not constitute ''equal work.'' However, lower court decisions have demonstrated that further clarification of jobs that do not constitute ''equal work'' is necessary.

Section (8) states that artificial barriers to the elimination of discrimination in compensation based upon sex, race, and national origin continue to exist more than 30 years after passage of the Equal Pay Act. Elimination of such barriers would have positive effects:

Subsection (8)(A) providing a solution to problems in the economy created by discriminating wage differentials.

Subsection (8)(B) reducing the number of working women and people of color earning low wages, thereby reducing the dependence on public assistance.

Subsection (8)(C) promoting stable families by enabling working family members to earn a fair rate of pay.

SECTION 3—EQUAL PAY FOR EQUIVALENT JOBS

Section 3(a) provides that Section 6 of the Fair Labor Standards act is amended by adding a new section. The new section states the following:

Section (g)(1)(A) states that no employer having employees subject to any provisions of this section shall discriminate between employees based on sex, race, or national origin by paying wages at a rate less for work of equal value, except where the payment is made based on a seniority system, a merit system or a system where earnings are measured by quantity or quality of production.

Section (g)(1)(B) states that an employer who is paying a wage differential in violation of subparagraph (A) shall not reduce the wage rate of any employee.

Section (g)(2) states that no labor organization or its agents representing employees of an employer subject to any provision of this section shall cause or attempt to cause the employer to discriminate against an employee in violation of paragraph (1)(A).

Section (g)(3) provides for employers to pay any amounts which have been withheld in violation of paragraph (1)(A). Any amounts owing to any employee shall be deemed unpaid minimum wages or unpaid overtime compensation under this or section 7.

Section (g)(4) provides that the following definitions apply to this subsection:

Section (g)(4)(A) defines 'labor organization' as an organization of any kind, or an agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

Section (g)(4)(B) defines 'equivalent jobs' as those jobs that may be dissimilar, but whose requirements are viewed as equivalent in a composite of skills, effort, responsibility and working conditions.

SECTION 4—PROHIBITED ACTS

Section 4 states that section 15(a) (29 U.S.C. 214(a)) is amended by adding after paragraph (5) a new subsection (6) which provides the following:

Section 15(a)(b) prohibits the discrimination of any individual who has opposed any act or practice made unlawful by section 6(g) or because such an individual made a charge, testified, assisted, or participated in any manner in any investigation, proceeding, or hearing under section 6(g).

Section 15(a)(7) prohibits the discharge or any other form of discrimination, coercion, intimidation, threat, or interference with any employee or any other person because the employee asked about, disclosed, compared, or otherwise discussed the employee's wages or the wages of any other employee, or because the employee exercised, enjoyed, aided, or encouraged another person to exercise or enjoy any right granted or protected by section 6(g).

SECTION 5—REMEDIES

Section 5 states that section 16 (29 U.S.C. 216) is amended by (1) adding the following:

Section 16(f) authorizes the court, if any action is brought, to award to the prevailing plaintiff(s), in addition to any other remedies, expert fees as part of the costs. Any such action may be maintained as a class action as provided by Federal Rules of Civil Procedure.

SECTION 6—RECORDS

Section 6 states that section 11(c) (29 U.S.C. 211(c)) is amended by inserting ''(1)'' after the current section (c), and by adding a section which provides the following:

Section c(2)(A) states that every employer subject to section 6(g) shall have records which document and support the method, system, calculations, and other bases used by the employer in establishing, adjusting, and determining the wages paid to the employees of the employer. Every employer subject to section 6(g) shall keep records for a period of time and make a report to the Equal Employment Opportunity Commission as shall be prescribed by regulations.

Section c(2)(B) states that every employer subject to section 6(g) shall file an annual report with the Equal Employment Opportunity Commission containing information in such detail as necessary to accurately disclose the wage or salary rates paid to each job classified, position, job title, or other wage or salary group of employees employed by the employer, as well as the sex, race and national origin of employees at each wage or salary level in each classification, position, job title, or other wage or salary group. The

report shall not include the name of any individual employee.

Section c(2)(C) states that the reports filed with the Equal Employment Opportunity Commission shall be public information. The Equal Employment Opportunity Commission may publish any information or data it obtains through the reports. The Equal Employment Opportunity Commission is also authorized to use the information and data for statistical and research purposes, and to compile and publish such studies, analyses, reports, and surveys based thereon as it may deem appropriate.

Section c(2)(D) states that the Equal Employment Opportunity Commission shall by regulation make reasonable provision for the inspection and examination by any persons of the information and data contained in any report filed with it pursuant to subparagraph (B).

Section c(2)(E) states that the Equal Employment Opportunity Commission shall by regulation supply copies of the report filed to anybody upon payment of a charge; charge depends on the cost of the service.

Section c(2)(F) authorizes the Equal Employment Opportunity Commission to issue rules and regulations prescribing the form and content of reports required to be filed under subparagraph (B) and such other reasonable rules and regulations as it may find necessary to prevent the circumvention or evasion of the required report. The Equal Employment Opportunity Commission may prescribe by general rule a simplified report for those employers for whom it finds that by virtue of size a detailed report would be unduly burdensome.

SECTION 7—RESEARCH, EDUCATION, AND TECHNICAL ASSISTANCE PROGRAM; REPORT TO CONGRESS

Section 7 amends section 4(d) (29 U.S.C. 204(d)) by adding the following at the end:

Section 4(d)(4) states that the Equal Employment Opportunity Commission shall undertake studies and offer information and technical assistance to employers, labor organizations, and the general public concerning effective mean available to implement the provisions of section 6(g) prohibiting wage discrimination between employees performing work in equivalent jobs on the basis of sex, race, or national origin. The studies, information, and technical assistance shall be based upon and make references to the declared policy of such section to eliminate such discrimination. The Equal Employment Opportunity Commission must further carry on a continuing program of research, education, and technical assistance including the following:

Subsection (A) states that it shall include undertaking and promoting research with the intent of developing means to expeditiously correct the conditions leading to section 6(g).

Subsection (B) states that publishing and otherwise making available to employers, labor organizations, professional associations, educational institutions, the various media of communication, and the general public the finding of studies and other materials for promoting compliance with section 6(g) is included in the further continuance of the research.

Subsection (C) includes sponsoring and assisting State and community informational and educational programs.

Subsection (D) includes providing technical assistance to employers, labor organizations, professional associations and other interested persons on means of achieving and maintaining compliance with the provisions of section 6(g).

Section 4(d)(5) states that the annual report submitted by the Equal Employment Opportunity Commission to Congress shall include a separate evaluation and appraisal regarding the implementation of section 6(g).

SECTION 8—EFFECTIVE DATE

Section 8 states that the amendments made by this Act shall take effect one year after the date of its enactment.

CHABAD HOUSE ANNUAL DINNER

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. PALLONE. Mr. Speaker, on Sunday, April 30, 1995, the Les Turchin Chabad House at Rutgers, the State University of New Jersey, will hold its annual dinner in Somerset, NJ.

For 15 years, Chabad House has served as a focal point for students seeking to supplement their educational experience with a deeper sense of culture, faith, and fellowship. By rediscovering and embracing regular observance of the Torah, the Students of Chabad House have gained spiritual insights and a strong sense of values that will be of invaluable support throughout their lives. And for parents who naturally worry about the influences that their children will encounter at college, Chabad House offers the assurance of a positive environment.

I would particularly like to extend my congratulations on the construction of the new Les Turchin Student Center, which will further the good works of Chabad House. Mr. Turchin's tireless dedication to the community serves as an inspiration to us all. The founder, chairman of the board and chief executive officer of Tops Appliance City has somehow found time to lead an extremely impressive fund-raising effort to make the Chabad House a reality. The new Chabad House will provide a synagogue, a kosher kitchen, and dinning area for 300 students, and housing for 48 students. The Publication Office will house L'Chaim, the university's student-run newspaper, and *The Chabad Times*, the largest Jewish newspaper in central New Jersey with a circulation of 60,000. A unique array of programs for the community will bring Rabbis and volunteers to shut-in, hospital patients, nursing home residents and prison inmates. Family services will be provided and expanded, including family counseling and a drug prevention program.

Mr. Speaker, it is a great honor for me to pay tribute to Chabad House at Rutgers, to Les Turchin for his hard work and energy in making the new facility a reality, to all the religious leaders and volunteers who make these programs work and to the fine young men and women who, by embracing their timeless and enduring heritage, are working to make their campus and their community a better place.

TRIBUTE TO THE 2506 BRIGADE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today in remembrance of a group of courageous men that 34 years ago fought and died for the cause of freedom. Much has been written about this battle, but most historical accounts only record the event in the context of the cold war. We must not forget the men that landed on that April morning at a remote beach called Giron at the Bay of Pigs.

On that 17th day of April, the battle began. The members of the 2506 Brigade, who sought to liberate their country from the brutal Castro dictatorship, were not military men. They were not professional soldiers of fortune. Rather, these men came from a cross section of Cuban society. They were young, middle-aged, seniors, professionals, farmers, students and factory workers. They were from the ranks of the middle class, the poor, and the upper class. Among them, one could find people who fought alongside Fidel Castro. Some had belonged to the Cuban military. They were representative of all political persuasions, from left to right. But they were united in one quest: Democracy, freedom, and true equality for their homeland, Cuba.

Mr. Speaker, I would like to recount a few passages from ''The Bay of Pigs: The Untold Story,'' by Peter Wyden, of the events that took place on this remote and lonely bay.

At the traffic circle on the northern outskirts of Playa Larga, the members of the Brigade had dug in for the major engagement of the Bay of Pigs, the Battle of the Rotunda as is now known. Reinforcement had arrived from the main landing at the beach of Giron: Most of the Fourth Heavy Weapons Battalion ammunition, and two more tanks. At 7:45 p.m., four batteries of Soviet-made 122 millimeters howitzers had opened fire on the positions. They kept pounding more than 2000 shells in 4 hours. The concussions were terrible. Many went into shock. They were too dazed to hear orders. But, they did not break. The first three Stalin tanks rumbled into the rotunda about midnight. They were the vanguard of 20 tanks, but these freedom fighters had set a superb trap. With the roads bordered by swamps, Castro's troops were forced to try breaking through the Rotunda.

Tank was pitted against tank. They were firing point blank, twenty yards apart. The first two Stalin tanks were knocked out, one of them by a tiny fighter who used to cut the men's hair in the Guatemalan camps and was known as ''Barberito.'' He ran around the tank and peppered it with shells for his recoilless rifle. They made no dent in the tank but the sound scared the crew into surrendering. The commander of the Brigade later wanted to meet the man who accomplished this feat. By then, ''Barberito'' has been killed by a machinegun burst.

One Brigade tank ran out of ammunition quickly. The driver, Jorge Alvarez, known as ''little egg'' blew up an energy tank with his last shell. Another tank roared up Alvarez hurled his tank at it. The Stalin tank tried to position his gun against the Brigade's tank. Alvarez kept bumping the enemy so furiously that the Stalin gun barrel split. The fighting was so confused and confined that the threads of Castro's tanks ran over their own wounded.

Hour after hour, men fought and fell and died. More Castro tanks rumbled into the Rotunda. The freedom fighters were out of food and water and almost out of ammunition, they began to run. Their commander seized a cannon and a shell and faced the oncoming tank from the center of the road. The fleeing men saw him and stopped. So, amazingly, did the tank. The driver got out and surrendered. The Castro forces had numbered 2100 men. Those who were not dead or wounded were retreating on the run.

Another account that should be told to emphasize the bravery and dedication of these men was the one of Armando Lopez Estrada, a dark-haired, communications officer of the paratrooper battalion. He was one of the last in the group to retreat to the beach. He wanted to ''hold until we die.'' Only when they ran out of ammunition for a second time and it was clear that no more was coming did Lopez Estrada, who was 20, let himself be convinced by his comrades that there was no point in waiting to be captured.

About a mile offshore, Lopez Estrada saw an empty sailboat. On the entire Giron beach, he counted 27 men. Stalin's tanks were machine-gunning them. Castro's artillery pounded in from overhead. In the distance, two American destroyers were moving away.

He swam toward the sailboat that was a 22 foot craft, 20 men reached the boat, followed by Castro's jets and their bullets. Frantically, they tried to move the boat by paddling with their hands. After 15 days at sea, 12 survivors were rescued by an American oiler, the rest of the men died of thirst and starvation.

The above account is but one of many which emphasize the bravery and patriotism of those men in Playa Giron on April 17, 1961. As a Member of Congress of Cuban descent I want to honor the memory of these men. On this April 17th, I join with the freedom-loving Americans in commemorating the death of these men who fought so that Cuba could be free and democratic and independent. May they not have died in vain.

INTRODUCTION OF LEGISLATION TO SIMPLIFY THE FORMULA UNDER WHICH SKI AREAS PAY RENTAL FEES TO THE UNITED STATES FOR THE USE OF NATIONAL FOREST LANDS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing legislation to simplify the formula under which ski areas pay rental fees to the United States for the use of national forest lands.

Nationwide, there are 132 ski areas on national forest land occupying 90,000 acres, or a mere one-twentieth of 1 percent of the National Forest System. For this use, the ski industry paid an estimated $20 million in rental fees in 1994.

This new fee system passed the Senate during the 102d Congress but time ran out before the House could consider the legislation. At that time, a Congressional Budget Office review determined that the new fee system was revenue neutral to the United States. The new fee proposal is intended to return at least the same rental dollars to the U.S. Treasury as the current system created by the Forest Service. It will also guarantee increasing revenues in the future by utilizing ski area gross receipts as the measure for determining rental fees. Therefore, as ski area revenues grow, so will the return to the public for the use of those Federal lands.

Furthermore, this legislation will assist in meeting our goals of reducing the size of the Forest Service by eliminating significant management problems with their existing fee system. The existing system is encompassed in approximately 40 pages of the Forest Service manual and handbook. The new system would change that by reducing the fee calculation to a simple formula based on gross revenue from clearly defined sources. This new system will greatly reduce bookkeeping and administrative tasks for both the Forest Service and the ski areas.

This bill enjoys bipartisan support and I hope others will join us in supporting this sensible and efficient proposal which provides fairness to ski areas and the United States regarding rental fees and, at the same time, helps to downsize the Federal Government. This bill is intended to serve as a starting point to begin debate on this issue. I hope to hold hearings on this proposal soon after the recess and anticipate reporting this legislation out of our committee quickly.

Mr. Speaker, I would also like to advise the House that I intend to consider a proposal for ski area permittees to purchase the Forest Service land on which they operate. Such a move toward privatization would further our goal of downsizing government and thus reduce the size of the Forest Service budget. If we are going to achieve these goals, we need to consider every aspect of Federal land management. Therefore, the committee is in the process of reviewing a proposal to sell certain ski areas on the National Forest System to the private entities that operate them. While we are developing this proposal, we will be hearing from those ski areas that want to purchase the Federal land they operate on as well as State governments, local governments, and others affected by this proposal.

Presently ski areas have permits from the Forest Service that allow them to operate for up to 40 years. The Forest Service reviewed these areas and designated them as recreation sites utilizing the NEPA process. There is no question that the intention of the Forest Service is to maintain these sites as ski areas and that no other use is intended. This further supports the need for us to review privatization of these lands now dedicated to this recreational use. Many of these sites have been permitted ski areas for 30 years or more. If we have private individuals prepared to purchase the Federal lands that they operate a ski area on, it is logical that we appraise that land and sell it to the operator and remove the Federal management responsibility.

The new fee system legislation that I have introduced today is a first step toward reducing Federal management responsibility and costs associated with ski areas on Federal land. However, I also intend to consider the next logical step of removing all Federal management and costs.

LEGISLATION ON BIF–SAIF ISSUES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. LAFALCE. Mr. Speaker, today I am introducing several bills designed to address the serious problems posed for the Savings Association Insurance Fund [SAIF] by the current onerous obligations placed on the thrift industry and the pending disparity between the premiums paid by SAIF- and BIF-insured institutions.

The FDIC, other relevant regulators, the Treasury, and the GAO, in a report commissioned by myself and Senator D'AMATO, have now apprised the Congress quite clearly of the nature, extent, and urgency of the problem. It is my hope that these bills will now move the discussion along and allow us to focus more concretely on the specific requirements of a meaningful solution. There is a multiplicity of options. In my view, the right one is the one which can garner substantial bipartisan support in the near term. Taking no action is not a responsible course if we are to protect the integrity of the deposit insurance system.

There are three key problems: First, the SAIF is seriously undercapitalized just at the point it will newly have to assume responsibility for future thrift failures; second, the premium flow from existing thrifts will be insufficient to continue to pay the interest on the FICO bonds issued to cover the losses of the 1980's over the long term; and third, within the next few months, there will be a substantial premium disparity between BIF- and SAIF-insured institutions which could have a significant adverse impact on the now-healthy thrift industry.

The thrift industry is generally profitable, well-capitalized, and well-managed. But it is impossible for the thrifts alone to adequately capitalize their insurance fund and continue to pay interest on the FICO bonds issued to cover the losses of the 1980's without adverse effects on the industry and possibly depositors and taxpayers.

These problems are not the fault of current industry members who did not cause, and have worked hard to survive and help pay for, the industry problems of the 1980's. There are structural flaws in the mechanisms devised to deal with past problems. As a result, of the more that $9 billion in assessment revenues from the thrifts paid between 1989 and 1994, only $7 billion went into the SAIF. The balance was diverted to other uses, primarily to payment of the interest on the bonds.

Congress intended that the thrifts, through the bonding program and otherwise, pay as much of the cost of past industry losses as possible, in an effort to reduce taxpayer costs. That was appropriate. But the amount of the burden placed on the industry was based on certain assumptions which I argued at the time were overly optimistic and which have proved false. Most notably, deposit growth in the thrift industry was estimated at 6–7 percent. Instead, it has declined by 5 percent per year in recent years, reducing far below expectations the premium income which is relied on to pay SAIF and FICO.

There are three possible sources of funds which have been broached by the regulators to solve this problem: the thrifts; the BIF-insured institutions, either through a merger of the insurance funds or otherwise; and some portions of the moneys already authorized and appropriated to the RTC to cover past thrift losses, but which have not been expended. Some of my bills may be criticized as hitting the thrift industry too hard; some may be criticized as hitting the banks too hard. My concern is finding the proper balance to protect the depositor. The best solution may ultimately be one that distributes the pain to the maximum degree possible.

I have always tried to minimize the adverse impact on the taxpayer. In fact, I opposed the FIRREA legislation because I thought it unduly increased the burden on the taxpayer and on future generations. But I believe we should not be too timid to discuss using the unexpended RTC funds for the purpose for which they were intended and related purposes, rather than have those funds revert to the Treasury.

Congress, in fact, anticipated that the mechanism devised in FIRREA might be inadequate to capitalize the SAIF and cover the FICO bonds, and included provisions in FIRREA allowing the additional appropriation of Treasury funds to the SAIF as a supplement. Unfortunately those anticipated appropriations were never made, and the excess RTC funds are not now available to solve the SAIF or FICO problems without further congressional action. Had the original intent of the law been fulfilled, the SAIF would have been capitalized. We should at least consider recognizing that original intent and making a modest amount of these excess RTC funds available as part of a solution.

BIF-SAIF RESOLUTION OPTIONS

OPTION 1: FINANCING CORPORATION AND SAVINGS ASSOCIATION INSURANCE FUND REFORM ACT OF 1995

Summary: Uses investment income from unexpected RTC funds for FICO debt obligation; SAIF-insured institutions recapitalize SAIF with possible special assessment and premium disparity.

Authorizes use of investment income from unexpended RTC funds to pay FICO debt obligation.

Authorizes use of remaining unexpended RTC funds to be held in reserve by FDIC to cover potential insurance fund losses at SAIF-insured institutions until the SAIF fund achieves designated reserve ratio of 1.25 percent of insured deposits. Any unused RTC funds revert to U.S. Treasury upon recapitalization of fund.

Provides FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the SAIF fund. The assessment could be collected over a number of years, with a larger portion of the assessment due in the first year to address the immediate problem of inadequate fund capitalization. The FDIC is authorized to provide exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law to permit FDIC to set annual SAIF premiums at levels that balance the rate of recapitalization of SAIF with concern for competitive position of SAIF-insured institutions.

Directs FDIC to limit annual BIF-SAIF premium disparity to not more than 9 basis points during period of recapitalization of SAIF.

Clarifies that FICO debt repayments are insurance outlays for purposes of budgetary scoring.

OPTION 2: FINANCING CORPORATION AND SAVINGS ASSOCIATION INSURANCE FUND AMENDMENTS OF 1995

Summary: Uses unexpended RTC funds to recapitalize SAIF; FICO debt obligation funded with interest from invested RTC funds, SAIF premiums and Oakar/Sasser premiums.

Authorizes use of unexpended RTC funds to recapitalize the SAIF.

Authorizes the use of investment income from remaining RTC funds to pay portion of the annual FICO bond interest.

Includes portion of premiums paid by Oakar and Sasser institutions toward payment of the annual FICO debt obligation.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law to permit FDIC to set annual SAIF premiums at level necessary to supplement RTC investment income to meet annual FICO debt obligation and to meet estimated SAIF fund expenses.

Directs FDIC to limit annual BIF–SAIF premium disparity to not more than 9 basis points during period of recapitalization of SAIF.

OPTION 3: FINANCING CORPORATION AND SAVINGS ASSOCIATION FUND RESTORATION ACT OF 1995

Summary: Uses unexpended RTC funds to supplement premium income to recapitalize SAIF consistent with FIRREA; FICO debt obligation funded with interest from invested RTC funds, SAIF premiums and Oakar/Sasser premiums.

Authorizes the use of unexpected RTC funds to help recapitalize the SAIF fund and to cover losses consistent with the original intent of the 1989 FIRREA legislation.

Authorizes investment of remaining RTC funds with annual interest income used to pay portion of annual FICO bond interest.

Includes portion of premiums paid Oakar and Sasser institutions toward payment of FICO debt obligation.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law to permit FDIC to set SAIF premium at level that would balance use of RTC funds and concern for competitive position of SAIF-insured institutions.

OPTION 4: FUNDING FOR SUPERVISORY GOODWILL ADJUDICATIONS ACT OF 1995

Summary: Uses unexpended RTC funds to establish a special reserve fund to satisfy claims arising from supervisory goodwill cases.

Authorizes unexpended RTC funds to continue to be made available and set aside in a special reserve fund.

Authorizes the use of principal and interest income available to the special fund to be used to satisfy judgments against the federal government in cases brought by thrift institutions in response to changes made in FIRREA in the treatment of supervisory goodwill for the realization of losses from acquisitions of failed thrift institutions.

OPTION 5: DEPOSIT INSURANCE FUNDS MANAGEMENT IMPROVEMENT ACT OF 1995

Summary: Provides the FDIC with greater flexibility in managing the BIF and SAIF insurance funds and in setting annual BIF and SAIF premiums.

Clarifies that the designated reserve ratio of 1.25 percent of insured deposits for the BIF and SAIF insurance funds is a minimum reserve ratio rather than a target to be maintained.

Authorizes the FDIC to maintain the BIF and SAIF funds at reserve levels that provide an appropriate cushion against anticipated losses without allowing excessive reserves to build up in either fund.

Authorizes the FDIC to make appropriate reductions in annual BIF and SAIF premium assessments when reserve funds or exceed the minimum designated reserve ration of 1.25 percent of insured deposits.

Eliminates the mandatory 18 basis point minimum annual premium assessment in current law for SAIF-insured institutions.

Authorizes the FDIC to consider the impact of any potential disparity in annual premiums paid by BIF- and SAIF-insured institutions, where appropriate, to protect the safety and soundness of either insurance fund and its members and the deposit insurance system as a whole.

OPTION 6: DEPOSIT INSURANCE FUND MERGER ACT OF 1995

Summary: Merges the BIF and SAIF funds; Scheduled reduction in BIF premiums; SAIF-insured institutions continue to fund FICO debt with inclusion of Oakar/Sasser institutions.

Authorizes the merger of the BIF and SAIF funds into a single insurance fund.

Directs the FDIC to make the scheduled 1995 reduction in annual premiums paid by former BIF-insured institutions to a level that reflects estimates of expenses for the current BIF fund plus any additional assessment required to capitalize the merged BIF-SAIF fund, except that the average assessment shall under no circumstances exceed 6 basis points.

Provides FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the merged BIF-SAIF fund. The assessment could be collected over a number of years, with a lager portion of the assessment due in the first year to address the immediate problem of inadequate fund capitalization. The FDIC is authorized to provide exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Requires current SAIF-insured institutions to continue to pay the FICO bond debt obligation.

Includes premiums paid by Oakar and Sasser institutions toward payment of FICO debt obligation.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions to permit FDIC to set separate annual premiums for SAIF-insured institutions that reflect estimates of expenses to the current SAIF fund, plus amounts necessary to pay a *pro rata* share of the additional fund capitalization and the annual FICO bond debt obligation.

OPTION 7: BANK INSURANCE FUND AND THE SAVINGS ASSOCIATION INSURANCE FUND MERGER ACT OF 1995

Summary: Merges the BIF and SAIF funds; Scheduled reduction in BIF premium; Excess RTC funds loaned to FDIC to fully capitalize merged BIF-SAIF fund; SAIF-insured institutions repay loan of RTC funds with special annual assessment; All institutions funded FICO debt obligation on *pro rata* basis.

Authorizes the merger of the BIF and SAIF insurance funds into single insurance fund with the combined fund fully capitalized no later than 2000.

Requires both BIF-insured and SAIF-insured institutions to pay the annual FICO bond debt obligation on *pro rata* basis.

Directs the FDIC to make the scheduled 1995 reduction in annual premiums paid by former BIF-insured institutions to level reflecting original estimates of expenses to the BIF fund, plus amount necessary to pay a *pro rata* share of the annual FICO debt obligation, except that the average assessment shall under no circumstances exceed 6 basis points.

Authorizes unexpended RTC funds to be made available to FDIC as a loan to capitalize the merged BIF-SAIF fund at the designated reserve ratio of 1.25 percent of insured deposits.

Authorizes the FDIC to set a separate annual assessment for institutions insured by the SAIF as of December 31, 1994 (and any

successor institution) for the purpose of repaying the loan of RTC funds used to capitalize the merged BIF-SAIF fund.+ The annual amount of the special assessment and the repayment term would be determined by the FDIC in consultation with the Treasury.

The disparity between the annual premium assessments paid by former SAIF-insured institutions, including the annual assessment to repay the loan of RTC funds, and the annual premium assessments paid by other insured institutions would be capped at 9 basis points.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions.

OPTION 8: DEPOSIT INSURANCE FUND MERGER ACT OF 1995

Summary: Merges the BIF and SAIF funds with recapitalization of combined fund within five years; Scheduled reduction in BIF premium; SAIF-insured institutions contribute to combined fund shortfall with special assessment and capped premium differential; All institutions fund FICO debt obligation on *pro rata* basis.

Authorizes the merger of the BIF and SAIF deposit insurance funds into a single insurance fund with recapitalization of combined fund at designated reserve ratio of 1.25 percent of insured deposits within 5 years.

Requires both BIF-insured and SAIF-insured institutions to pay annual FICO bond debt obligation on *pro rata* basis.

Directs the FDIC to make the scheduled reduction in annual premiums paid by BIF-insured institutions to a level that reflects estimates of expenses to the current BIF fund, plus amounts necessary to pay the *pro rata* share of annual FICO debt obligation.

Provides FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the merged BIF-SAIF fund. The assessment could be collected over a number of years, with a larger portion of the assessment due in the first year to address the immediate problem of inadequate fund capitalization. The FDIC is authorized to provide exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Provides the FDIC with discretion to set annual premiums paid by SAIF-insured institutions separately from premiums paid by BIF-insured institutions until combined BIF-SAIF fund is recapitalized at the designated reserve ratio.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions.

OPTION 9: SAVINGS ASSOCIATION INSURANCE FUND RECAPITALIZATION ACT OF 1995

Summary: Uses unexpended RTC funds to help recapitalize SAIF; No. BIF-SAIF Merger; BIF and SAIF institutions fund FICO debt obligation on a *pro rata* basis.

Authorizes the use of unexpended RTC funds to help recapitalize the SAIF fund and to cover losses consistent with the original intent of the 1989 FIRREA legislation.

Requires both BIF-insured and SAIF-insured institutions to pay the annual FICO bond debt obligation on *pro rata* basis.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law to permit FDIC to set SAIF premium at level that would balance use of RTC funds and concern for competitive position of SAIF-insured institutions.

OPTION 10: SAVINGS ASSOCIATION INSURANCE FUND AND FINANCING CORPORATION REFORM ACT OF 1995

Summary: BIF and SAIF-insured institutions fund FICO debt obligation on *pro rata* basis; No merger of BIF–SAIF funds; SAIF-insured institutions capitalize SAIF with special assessment and premium disparity.

Requires both BIF-insured and SAIF-insured institutions to pay the annual FICO bond debt obligation on a *pro rata* basis.

Provides the FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the SAIF fund. The assessment could be collected over a number of years, with a larger portion of the assessment due in the first year to address the immediate problem of inadequate fund capitalization. The FDIC is authorized to provide exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law.

OPTION 11: SAVINGS ASSOCIATION INSURANCE FUND STABILIZATION ACT OF 1995

Summary: BIF and SAIF-insured institutions fund FICO debt obligation on *pro rata* basis; SAIF-insured institutions capitalize SAIF with special assessment and premium disparity through 1999; RTC funds used as backup loss reserve for SAIF.

Requires both BIF-insured and SAIF-insured institutions to pay annual FICO bond debt obligation on a *pro rata* basis.

Provides the FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the SAIF fund. The assessment could be collected over a number of years, with a larger percentage payment due the first year to address the immediate problem of inadequate fund capitalization. The FDIC is authorized to grant exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Authorizes the use of unexpended RTC funds to be held in reserve by the FDIC to cover potential insurance fund losses for SAIF-insured institutions until SAIF achieves the designated reserve ratio. Unused funds revert to U.S. Treasury upon recapitalization of the fund.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law.

OPTION 12: FEDERAL DEPOSIT INSURANCE CORPORATION REGULATORY FLEXIBILITY ACT OF 1995

Summary: Regulatory changes to provide the FDIC with flexible authority to address problems of SAIF recapitalization and FICO debt repayment with a variety of potential revenue sources, including unexpended RTC funds, SAIF premiums and special assessment, BIF-SAIF transfers and Oakar/Sasser FICO contributions.

Authorizes the FDIC to administer repayment of the FICO bond debt obligation.

Authorizes the FDIC to administer the unexpended RTC funds and investment income and to allocate such funds for purposes of: payment of FICO debt obligation; capitalization of the SAIF; creation of a reserve to cover potential insurance fund losses in SAIF-insured institutions until SAIF achieves designated reserve ratio; creation of a reserve against federal liability in goodwill cases.

Authorizes the FDIC to borrow temporarily from either fund limited amounts to permit the other fund to achieve or maintain the designated reserve ratio. The authority to borrow assets or revenue from a fund would be limited at any time to an amount representing .03 percent of the assessment base of the fund.

Provides FDIC with discretionary authority to require SAIF-insured institutions to pay a special, one-time assessment of up to 40 basis points toward recapitalization of the SAIF. The assessment could be collected over a number of years, with a larger percentage payment due to first year to help reduce immediate concern for inadequate fund capitalization. The FDIC would have authority to grant exemptions from this assessment, or reduce such assessment, for troubled institutions or institutions which would become troubled if such an assessment were imposed.

Provides clarification that the reserve ratio of 1.25 percent of estimated insured deposits in the minimum designated reserve ratio required of the BIF and SAIF funds rather than an absolute level that must be maintained or cannot be exceeded.

Authorizes the FDIC to make appropriate reductions in annual BIF and SAIF premium assessments when the reserves of a fund meet or exceed the minimum designated reserve ratio.

Provides clarification that insurance fund revenues be used primarily for insurance fund purposes and that premium revenues not be unduly diverted for other purposes.

Authorizes the FDIC to include a portion of premiums paid by Oakar and Sasser institutions toward payment of FICO debt obligation.

Eliminates the mandatory 18 basis point minimum annual assessment rate for SAIF-insured institutions in current law.

INDUSTRY-FUNDED CHECKOFF PROGRAM FOR PROPANE GAS

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. TAUZIN. Mr. Speaker, today I am introducing legislation that would allow the propane industry to establish an industry-funded checkoff program for propane gas, an environmentally sound and economical energy source relied on each year by some 60 million Americans.

Last Congress, I introduced similar legislation; H.R. 3546, that was cosponsored by 124 members and formally acted upon the Energy and Power Subcommittee of the Commerce. Final action on the measure could not be completed before the 103d Congress adjourned.

The legislation I am introducing today has been modified to address issues raised during consideration of the bill last Congress. These changes have made the bill better and as I introduced the measure today, I am not aware of any likely opposition.

Propane is one of this Nation's most versatile energy sources, supplying 3 to 4 percent of our total need for energy. Since it is distributed in liquefied form by trucks, not carried in pipelines, propane is the fuel of choice in residential areas outside of the natural gas distribution system. Propane is also used by farmers to dry crops, power tractors, or warm greenhouses, by millions of recreational vehicle owners and camping enthusiasts, and by the construction and other industries as a source of heat and power.

In a checkoff program, a small fraction of the wholesale price of a product is set aside and forwarded to a specially created checkoff board. The propane board, which would be known as the Propane Education and Research Council, would use those pooled funds for a variety of activities that would benefit the propane consumer, the propane industry, and the public. The Propane Education and Research Council would undertake specific activities including: First, research and development of more efficient, cleaner burning appliances; second, research and training in safety for both the industry and the public; third, education in regulatory compliance and cooperative activities with States; and fourth, cooperative activities with State associations and builder outreach efforts. All of these activities will provide substantial benefits to propane consumers and the public.

There are currently more than 150 Federal and State checkoff programs. They operate primarily in agricultural industries, which benefit from checkoffs for beef, eggs, cotton, milk, and soybeans.

There are some similar programs in energy industries, however, such as the Gas Research Institute, the Electric Power Research Institute, the Texas Railroad Commission propane checkoff and similar State programs in Louisiana, Missouri, and Alabama. Oil producers in Oklahoma have recently created the Oklahoma Energy Resource Board.

The Gas Research Institute [GRI], for example, boasts a 400-percent return for each dollar collected and invested. While GRI's work primarily benefits urban and suburban natural gas consumers, the propane checkoff would benefit rural and agricultural users of propane, as well as urban and suburban propane consumers.

The agricultural industry, for example, which accounts for 7 to 8 percent of all propane consumed in the United States, will see substantial benefits from the propane checkoff. Much of the large industrial and agricultural equipment now in use is not as efficient as residential and commercial equipment. The propane checkoff will permit research and development into better, more efficient equipment for the industry. With even marginal increases in equipment efficiency, the agriculture industry would reap great returns. Obviously, better and more efficient utilization of propane would benefit other industries, such as construction, in still other ways, further increasing the value of the return.

A checkoff program is particularly needed for propane because, unlike all other major forms of energy and many minor energy sources, propane receives virtually no Federal support for research, development, education, or other activities. Rather than turn to the Federal Government for support in a period of deficit spending and tight funding restrictions, the propane industry has developed this self-help proposal to help ensure that propane is most effectively and efficiently utilized. While this program is paid for by the propane industry, propane consumers and the public will be primary beneficiaries.

This legislation only provides the propane industry with the opportunity to establish this program. The legislation I am proposing would not actually establish the propane checkoff. Instead, it calls upon the propane industry, propane producers, and retail marketers, to hold a referendum among themselves to authorize establishment of the checkoff before it can go into effect. If the experience with the program is not as positive as the industry projects and experience with checkoff programs suggests, it could be terminated by a majority vote of both classes, or a two-thirds vote by a single one. It is the propane industry's own request that we would help provide it with this coordinated opportunity to voluntarily pool its resources.

This bill is an important self-help measure for the propane industry based on a proven legislative precedent from other industries. Moreover, as a self-help measure, rather than a request for direct Government funding, this measure may well become a model for future legislation in many fields. I encourage my colleagues to join me in cosponsoring this legislation.

THANK YOU LESTER MCFADDEN FOR 35 YEARS OF DEDICATED SERVICE TO THE FRANKLIN COUNTY DEMOCRATIC PARTY

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay tribute to Mr. Lester McFadden, a constituent and friend who is stepping down as a Democratic precinct committeeman in Benton, IL, after 35 years of dedicated service. In 1970 Lester officially entered the political ring when he became a committeeman and was elected Benton's town clerk.

Lester was born on February 15, 1911, in Logan, IL, and has lived his entire life in Franklin County. He worked 25 years as a carpenter before working more than 20 additional years in the coal industry of southern Illinois. He did all this while balancing the responsibilities of being a husband, devoted father of four, and a committeeman. Being a precinct committeeman is hard work, but Lester is no stranger to rolling up his sleeves and digging in to whatever challenge faces him.

Lester is a person that believes in the value of community involvement and always makes time for his neighbors. For approximately 15 years he coached Little League Baseball in Benton, he is a member of the West City Church of God, the Masonic Lodge, and the Shrine. He has a tough schedule, but always manages to make time for the people of Franklin County.

I have always known Lester to be a hard-working, dedicated, and honest individual. He has always been a trusted and a valued friend and it is with great sadness that I see him step down as precinct committeeman. While Lester may be leaving his role as committeeman I am sure he will continue to be active in Franklin County politics. I wish him all the best as he enters this new stage of life and I am honored to represent this distinguished gentleman in Congress.

TRIBUTE TO BETHEL PILOTS MEN'S BASKETBALL

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. ROEMER. Mr. Speaker, I rise today to recognize and pay tribute to a group of college athletes in my district who have distinguished themselves as the NAIA Division II Men's Basketball National Champions: The Pilots of Bethel College in Mishawaka, IN.

On Tuesday, March 14, the Bethel College Pilots defeated Northwest Nazarene College 103 to 95. The championship game topped off a 16-game-winning streak and brought a perfect ending to an outstanding season. In addition to claiming the national title, the team set the school season record for most wins, finishing 38 to 2. Pilots senior guard Mark Galloway netted the three-point buzzer-beater at the end of regulation and thus sent the game into overtime. Mark became Bethel's all time leading scorer and was named the Most Valuable Player of the tournament.

In their first year after moving up in to the NAIA, the young men of Bethel reached the top of their division. By their hard work and tenacity they have brought immeasurable pride and happiness to Bethel College, Bethel alumni and our entire community. I would also commend the leadership at Bethel College, particularly Dr. Norman Bridges, for his support of the athletic program.

Mr. Speaker, I commend Coach Mike Lightfoot, head coach of the Bethel College Pilots, for leading his team to victory, for being named the NAIA Division II Coach of the Year and for his career record of 235 wins, 65 losses. I am proud and honored to recognize this milestone in Pilots' history. I know that in the years to come these fine young men will continue to distinguish themselves with greatness in their careers, and in their communities.

CONGRATULATIONS TO OUR LADY OF THE HAMPTONS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. FORBES. Mr. Speaker, I rise today to congratulate the exceptional students at Our Lady of the Hamptons Regional Catholic School in Southampton, Long Island, NY, who will be inducted into the National Junior Honor Society on April 26.

It comes as no surprise to me that the parents, teachers, and students at Our Lady of the Hamptons have produced such outstanding scholars and future community leaders. For years, Our Lady of the Hamptons has been known throughout eastern Long Island as an institution unrivaled for its dedication to educating young adults and providing them with the moral compass they will need to navigate their way through the rough seas of life. Last year, the President of the United States likewise recognized the accomplishments of this fine institution and named Our Lady of the Hamptons a Blue Ribbon School of Excellence.

As a ''blue ribbon school,'' Our Lady of the Hamptons is a model for the entire Nation. While violence wrecks classrooms in other parts of the country and drugs infest school yards in both cities and suburbs, Our Lady of the Hamptons is a beacon of responsibility and success that shines as an example for students and teachers everywhere.

What makes Our Lady of the Hamptons so unique, I believe, is its conviction that education is more than a matter of books and tests or homework and quizzes. Education at Our Lady of the Hamptons is ultimately about character. It's about morals and values. It is about learning the difference between right and wrong.

At Our Lady of the Hamptons, success is not necessarily defined as a straight A-plus average. Rather, success is a combination of academic excellence and responsible leadership.

These students chosen for membership in the National Junior Honor Society are certainly very intelligent, but more importantly, they are also role models for their peers. They are examples of decent and generous young adults.

They have helped with lunch duty and they have organized food drives. They have made AIDS quilts to show their compassion for their brothers and sisters who are suffering, and they have distributed milk to their classmates during lunchtime. They have collected clothes and toys to send to their adopted classmates in Ecuador and they have helped their teachers on countless occasions just by their very example of good conduct.

Through all of these acts of generosity both big and small, these exceptional students have proven that true leadership is about service. I was once told that the strongest people are those who share their strength with others. If that really is the case, and I do believe it is, these are some of the strongest people on the planet.

Mr. Speaker, I hope the entire House of Representatives joins me in expressing well-deserved congratulations to these terrific students as well as their families, their teachers, and everybody else who makes up the wonderful community at Our Lady of the Hamptons. On behalf of all of our neighbors throughout eastern Long Island, I am truly proud to represent them in Congress.

INTRODUCTION OF THE HMONG VETERANS NATURALIZATION ACT

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. VENTO. Mr. Speaker, today I am introducing the Hmong Veterans Naturalization Act which would ease naturalization requirements for the Hmong, of Laos, who fought alongside the United States Armed Forces during the Vietnam war. On April 2, I had the privilege to participate in an event held to honor those Lao-Hmong veterans who fought on the side of the United States in the Vietnam war at great sacrifice to themselves, their families, and their entire community. Hmong of all ages fought and died alongside United States soldiers and as a result of the brave position they took and their loyalty to the United States the Hmong, tragically, lost their homeland. The Hmong people have endured these sacrifices and losses. They have worked hard to ensure that their culture endured.

Many who survived the conflict were welcomed to the United States and today should be honored for the contributions they are making to our communities in my district in Minnesota and to our Nation. Their success in rebuilding their families and communities in the United States stands as a tribute to them but their cause would be greatly helped by passage of the legislation I am introducing today, the Hmong Veterans Naturalization Act.

Although it was not apparent then, their actions had a major impact on achieving today's global order and the positive changes of the past decade. This time was difficult and extreme sacrifices were made by those engaged in the jungles and the highlands whether in uniform or in peasant clothing and for those whose homeland was the battlefield.

The Lao-Hmong veterans deserve this recognition and consideration. The Vietnam conflict is a page in history for some and forgotten or even unknown by our youth, but surely it is an event burned deeply and vividly into the minds of the Lao-Hmong veterans and their families who shoulder the duty. Between 10,000 and 20,000 Hmong were killed in combat and over 100,000 had to flee to refugee camps to survive. While it is clear that the Hmong served bravely and sacrificed dearly in the Vietnam war, many of those who did survive and made it to the United States, are separated from other family members and are having a difficult time adjusting to life here. Fortunately there is something we can do to speed up the process of family reunification and ease the adjustment of Hmong into United States society, at no cost to the Federal Government.

My legislation makes the attainment of citizenship easier for those who served in the Special Guerrilla Units by waiving the English language test and period in residence requirement. The greatest obstacle for the Hmong in becoming a citizen is passing the English test. Written characters for Hmong have only been introduced recently, and whatever chances most Hmong who served may have had to learn a written language were disrupted by the war.

This bill would also waive the residency requirement for those who served in order to speed up the process of family reunification. Current law permits aliens or noncitizen nationals who served honorably during World War I, World War II, the Korean conflict, and the Vietnam war to be naturalized regardless of age, period of residence or physical presence in the United States. There is a well-established precedent of modifying naturalization requirement for military service, recently reaffirmed by passage of legislation granting citizenship to those who served in the Filipino Scouts during World War II.

The Hmong stood by the United States at a crucial time and that service deserves recognition and today we should stand with the Lao-Hmong in their struggle to become citizens and to live a good life in our Nation.

THE INTRODUCTION OF REVENUE BOND AUTHORITY BILL

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Ms. NORTON. Mr. Speaker, today I am introducing legislation that presents a unique and extraordinary economic opportunity for the District of Columbia. This bill offers this unprecedented opportunity through revenue bonding authority, including the authority to build a new convention center, as well as a new sports arena downtown. These are not only remarkable projects. In light of the District's need for revenue in the midst of a severe economic crisis, these projects are remarkably timed. These two buildings hold virtually the only promise for indispensable economic development for a city that otherwise faces an unprecedented and painful fiscal crisis. The bonding authority authorized in this bill will mark a critical step toward the revival of the economy of the District.

Today, the Washington Convention Center operates at a 90-percent occupancy range. In this year alone, the District will lose over $80 million in economic impact because of the loss of shows that are too large for the present center. However, the new convention center will be three times the size of the current center. That translates into over $2.8 billion in direct convention revenue for the District between 1998 and 2003. On the other hand, without the new center, the District will lose $968 million in direct convention revenue by the year 2002.

A new sports arena also could not come at a better time for the District. Moving the arena from the Maryland suburbs to downtown Washington will result in more than $100 million in net new spending in the District annually from people buying tickets and purchases from concessions at events, as well as patronizing restaurants in the area. The arena also will create a minimum of 540 full-time equivalent jobs in the city.

It is important to note that these projects are not pipe dreams that may or may not come true. The District's Hotel Association has agreed to an increase in the hotel tax to back the convention center bonds and the owner of the two sports franchises has agreed to pay the cost of building the arena. The only thing that stands in the way of making these a reality is congressional approval of revenue bonding authority for the District.

I strongly urge support for this legislation. It will help give the District of Columbia the tools to become again the master of its own economic destiny.

SILVER JUBILEE OF PORICY PARK

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. PALLONE. Mr. Speaker, on Saturday, April 22, Poricy Park in Middletown, NJ, will celebrate its Silver Jubilee. It is a great honor for me to pay tribute to this wonderful resource for the people of Middletown and the surrounding communities of Monmouth County. Owned by Middletown Township, Poricy

Park is a 250-acre facility operated by the Poricy Park Citizens Committee, a private, non-profit group. The park includes a Nature Center, opened in 1978, and restored historic buildings.

Mr. Speaker, Poricy Park has a long and illustrious history. In 1667, John Throckmorton received a grant of lands that included the area where the park is now located. Part of the land was purchased in 1767 by Joseph Murray, a Scots-Irish immigrant from Londonderry, who joined the Monmouth Militia during the Revolutionary War and was murdered on his farm on June 8, 1780. The farmhouse and barn are still standing at the site. Owned by the Murray family until 1861, and a series of other owners thereafter, the land functioned as a farm until 1972.

The creation of the farm was born of the efforts of the Poricy Park Citizens Committee who, in 1969, worked to save this area from development. The Committee raised more than $7,000 to secure properties, which were turned over to the Township. This donation began a process of acquiring lands that ultimately led to the acquisition of the current 250 acres. Almost three-quarters of the land is left undisturbed, for nature to manage. There is a hardwood forest, a pond, wet meadows and a freshwater marsh. There is a 60-acre area of open fields, the ecology of which supports hawks, mice, foxes, woodchucks and dozens of varieties of field wildflowers. Interest in historical restoration efforts began in the late 1960's, with work beginning in earnest in the late 1970's, leading to the Murray farm buildings being registered as a New Jersey historic site. Some 600 programs are presented every year for schools, community groups and the general public, attracting some 13,000 visitors per year. There are programs for arts and crafts, a store and an artisan market. None of the great work at the park would be possible without the hard work of volunteers.

Mr. Speaker, Poricy Park represents one of the best examples I know of dedicated community activists and local governments working together, pooling their resources and creating something special to benefit of all the community. Poricy Park is an excellent resource that preserves the special history and natural beauty of Central New Jersey. I am honored to pay tribute to this great facility and all the fine people whose hard work and dedication has made it all possible.

IN MEMORY OF MICHAEL ANTHONY LANNI

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Michael Anthony Lanni, to honor his memory, and to stand in solidarity with his family and friends. All their lives were richer because of Mike and he will be sorely missed but never forgotten.

Mike was Jersey born on December 29, 1956 and baptized at our Lady of Sorrows Church in Jersey City. A a youth, Mike enriched the lives of his classmates, first at St. Paul's Grammar School in Jersey City and later at Bergen Catholic and St. Mary's High School. Throughout his childhood, Mike's love of sports and academic achievements was always present. Mike was a little league all star, a Babe Ruth all star, a varsity football player and a record setting track star. At the same time, Mike's academic achievements included being named to the principal's list, receiving first honors and serving a member of the National Honor Society. His achievements were recognized by his peers who selected him as senior class president and voted him as best all around for the class of 1974. Mike's receipt of the Bob Blum Trophy as outstanding student/athlete in 1974 was a tribute to both his abilities and his determination.

College posed new challenges and triumphs for Mike Lanni. At Lafayette College he overcame a knee injury to continue his active participation in collegiate sports, particularly football and rugby. At the same time, Mike's leadership qualities were recognized by his peers who selected him as an officer of his fraternity, Theta Chi. He was the obvious choice for that role.

After college Mike returned to New Jersey and conquered the new obstacles of the work world. He demonstrated his personal qualities of loyalty, determination and smarts which are all too rare a combination these days. These qualities served Mike well as a sales associate for Mueller Brothers and later with BASF where he rose through the ranks to become a regional manager for four states. Mike's ability and always-evident charm and good nature made his advance as inevitable as it was relentless.

However, work and school provide a snapshot and not the measure of the man himself. Mike was above all a dedicated family man; who loved and treasured his parents Anthony and Mary Lanni, his wife of nearly 10 years, Margaret ''Midge'' Lanni, his siblings, Mary, Patricia, Louise, Christopher, and Stephen and most of all his precious and treasured sons, Timothy and Patrick. Mike was dedicated to his two boys and Patrick and Timothy must know that he will continue to look out for them today, tomorrow and always from his heavenly perch.

Although Mike has left this world prematurely and can no longer be with us, his memory will continue to occupy a warm place in the hearts of all who knew Mike. I know that his family and the hundreds of friends who attended his memorial service felt honored and privileged to have known Mike, a good man and loving father. Mr. Speaker, it has been a privilege to share with you the achievements of Mike Lanni and all he has meant to his family and those who knew him.

ESTABLISHING MORE EQUITABLE RELATIONSHIPS BETWEEN THE FEDERAL GOVERNMENT AND THE PUBLIC LANDS STATES OF THE WEST

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. YOUNG of Alaska. Mr. Speaker, the leadership of the 104th Congress is seeking to establish more equitable relationships between the Federal Government and the public lands States of the West. Before last November, Washington saw a resurgence of the misguided idea that central government control over the public domain must be expanded. The new congressional majority believes it is time to downsize the Federal bureaucracy, shift public lands to governments closer to the people, and recognize the role that the public lands in the West play in putting people back to work.

Many Western States have also been told that the national interest demands that State and local concerns be accorded second-class status. In my State of Alaska, over half of our public lands were designated parks, wilderness areas, and refuges in the name of the national interest without any form of consideration in return. There are indeed times when the interests of the country compel action, but the interests and concerns of States and local governments must be recognized and addressed in such cases. Our public policy will be that there can be no unilateral action by the Federal Government without special consideration being afforded by the affected State and local governments.

The controversial matter of nuclear waste storage offers an opportunity to implement this principle. A series of administrations and Congresses has deliberated and decided to proceed with waste storage facilities on public lands in Nevada. Unfortunately this Federal action has not been matched by the special consideration that the governments and people of Nevada, or any other similarly situated public lands State, deserve. I am considering an amendment to pending nuclear waste legislation to provide appropriate special consideration to Nevada and affected county governments.

This amendment would provide to the State and the affected counties a combination of specific parcels of valuable land as well as an entitlement to select from a pool of public lands. These lands would be provided to offset the withdrawal of multiple use public lands for waste storage and related purposes and to afford special consideration. Some lands would be immediately available and others would be eligible for selection and transfer as the waste storage project proceeds.

We welcome comments on this general proposal and are open to specific suggestions on how to make it address the needs in Nevada.

It is time to redress the balance in public lands policy between the Federal Government and affected States and local governments. I look forward to working with the elected representatives in Nevada in applying this important principle to the waste storage issue.

INTRODUCTION OF LEGISLATION TO ELIMINATE THE GROWTH CAP ON LIMITED PURPOSE BANKS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. LAFALCE. Mr. Speaker, I am happy to join my colleague, Congressman CASTLE, in introducing the Castle-LaFalce bill lifting the cap on the annual asset growth of limited purpose banks. This growth cap, imposed under the 1987 Competitive Equality Banking Act [CEBA] imposes an arbitrary and unnecessary regulatory burden. Its removal will enhance

the ability of these financial institutions to serve their customers and communities, increase the availability of credit, and maintain assets on their balance sheets.

I always believed these restrictions were anticompetitive and should never have been imposed. But, in any case, Congress intended these restrictions to be only a temporary measure which were ultimately to be reconsidered as part of comprehensive banking legislation, so that Congress—not the regulators or the courts—could define more precisely the regulatory supervision over financial service institutions and competition among financial service providers.

Although many years have passed, such comprehensive reform has never passed. I am hopeful that we can accomplish that important goal in this Congress. But the changes Mr. CASTLE and I are recommending in this legislation can no longer wait. This is virtually the only financial services arena in which time is standing still. There have otherwise been substantial changes in the laws and regulations governing the financial services industry that have enhanced diversification opportunities for other financial services providers, and made full service banks more efficient, strong, and competitive. In that context, these arbitrary CEBA restrictions are even more untenable and unreasonable.

There is also no regulatory need for these restrictions. In 1989 and 1991, Congress enacted legislation to increase the ability of regulators to ensure that all banks are run in a safe and sound manner.

If we are truly committed to reducing the regulatory burden on financial institutions and allowing them to better serve their communities, these restrictions must be eliminated as part of that effort.

KEEP FUNDING FOR CORPORATION FOR PUBLIC BROADCASTING IN THE BUDGET

HON. WJ. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. TAUZIN. Mr. Speaker, I wholeheartedly support efforts to cut unnecessary programs out of the Federal budget but I believe funding for the Corporation for Public Broadcasting and our local PBS stations certainly doesn't fall in that category.

I think of Federal funding for Louisiana Public Broadcasting as an investment, not a subsidy; 75 percent of the CPB money goes back to the local PBS stations and networks like LPB. Federal funding for the Corporation for Public Broadcasting also helps public stations to generate more money from viewers and other sources.

Every weekday, LPB provides 8½ hours of commercial-free, nonviolent educational programming for children to help them learn how to count, write, and get along with each other. Since more than 600,000 homes in my State do not have cable television, LPB is the only source of quality programming available to 40 percent of the households in the State.

Louisiana Public Broadcasting is also an invaluable educational resource for teachers. Not only does LPB provide instructional television shows which teachers can incorporate into their lesson plans, it has also set up satellite receiving stations in all 64 parishes so that school systems can broaden their curriculum through distance learning.

Through LPB satellite courses, teachers can become certified to teach adult education, special education, environmental science, and English, as a second language, classes. LPB is one of only 25 PBS stations and networks in the country taking part in PBS Mathline, a nationwide effort by public television stations to improve math instruction in schools.

Stephanie Fournier and Roslyn Dempster, two teachers from Terrebonne Parish, are part of the mathline project. They sent me a letter detailing what LPB and Public Broadcasting has meant to them.

Public Broadcasting has opened a communication network between teachers through Mathline, not just here in Louisiana but throughout the United States, that we could not have entered otherwise.

Teachers have a wealth of information but very limited resources for sharing with others. Mathline has allowed new and innovative teaching ideas to be available to teachers at the touch of a button.

Representative Tauzin, there is so much we can say about the mathline project. If PBS funds are cut, and the mathline project could not be continued, it would be a great loss to Louisiana, the United States and the entire educational community. We strongly support PBS and we strongly urge Congress to continue funding.

It is signed ''Sincerely in Support of PBS.'' Roslyn Dempster and Stephanie Fournier''.

I would also like to read an excerpt from a letter sent by Felicia Harry, another one of my constituents.

LPB is the State's only television network with a community-based educational mission. LPB makes it easier for our children to learn, easier for parents to allow their children to watch television, and easier for all citizens to be better informed and entertained.

Federal funding also allows LPB to provide programs to help adults get their GED, improve their literacy level and take college courses at home.

In a State with alarmingly high dropout and illiteracy rates, damaging one of the few public entities making a difference in the fight to educate our population would be counterproductive. Let us not do something that we are going to regret after irreversible damage has been already done. Let's keep funding for the Corporation for Public Broadcasting and local public television stations in the budget.

CONGRATULATIONS TEUTOPOLIS GIRLS BASKETBALL WOODEN SHOES; 1995 STATE CHAMPS

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay tribute to the Lady Wooden Shoes of Teutopolis High School. The Wooden Shoes recently captured the Illinois High School Association, Class A State Basketball Championship for the fifth time since 1983. This powerhouse basketball team has been in the elite eight 10 times in 13 years. The Wooden Shoes won this year's crown in dramatic fashion when, with 1.1 seconds on the clock, Maria Niebrugge sunk the winning basket and guaranteed victory for her team.

Pacing the sidelines for the Wooden Shoes is ''The Legend,'' Coach Dennis Koester, whose overall 13 year record is an astonishing 364 wins and only 28 losses. Coach Koester, along with his assistant coaches, Kim Beckman and Laurie Thompson, have transformed the way people in central Illinois view high school basketball.

With the help of their coaches this years Wooden Shoes, Gina Bloemer, Sara Gobben, Crystal Worman, Marcia Meyer, Amy Niebrugge, Stormy Young, Kim Walk, Emily Probst, Kari Probst, Karen Droeger, Karla Campbell, Marie Niebrugge, Monica Tegeler, Elizabeth Ordner, Sarah Neibrugge, and Christine Sehy have established themselves as one of the greatest teams in the history of Illinois basketball.

Being the best takes more then just fancy footwork; it also takes knowing and understanding the fundamentals. Assisting with this task were Mindy Dhom and Lisa Hewing who not only played, but video taped the games for in-depth study, and Kathy Weber and Vickie Kremer, who kept the score and the statistics.

Mr. Speaker, Illinois is steeped in basketball legend. This year, with a record of 33 wins and 1 loss the Lady Wooden Shoes of Teutopolis realized their dream and became the best girl's basketball team in Illinois.

I am proud of the hard work and dedication the Wooden Shoes showed throughout the season, and I am sure we will see this devoted team chasing the title when the ball is tipped again next season. I am honored to represent this fine team and its coaches in Congress. Congratulations Wooden Shoes, you are the best girl's basketball team in the State.

DOWNSIZING THE DOE LABS

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. ROEMER. Mr. Speaker, I am introducing legislation today to continue my efforts to downsize our Government in a commonsense manner.

This legislation will require the non-defense DOE labs to downsize the level of full-time employees by one-third over a period of 10 years, with the half of these reductions occurring in the first 5 years.

The result will be either that each lab accomplishes its current mission more efficiently, or it will narrow its focus to more closely meet its original mission. I believe this is a significant step in the right direction.

This bill requires the DOE lab structure to terminate research and facilities that duplicate work being done in the private sector, to cease activity that is not relevant to its programmatic objectives, and to use, whenever feasible universities or other private sector facilities to complete its objectives.

The bill allows, but does not require, closing or scaling back of labs to meet these objectives. The bill also requires fundamental changes in how the DOE labs follow health and safety regulations.

Currently, the DOE labels are required to follow Federal, State and local environmental regulations. The bill does not change this. However, DOE currently uses an intricate and cumbersome internal system of regulation to meet these requirements. The bill requires termination of this practice, known as ''self-regulation.'' Instead, the Labs will follow such requirements directly, as any business would do. This will eliminate a large bureaucratic layer of the DOE, and should result in downsizing of a sector of the DOE Washington headquarters.

The bill also contains requirements that the Secretary report on the progress of implementing this legislation to Congress. I have stated before that we need to downsize Government with a scalpel and not a hatchet, and I believe this bill represents the right approach.

TRIBUTE TO LASALLE D. LEFFALL, JR.

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Ms. NORTON. Mr. Speaker, I am pleased to rise in celebrating Dr. Leffall's appointment as the president-elect of the American College of Surgeons, as well as his commitment to his students, and his dedication to the study of cancer specifically within the African-American community.

Dr. Leffall is a scholar we can all respect and admire, graduating suma cum laude from Florida A&M, and first in his class from Howard University Hospital College of Medicine. Since that time has he served at the highest level of many civic and professional organizations, including: president of the American Cancer Society; president of the Society of Surgical Oncology; member of the board of directors of the Medical Education for South African Blacks; member of the National Cancer Advisory Board; member of the American Board of Surgery; and secretary of the American College of Surgeons.

Beyond his personal scholarly achievement, Dr. Leffall has served as a professor and an inspiration for approximately 3,500 medical students and more than 150 general surgery residents instructed during in his 33 years on Howard's faculty. For his teaching, he has also received commendation—named outstanding teacher by the student council honoree and recipient of the Howard University Distinguished Scholar-Teacher Award.

Since that 1979, as the national president of the American Cancer Society, Dr. Leffall's professional concentration has been on the increasing incidence and mortality of cancer in the African-American community. His never-ending commitment has affected the District's community, as well as the national African-American community, and he has received commendation from both. Dr. Leffall received the Humanitarian Award from the District of Columbia branch of the NAACP and the National Achievement Award from the Black Caucus of the Democratic National Committee. He also received the Presidential Award from the Metropolitan Washington Chapter of the American College of Surgeons, been named a Washingtonian of the Year and listed as one of the best doctors in Washington, DC in the Washingtonian.

Therefore, we commend Dr. Leffall's past work, his dedication to medicine, cancer within the African-American community, and look forward to his continued commitment and achievement as the first African-American president of the American College of Surgeons.

IN HONOR OF FRED STANKIEWICZ AND MAURO ANDREULA IN RECOGNITION OF THEIR VALOR AWARDS

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. MENENDEZ. Mr. Speaker, I stand here today to honor two brave firefighters, Mr. Fred Stankiewicz and Mr. Mauro Andreula. Their relentless efforts and courage helped rescue the lives of three innocent people. They are both being honored at a Valor Award Dinner on April 29, 1995.

On July 2, 1994, the Ladder Company Two of the Hoboken Fire Department responded to a fire alarm on Madison Street in Hoboken. When the firefighters arrived on the scene they were confronted with heavy smoke and fire coming from the first floor of a five story building. It was impossible to enter the building because of the extreme heat and smoke. Therefore, Capt. Fred Meyer ordered firefighters Stankiewicz and Andreula to go to the roof so that the building may be ventilated. While on the roof the two firefighters received a radio transmission from their captain stating that there were people trapped in the upper floors of the building.

Firefighters Stankiewicz and Andreula began their search for the victims on the fifth floor of the building. The conditions of the building were terrible. They had nearly no visibility because of the smoke, and the intense heat radiating from the flames was excruciating. However, they did not give up. Instead, they proceeded forward and crawled on their hands and knees feeling the heat through their gloves and all over their necks and ears.

The firefighters finally located the victims. Two young children, an 8-year-old and a 3-year-old and their mother were found laying on the ground of a smoke-filled room. The two firefighters radioed down to their captain stating they had located the victims and needed assistance. However, manpower was low and the captain was still waiting for assistance. The room was becoming unbearably hot and smokey. Firefighters Stankiewicz and Andreula wasted no time, they immediately picked up the two children and placed them on the fire escape. Firefighter Andreulo went back into the building to rescue the mother. By this time, both firefighters were running out of air. They were extremely tired and firefighter Stankiewicz had been injured. Nevertheless, firefighters Stankiewicz and Andruela, with the help of firefighter James Nardello and Capt. Pat O'Brian, were able to rescue the young children and the mother and carry them to safety.

Firefighters Stankiewicz and Andruela went above and beyond their call of duty. Their bravery and courage is highly commendable. They performed dutifully and exceptionally under an unbearable and life-threatening situation. I am proud and honored to have such two outstanding men serving the community. Please join me in congratulating Mr. Fred Stankiewicz and Mr. Mauro Andreulo for their heroic actions.

TRIBUTE TO WILLIAM C. O'MALLEY

HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. MOAKLEY. Mr. Speaker, I rise today to pay tribute to William C. O'Malley, the district attorney of Plymouth County and a man I am proud to say was my friend. Bill O'Malley passed away suddenly on April 3, but I can assure you that he will not soon be forgotten.

Bill O'Malley served as Plymouth County District Attorney for nearly 17 years and was one of the finest trial attorneys in the country. Over the course of his public career, Bill earned a reputation as a tough prosecutor with an uncompromising commitment to public safety. He is credited with modernizing the Plymouth County District Attorney's office and his technological innovations have served as a model to other offices across the country.

Bill's commitment to justice and sense of fairness made him a natural leader. In the summer of 1993, he was called upon to serve as president of the 8,000-member National District Attorneys Association. In this capacity, he worked very closely with President Clinton, Attorney General Janet Reno and FBI Director Louis Freeh on several important anticrime initiatives. He played an important role in drafting the Violent Crime and Law Enforcement Act of 1994 and later worked on a measure to modernize the laws pertaining to wiretap procedures.

Bill O'Malley was driven by an overriding compassion for people. This compassion made him a staunch advocate for victim's rights, especially women and children. His contributions to the community did not stop in the courtroom. A frequent speaker at local schools, he was a strong supporter of crime prevention programs. Bill also served as a mentor for many young attorneys, readily sharing his wisdom and commitment to public service.

I know Bill O'Malley was devoted most of all to his family—his wife Amy, and his twin sons, Ryan and William. Of his many achievements, his love and commitment to them is his most important and lasting contribution.

LEGISLATION CLARIFYING FLSA

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. McKEON. Mr. Speaker, the State of California is currently embroiled in a lawsuit which could cost California taxpayers as much as $500 million. The case revolves around an alleged violation by the State under the Fair Labor Standards Act [FLSA]. What makes this case worthy of note, is that the State may be

forced to pay damages even though none of the plaintiffs can prove they were actually harmed. Today, I am introducing legislation to clarify the law to protect State and local governments from such frivolous and costly claims.

Under the FLSA, nonexempt employees may file for liquidated damages—cash awards equal to the amount of unpaid wages—should their employer violate the minimum wage and/or overtime provisions of the FLSA. The alleged violations by the State of California were the result of budget impasses in 1991 and 1992. In 1991, a budget impasse prevented California, in accordance with State law, from paying some State employees on time. A Federal district court judge ruled that the failure to distribute paychecks on payday, notwithstanding the circumstances of the budget impasse, constituted a violation of the implied ''prompt payment'' requirement under the FLSA. The Ninth Circuit Court of Appeals went one step further and ruled that regardless of the circumstances, any delay in the disbursement of paychecks violates the FLSA. Thus, in the rare instance of a natural disaster which could delay the distribution of paychecks for even 1 day, a State or local government could be sued for liquidated damages.

During the 1992 budget impasse, the State of California paid its employees with registered warrants in order to avoid liability under the ''prompt payment'' requirement of the FLSA. These warrants, which accrued interest and are legal negotiable instruments in the State of California, were accepted by nearly all banks and employees were able to cash the warrants as they would their regular paychecks.

In spite of the fact that the plaintiffs could not prove actual harm, a Federal district court judge initially ruled in favor of the employees, finding that the State violated the ''cash or cash-equivalent'' requirement of the FLSA. Even though the judge is reconsidering his decision, the State of California remains exposed to extensive liability and court costs. If the State had intentionally paid its employees late or if the employees were actually harmed by the State's actions, then employees should be eligible for liquidated damages. However, the taxpayers in California should not be forced to pay for liquidated damages to State employees who have suffered no actual harm.

This legislation, which I am introducing with several of my colleagues from the State of California and the Economic and Educational Opportunities Committee, would amend the Portal-to-Portal Pay Act of 1947 to address the issue of liquidated damages. The legislation would relieve States and their political subdivisions from liability for liquidated damages if: First, the employer shows to the satisfaction of the court that the employees were paid with a legal, negotiable instrument; second, the employee cannot demonstrate to the satisfaction of the court that he or she suffered any actual harm; and third, the employer shows to the satisfaction of the court that its failure to provide prompt payment was the result of a natural disaster, failure to enact a budget, insolvency, or other condition beyond the control of the employer.

This House has already demonstrated its commitment to relieving States and local governments of the burden of unfunded mandates and ending the practice of frivolous lawsuits. My legislation would continue the process which has already begun and end a clear abuse of the FLSA. I urge my colleagues to support this legislation.

THE FEDERAL HOME LOAN BANK SYSTEM MODERNIZATION ACT OF 1995

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. BAKER of Louisiana. Mr. Speaker, today I am introducing comprehensive legislation to provide the Federal Home Loan Bank System the tools it needs to expand on the significant contributions it has already made to the nation's housing finance delivery system. It is especially fitting today, as we debate the future of housing and housing finance in the 104th Congress, to work with an existing private entity to deliver a much need public purpose.

Since 1932, the Bank System has served as a link between the capital markets and local housing lenders, quietly making more money available for housing loans at better rates for Americans. Today the Federal Home Loan Banks' 5,400 member financial institutions provide for one out of every four mortgage loans outstanding in this country, including many loans that would not qualify for funding under secondary market criteria. The Bank System accomplishes this without a penny of taxpayer money through an exemplary partnership between private capital and public purpose.

More than 3,200 of the Bank System's current members are commercial banks, credit unions, and insurance companies that became eligible for Bank membership in 1989. They demonstrate the market's value of the Bank System by investing in the capital stock of the regional home loan banks. These institutions have recognized the advantages of access to the Bank System's credit programs and have responded to their local communities' needs for mortgage lending. As the financial marketplace grows larger and more complex, I envision the Bank System as a necessary vehicle for serving community lending needs especially in rural and inner-city credit areas.

The Federal Home Loan Bank System serves an active and successful role in financing community lending and affordable housing through the Affordable Housing Program [AHP] and the Community Investment Program [CIP]. The AHP program provides low-cost funds for member institutions to finance affordable housing, and the CIP program supports loans made by members to community-based organizations involved in commercial and economic development activities to benefit low-income areas.

The Federal Home Loan Banks' loans—advances—to their members have increased steadily since 1992 to the current level of more than $122 billion. Since 1990, the banks have made $7.1 billion in targeted Community Investment Program advances to finance housing units for low-and moderate-income families and economic development projects. In addition, the banks have contributed more than $350 million through their affordable housing programs to projects that facilitate housing for low- and moderate-income families.

While these figures are impressive, the Federal Home Loan Bank System needs some fine tuning to enable it to continue to meet the needs of all its members in a rapidly changing financial marketplace. My legislation recognizes the changes that have occurred in home lending markets in recent years which is reflected in the present composition of the Bank System's membership. Enacting this legislation will enhance the attractiveness of the banks as a source of funds for housing and related community development lending, and will encourage the banks to maintain their well-recognized financial strength. Specifically, my legislation: Articulates the Bank System's mission in statute to emphasize the System's important role of supporting our nation's housing finance system by providing long term credit and liquidity to housing lenders; establishes voluntary membership and equal terms of access to the System for all institutions eligible to become Bank System members, and eliminate artificial restrictions on the Banks' lending to member institutions based on their Qualified Thrift Lender status; equalizes and rationalizes Bank members' capital stock purchase requirements, preserving the cooperative structure that has served the System well since its creation in 1932; separates regulation and corporate governance of the Banks that reflect their low level of risk while ensuring the Banks can meet their obligations; and modifies the methodology for allocating the Bank System's annual $300 million REFCORP obligation so that the individual Bank's economic incentives are consistent with their statutory mission to support home lending.

Taken together, these interrelated provisions address the major issues identified in a recent series of studies of the Bank System that Congress required from the Federal Housing Finance Board [FHFB], the Congressional Budget Office [CBO], the General Accounting Office [GAO], the Department of Housing and Urban Development [HUD] and a Stockholder Study Committee comprised of 24 representatives of Federal Home Loan Bank stockholder institutions from across the country.

My legislation will make the banks more profitable by enabling them to serve a larger universe of depository institution lenders more efficiently, and it will return control of the banks to their regional boards of directors who are in the best position to determine the needs of their local markets. At the same time, it will provide for the safety and soundness oversight necessary to ensure that this large, sophisticated financial enterprise maintains its financial integrity and continues to meet its obligations.

I first offered comprehensive legislation to modernize the Bank System in 1992. The legislation is the culmination of efforts over the last 3 years to address in a balanced way the concerns of the bank's member institutions, community and housing groups, and various government agencies. I look forward to passage of this important legislation to modernize an institution that works to improve the availability of housing finance and the opportunity of home ownership for all Americans.

CONGRATULATIONS STEWARDSON-STRASBURG HIGH SCHOOL COMETS

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. POSHARD. Mr. Speaker, I rise today to congratulate the Stewardson-Strasburg High School Comets on their outstanding basketball season. Lead by head coach Monte Nohren, and assistant coach John Giesler the Comets tipped off this season and never looked back.

Throughout the 1994–95 varsity season the Comets were determined to make it to the State tournament in Champaign. With hard work and dedication the Comets blazed into assembly hall this March as part of the ''elite eight.''

The Comets players: Ryan Moomaw, Ryan Cox, Mark Giertz, Christian Merriman, Craig Ogle, Eric Roley, Phil Manhart, Bock Friese, Patrick Merriman, Scott Meers, Dustin Rothrock, and Derrick York are to be especially congratulated for their performance this season. These fine young men exemplify the concept of good sportsmanship, and understand that while they did not take home the state trophy, they are still champions.

Mr. Speaker, I am honored to represent this excellent team in Congress and I look forward to next season when the Comets once again set their sights on Champaign.

THE INTRODUCTION OF THE NATIONAL CHILDREN'S ISLAND ACT OF 1995

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Ms. NORTON. Mr. Speaker, today, at the request of the District of Columbia, I am introducing the National Children's Island Act of 1995, which will transfer the national park service land on Heritage and Kingman Islands in the Anacostia River to the District of Columbia. These lands will then be developed by National Children's Island, a nonprofit organization, as a year round recreational and educational park and playground free to the public. National Children's Island is a fully private enterprise project in the District of Columbia.

The District estimates that the park will mean not only recreational and educational facilities for residents and tourists, but also over 1,500 full- and part-time jobs, with at least 51 percent of such jobs going to District residents. The park will bring revenue to the District projected at $12 million. A share of the park profits and revenues will be earmarked for educational grants, scholarships, and other programs. The park also will have educational pavilions that will feature a number of the sciences, especially computers, medicine, and the environment.

IN HONOR OF MAYOR ALAN H. JEPSON

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Ms. DELAURO. Mr. Speaker, on Wednesday, April 12, the Milford District of the Quinnipiac Council of the Boy Scouts of America gathers to honor former Milford Mayor Alan H. Jepson with its annual Good Scout Award. This award is given to those who exhibit the high ideals that the Boy Scouts exemplify. Alan Jepson is such a man, and I would like to join the Milford Boy Scouts in paying tribute to this exceptional public servant who has also been a longtime family friend and personal mentor.

Alan Jepson has devoted his entire life to serving others. Few are more deserving of the Good Scout Award than this gentleman who has lived his entire life by the lessons he learned early as a Boy Scout. Duty, honor and country guided his choices as he enlisted in the Navy at age 17 and then went on to serve his community as mayor and city clerk.

Alan Jepson can still recite the Boy Scout oath from memory and has made those words the guiding force of his lifetime of service. The Boy Scouts helped prepare him for the rigors of World War II as he entered the Navy in service of our Nation. As with so many of the men and women who served our country during those trying times, Al Jepson was willing to make sacrifices on behalf of those who served with him.

The early lessons learned from scouting and the hard lessons learned during his time in the service helped prepare Al to become one of our most respected community leaders. He served three terms as mayor of the city of Milford in the 1960's. His energetic and compassionate style earned him the respect of the entire community. His creative initiatives, like civic day, which he founded, continues to allow Milford's young people to learn about city government and its important role in their lives. The legacy of this program has inspired generations since then and will forever enhance the city of Milford.

As the Milford Boy Scouts honor Alan H. Jepson, I am pleased to congratulate him, and to express my deep appreciation for all he has given us. He has earned a special place in the hearts of all of us whom he has touched and enriched through his leadership and guidance. Alan Jepson is well-deserving of the Good Scout Award, and I commend him for his many years of service.

THE ACCESS TO CHILDREN'S HEALTH CARE ACT OF 1995 AND THE CHILDREN'S HEALTH EQUITY ACT OF 1995

HON. BLANCHE LAMBERT LINCOLN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mrs. LINCOLN. Mr. Speaker, I rise today to introduce the Access to Children's Health Care Act of 1995 and the Children's Health Equity Act of 1995.

The first bill will allow children's hospitals to qualify as federally qualified health centers [FQHC], Thus strengthening the vital safety net of services for low-income and underserved children with special health care needs.

As the number of children in poverty has grown and private coverage of dependents has declined, children's hospitals have increasingly become the primary care pediatrician and pediatric specialist for children. In addition, children's hospitals accept all children regardless of their ability to pay and substantially underwrite outpatient care. By allowing children's hospitals to qualify as FQHC's, the hospitals will receive reimbursement based on reasonable costs as defined by Medicaid.

The second bill, The Children's Health Equity Act of 1995, will require States that establish Medicaid managed care programs to continue enrolling children with special health care needs in traditional fee-for-service plans.

Today, more and more States are moving to Medicaid managed care plans, which can potentially present problems for very sick or disabled children. Specifically, HMO-type plans can systematically deny care to very sick children by not having enough or any pediatric specialists on contract.

This bill seeks to protect children with special health care needs by requiring States who adopt Medicaid managed care programs to keep such children enrolled in traditional fee-for-service programs. Most often, traditional Medicaid fee-for-service plans provide necessary access to pediatric specialists for children with special health care needs.

I believe mainstreaming the Medicaid population holds many advantages for those enrolled in Medicaid. But we cannot put the children in the greatest need of access to specialty health care at additional risk of being denied necessary services.

I urge my colleagues to take a serious look at these important bills to guarantee appropriate health care for the children in their districts with special health needs.

FRANK R. BARNETT: A FIGHTER AGAINST TYRANNY THROUGHOUT THE WORLD

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 6, 1995

Mr. HOYER. Mr. Speaker, I rise today to pay tribute to Mr. Frank R. Barnett, a former member, cofounder and director of the American Bar Association's Standing Committee on Law and National Security.

As a member of the Commission on Security and Cooperation in Europe, known as the Helsinki Commission, I, like Frank Barnett, have been outspoken in our opposition to human rights violations throughout the world. Frank Barnett not only opposed tyranny throughout the world, but he was a strong advocate in promoting freedom and democracy around the globe.

Mr. R. Daniel McMichael, of the Scaife Foundation in Pittsburgh, who joined in helping Frank Barnett create the Standing Committee on Law and National Security, provided a fitting tribute last year to Frank Barnett, which was printed in the January 1995 American Bar Association National Security Law Report. I am pleased to submit for my colleagues the

story of Frank Barnett's struggle against tyranny and repression around the world, as well as his efforts in creating the Standing Committee on Law and National Security. I urge my colleagues to read this fitting tribute.

[From the American Bar Association National Security Law Report, January 1995]

DAN MCMICHAEL SALUTES FRANK BARNETT AT CONFERENCE DINNER

Simply put, Frank Rockwell Barnett hated tyranny. As unusually modest and low key as he was about himself and in his work with other people, whenever the subject of brutality came up, his voice would take a steely edge and his eyes would grow cold with a controlled kind of fury.

This was the dynamic that drove him through most of his professional life, that gave him the tireless energy and unfaltering will to help shape and build in this country new institutions and new cadres of young people who understood and were able to articulate the emerging role of the United States in a troubled and turbulent world.

He did not come by this naturally. Such awareness of tyranny and all that it stands for doesn't come naturally to an of us (would that it did). We have to learn it either directly or vicariously, and Frank learned it in a fairly direct manner.

As an Elizabethan scholar and teacher-turned-machine-gunner for the 69th Infantry Division that swept through Europe in 1945, Frank saw the dying embers—the legacy, if you will—of fascism, a pretty good lesson in itself as regards tyranny. But when his unit became the first to link up with the Red Army at the Elbe River—where Frank served as the interpreter between the forces and became involved in subsequent logistical matters—an even more stark lesson in tyranny emerged.

To quote The London Daily Telegraph of August 23 of last year [1993]:

''There [at the Elba River, Barnett] witnessed the negotiations over the repatriation of Red Army POWs captured by the Nazis, and was shocked to see weeping Russians hug the ground and beg to remain with the Americans. Barnett's worse fears were confirmed when the repatriated men were immediately placed before a firing squad. The experience marked him for life.''

Indeed it did. Shakespeare became a hobby—beloved, but hobby all the same. Following the war there was, first, serving on the staff of General Lucius Clay in the Military Government of Berlin, and then off to Oxford as a Rhodes Scholar to read philosophy, politics, geopolitics and economics. Then back to Wabash College for a brief time—and with the specter of weeping Russian soldiers still hovering over him, Frank Barnett joined forces with former OSS Director ''Wild Bill'' Donovan and William J. Casey in a committee to assist anti-communist Russian escapees from Berlin and Vienna.

It was also then that Mr. Smith Richardson, Sr., found Frank and asked him to direct the programs of the then Richardson Foundation, which enabled Frank to begin the process of institutionalizing means to help raise the literacy rate of lay, political and intellectual leaders of the nation to understand better not only the issues of the Cold War, but to become more familiar with the imperatives for strong, consistent and rational leadership that had fallen upon the United States in the aftermath of World War II.

This was not an easy task, I can tell you, during the 1950's especially—given the McCarthy hearings and other too-shrill voices that overreached in their zeal to ''protect America.'' Not that they weren't—most of them—sincere. They were for the most part. But they didn't have the hang of things, and more harm was being done than good. Polarization was occurring when consensus should have been taking place between Democrats, Republicans, liberals and conservatives about the realities of tyranny and oppression and how the United States should handle itself globally with its vital interests.

Nobody understood this dilemma better than Frank. By now it is late 1956—and the two of us had met and had had long talks in Chicago about these matters. By this time, Frank was well along in trying to find ways to build the kind of consensus the Nation needed if it was to upgrade the literacy of its leaders—lay and professional alike—in understanding more clearly the dynamics of geostrategic affairs in an increasingly more complex and dangerous world (a factor which still plagues us today in this post-Cold War era and for which this conference is particularly well tailored).

By the early 1960s, Frank had established an impressive, informed, ad hoc group of talented leaders—of respectable diversity, especially for those days—who shared the same concerns as did he. Among them; a patrician Richmond lawyer, name of Lewis F. Powell, Jr., an up-and-coming Northern Virginia lawyer, name of John O. Marsh, a brusque Navy JAG, name of William Mott, and an indescribably gifted Chicago lawyer, name of Morris I. Leibman.

There were, of course, quite a few others. But for tonight's purpose, I'll just stick with these extraordinary individuals, because they are the genesis of this Standing Committee.

It was Justice-to-be Powell's idea, you see, in answer to the critical question all of us had raised. How can we begin to institutionalize the increasing of geopolitical literacy in the United States in ways that are credible and have high leverage?

The law.

An understanding of the rule of law has to be the cornerstone if we are trying to frame geopolitical issues that delineate tyranny and political freedom.

So—supplied by Frank Barnett's conceptual guidance—Lewis Powell, with Morry at his side, took the matter to the ABA's House of Delegates in 1963, as I remember. And after a bit of spilled blood, what is now known as the ABA Standing Committee on Law and National Security was founded, with Frank as its first director. Frank subsequently founded the National Strategy Information Center, but he remained active with the Standing Committee until his death last year.

Those of you who follow the Committee's activities are well aware of this continuing impact of its work across the land, from high school classrooms and college campuses to boardrooms and the halls of government—and on distant battlefields. The Committee's leadership and composition have been consistently high in integrity and sense of mission, with people like John Norton, Moore, John Shenefield. Bob Turner and really all members of the Committee.

Frank Barnett was a man of extraordinary courage and vision, so that he was naturally attracted to others of courage and vision and they to him—which is what has given this Committee a life and vitality seldom seen elsewhere in volunteer activities.

And courage and vision are here tonight, not just a reference in paying tribute to Frank Barnett, but in the very people you have selected and the issues they are addressing. You have a tough, no fooling program. You have courageous and highly talented people to lay it out.

It is the kind of fare that Frank Barnett would have relished!

ENSURE TAX FAIRNESS, HELP SMALL BUSINESS AND REDUCE THE DEFICIT

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. FILNER. Mr. Speaker, I am joined today by my colleague, Congresswoman HELEN CHENOWETH of Idaho, in introducing the Insurance Tax Fairness and Small Insurance Company Economic Growth Act that will amend the Internal Revenue Code of 1986 to close a glaring tax loophole. When passed, this bill will assure fiscal responsibility in our debt management and help ensure tax fairness.

It is an honor to be joined by my colleague in this bipartisan effort and I am certain that, as more Members become familiar with this issue following the upcoming recess, we will have additional cosponsors.

The 104th Congress has seen numerous proposals for tax cuts, budget cuts, rescissions, and deficit reduction. Everyone has his or her own idea about what should be spared and what should be eliminated—and at whose expense. And despite our efforts at deficit reduction, the national debt continues to threaten our economic stability.

Today, we present a proposal to reduce the deficit, help pay for these budget-cutting proposals and, at the same time, help small business. Our proposal requests no new funding, attacks no one's programs, does not increase the Federal deficit and raises no new taxes.

This legislation is designed to do away with section 809 of the Tax Code that both the U.S. Treasury and the General Accounting Office [GAO] have termed as flawed and unworkable, and contrary to what Congress intended.

Our bill would close a $2 billion dollar loophole—that is $2 billion per year. Currently, a few giant mutual life insurance companies benefit from this loophole and do not pay their fair share of taxes. Closing this loophole would only require that these companies pay their full share of taxes. All that is required is a technical correction to existing tax laws affecting life insurance companies. At the same time, the Nation's small insurance companies would be helped by our efforts and would receive significant tax relief.

Under the terms of section 809 of the Federal Tax Code, the few giant mutual life insurance companies are able to increase or decrease taxes on their business activities by manipulating the sale of assets. That legislation would repeal section 809 of the Tax Code and place a cap on the amount of dividends that are tax deductible. This action would help achieve the revenue which Congress and the treasury intended for the mutual life insurance industry.

This $2 billion annual windfall dates back to 1984 when Congress attempted to correct the taxation of mutual life insurance companies. That corrective action was intended to provide income to the U.S. Treasury based on equity among life insurance companies—both stock and mutual. After a short-term increase in taxes received, the revenue actually began

decreasing. Four years later, the Treasury and the General Accounting Office [GAO] admitted something was wrong. The intended revenues were not being generated.

In fact, certain large mutual insurance companies have been paying no tax on earnings from business activity since approximately 1986. Obviously, this was contrary to congressional intent. Congress asked the insurance industry 5 years ago to come up with a solution to the shortfall. Our request is still valid, Mr. Speaker, and we can no longer wait for a response.

We must get to the bottom of this matter by having a congressional hearing that lays all of the facts on the table and presents all sides of the issue. This legislation will lead to full disclosure of all relevant material—and settle what the U.S. Treasury and other tax experts agree is the fundamental fairness involved.

There has been considerable interest in our legislation, including national columns supporting the goals of the bill. There is bipartisan support across the political spectrum. The national Coalition to Close the Loophole and Put Our Kids First brings 173 grass-roots groups to this effort.

Mr. Speaker, the state of the current budget deficit threatens our Nation's fiscal security and requires immediate and decisive action. Of all the difficult choices Congress faces, none are more agonizing than those involving taxpayer dollars. The loss of $2 billion in annual revenue makes the choices between military spending, middle class tax cuts, welfare reform, veterans' programs, and social services even more difficult than need be. Our legislation is about the ability of this Nation to tax all citizens equally, and making sure that Federal dollars are spent on programs that are truly in the national interest.

Closing the section 809 loophole makes a lot of sense—and it would be a courageous decision. It would show the Nation that Congress has its priorities back in order.

I urge the bill's careful consideration through the congressional process.

I ask that an information sheet entitled "What is Section 809 and Why Is It an Issue?" and a recent editorial from the San Diego Union-Tribune be included in the RECORD.

[From the San Diego (CA) Union-Tribune, Mar. 26, 1995]

CORPORATE WELFARE—MUTUAL INSURANCE AVOIDS FEDERAL TAXES

Historian Richard Hofstadter pointed out in his Pulitzer Prize-winning book ''The Age of Reform'' that special interests are especially adept at evading the spirit and intent of government reforms directed at them.

That certainly seems to be the case with the mutual insurance industry, which has managed for the last 11 years to evade paying its fair share of federal taxes.

In 1984, Congress rewrote the tax code to ensure that mutual insurance companies were taxed at the same level as stock insurance firms. Both companies sell the same type of policies. The difference between them is that mutuals are owned by policyholders, while stock companies are owned by stockholders.

But a funny thing happened on the way to implementing this equitable change in the tax code: The mutuals figured out a way around the revision.

By simply altering the way they accounted for their assets, the mutual firms discovered they could pay much less in taxes than the reform intended. Some mutuals, moreover, have been able to avoid paying any federal taxes on their earnings.

Not long after arriving in Washington in 1993, Rep. Bob Filner, D-San Diego, introduced a bill to remedy the situation. His measure was intended to close the tax loophole that enables mutual companies to avoid coughing up what Congress intended them to pay.

As a former history professor, Filner should have known from the beginning what he was up against. Even so, he was shocked at the ease with which his bill was stonewalled in committee and ultimately buried by the politically powerful insurance lobby.

In 1989, the mutual insurance lobby blocked House Ways and Means Committee Chairman Dan Rostenkowski from trying to close the same loophole. Instead, the industry assured lawmakers that it would come up with a tax proposal to solve the problem.

Nearly six years have passed, and still there is no plan from the industry. Nor is one likely soon, because the mutuals are content with the status quo.

Not so for Filner. He intends to reintroduce his measure, and with bipartisan support this time.

Problem is, there is little enthusiasm on Capitol Hill these days for any tax increase. What's more, the Republican majority in the House is preoccupied with passing the ''Contract With America.'' And many lawmakers on both sides of the aisle are loath to take on the insurance lobby.

But the insurance industry's evasion of the clear intent of Congress should not go unchallenged. Filner's reform would recoup nearly $2 billion in taxes that the mutual companies avoid paying each year.

Republicans have taken a great deal of flak for their efforts to pare runaway welfare benefits. Here's an opportunity for them to go after one of the many abuses in ''corporate welfare'' that also are a drain on the federal treasury.

WHAT IS SECTION 809 AND WHY IT IS AN ISSUE?

Section 809 is a provision of the Federal Tax Code authorized by Congress in 1984 to limit the deduction of dividends paid by mutual life insurance companies.

While both mutual and stock companies sell identical products (life insurance), mutual companies are owned by their policyholders and stock companies are owned by their shareholders. Congress recognized a separate provision of tax code was needed to account for this difference in ownership that distinguishes these two corporate structures. Congress intended that Section 809 would make the tax treatment of mutual life insurance companies equal to that of stock life insurance companies.

Mutual life insurance companies are among the largest financial services corporations in the United States. Like the rest of corporate America, shareholder owned life insurance companies pay dividends to their owners after federal income tax. Section 809 was enacted to treat part of the dividends that mutual life insurers pay to their owners in the same way.

Insurance companies gather income from two sources. One is income from current operations (wages and salary) and the other is from capital gains, or the appreciation in value of property held by the taxpayer that occurs from general economic conditions.

Since 1984, large mutual life insurance companies have been able to manipulate their treatment of capital gains income in an unintended way. Section 809 allows large mutual life insurers to drive their tax on operating income to zero by claiming enough income from capital gains to offset the operating income. Any other corporation or individual tax payer, however, would have to pay federal income taxes on both sources of income. This result was not anticipated by Congress in 1984, as mutual life insurance historically recognized very little capital gains income before 1984.

This unique provision allows large mutual life insurance companies to escape an estimated $2 billion in income taxes on corporate earnings annually, a unique form of corporate entitlement and a gross example of corporate welfarism.

The American public will be outraged if they learn of this loophole before Congress has the courage to stand up and close it. This is particularly understandable since Congress is cutting the benefits and programs of millions of ordinary American citizens. Closing this loophole—this gross example of corporate welfare—would mean $10 billion dollars toward deficit reduction over the next five years.

HELSINKI COMMISSION HEARINGS MARK THIRD YEAR OF WAR IN BOSNIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. SMITH of New Jersey. Mr. Speaker, this week marked the third anniversary of the war in Bosnia-Herzegovina. At this time, in 1992, Serb militants in the hills surrounding Sarajevo began their shelling of the people of the cosmopolitan and culturally rich Bosnian capital.

On the one hand, it seems like this war—with the constant, almost daily reports of the senseless slaughter of innocent people—has been going on forever. On the other hand, when the war began, no one would have imagined that it would get as bad as it subsequently did, or that we would allow it to continue that way for so long.

This week, the Helsinki Commission, of which I am chairman, held two hearings to note Bosnia's 3-year agony. At the first hearing, we heard witnesses explain that this may not even be classified as a war. Yes, there are opposing sides, but, instead of direct, military engagements, most of the violence can be characterized as a heavily armed group of Serb thugs committing genocide against those in Bosnia, and particularly the Moslem population.

Yes, Mr. Speaker, genocide. Our hearing on Tuesday focused on the extent to which ethnic cleansing, the destruction of cultural sites, and associated war crimes and crimes against humanity constitute genocide in Bosnia and other parts of former Yugoslavia. Our witnesses included Cherif Bassiouni, a law professor at DePaul University who chaired the U.N. War Crimes Commission, who discussed the ethnic cleansing that has taken place in the former Yugoslavia, and Bosnia-Herzegovina in particular. Andras Riedlmayer, a bibliographer at Harvard University, followed with a fascinating slide presentation of how the reminders of Bosnian Moslem culture—mosques, libraries, and historic sites—have been targeted for destruction in an attempt to deny the earlier existence of those who were

ethnically cleansed. Roy Gutman of Newsday and author David Reiff presented us with firsthand accounts of what happened in Bosnia beginning in 1992.

We learned at the hearing that the atrocities appear to follow such a similar pattern, from region to region, that one simply has to conclude that they were carried out systematically. These crimes, as they were being committed, were at least known to, and perhaps ordered by, the Bosnian Serbs and maybe even Serbia's political and military leadership.

A prime example—the eastern Bosnian town of Foca, with its slight Moslem majority, was seized by Serb paramilitaries early in the conflict under the direction of three of Bosnian Serb leader Radovan Karadzic's close associated, Velibor Ostojic, Vojislav Maksimovic, and Petar Cancar. The sports hall, located right next to the police station, was a rape camp for about 2 months soon thereafter. About 50 women were subjected to multiple and gang rape night after night. An isolated incident, out of the view of Bosnian Serb authorities? Do not count on it.

There is, however, no real smoking gun—like the files left by the Nazis documenting the Holocaust—what has happened. The Bosnian Serb leadership, and their leaders in Belgrade, made sure there was what Professor Bassiouni called ''plausible deniability.'' But, what has happened in Bosnia is genocide, without a doubt. The systematic way the Bosnian genocide has been carried out, and the openness with which concentration and rape camps have operated, leave no question of its orchestrated nature. We also learned that the genocide extended into Croatia. Each victim has a dramatic and tragic account to relate, but the dry statistics—200,000 killed, 800 prison camps with at least 500,000 prisoners, over 50,000 torture victims, 151 mass graves, and over 20,000 rape victims—where sobering in themselves.

As a result of the hearing, the Helsinki Commission will help ensure that all evidence of war crimes and crimes against humanity held by the United States Government are made available to the International Criminal Tribunal for the former Yugoslavia, based in The Hague. We will also seek to increase U.S. financial support for the tribunal and the prosecutor's office, so that justice is not forfeited due to a lack of resources.

Genocide is directed toward people in a collective sense, but the gruesome acts are committed against individuals, moms, dads, sons, and daughters, friends and colleagues. I have tried to imagine daily life for Bosnians, being forced out of their homes, being publicly and repeatedly raped, being tortured in a camp, facing execution in the next second, or—perhaps worst of all—watching these things happen to loved ones. It is hard for us to imagine what has been the reality for the people of Bosnia and Herzegovina for these last 3 years. One year before that, people in Croatia faced the same thing.

There is also the question of who is guilty of these crimes, and who is innocent. A recently released CIA report confirmed that Serb militants have been responsible for nearly 90 percent of the atrocities committed during Yugoslavia's violent breakup. There crimes also were most likely to have been orchestrated, in order to carry out a policy directed from above.

This does not translate into the popular notion that the Serbs are an evil people. Indeed, in previous decades, others were infected by the same evil intentions, and innocent Serbs were at times the victims. Similarly, deeds of Serbian political and military leaders, as carried out by their militant minions, do not make Serbs collectively guilty. I made this point at the hearing for two reasons. First, should we engage in the now popular Serb-bashing, we ignore the vulnerability of all peoples in this world to fall into the trap of racist ideology that has ensnared so many Serbs today. Second, Serbs in the former Yugoslavia and around the world, including in the United States, can do no more to defend their national heritage than to face squarely what their militant brethren have done, to condemn them for actions which cannot be justified by history or anything else, and to seek a reconciliation between Serbs and their neighbors in the former Yugoslavia. They should place the guilt squarely on the Serbian leadership, not share the guilt with those leaders.

Indeed, the hearing noted examples of Serbs of conscience. Professor Bassiouni relayed a story of a Bosnian Serb commander who, upon taking a new position, released several women being held captive. As his men approached the women, hoping to have their last chance to rape them, the commander stood in front of the door, with machine gun in hand, and warned his own soldiers he would shoot any who dared touch these women again. Roy Gutman quoted a recent article in Nasa Borba, a Belgrade-based Serbian opposition paper, calling the war a senseless and ''unoriginal product of the unbridled Serb view of things,'' and bemoaned that Serbs ''are obviously still far away from realizing that they have to take certain moral responsibility for evil deeds committed by their compatriots in this war.'' Andras Riedlmayer informed the Commission of a Serbian architect and former Belgrade mayor who condemned the destruction of beautiful cities like Osijek, Vukovar, and Dubrovnik simply because that they were not Serbian.

Mr. Speaker, this hearing on genocide was of critical importance. We on the outside have become fatigued by the daily developments there, and the endless discussion of policy options. It is perhaps human nature that explains why, in the end, we look at Bosnia in terms of percentage of territory lost and casualty figures. Similarly, our desire is to bring those fighting together—at the negotiating table—to work out a mutually acceptable compromise. In the meantime, we work to get a humanitarian aid convoy to this town or that town, or to deploy U.N. peacekeepers here or there, with this or that mandate.

As admirable as these efforts may be, they miss the central fact that what we are confronting here is something inherently evil, a racist force so irrational that it cannot be satisfied by a positive gesture. Genocide must be condemned, confronted and stopped, not tolerated and appeased. Until then, we will continue to see more fighting, more death, and more destruction in the Balkans.

That brings me to the second hearing, which focused on policy questions regarding the former Yugoslavia, and specifically issues surrounding the international presence there. U.N. peacekeeping efforts in Bosnia and Herzegovina, Croatia, and Macedonia, and NATO assistance to U.N. efforts are of utmost importance, but efforts of other organizations merit attention as well.

Assistant Secretary of State Richard Holbrooke appeared before the Commission to present the current views of the Clinton administration on these missions and the realistic prospects for a just peace. I told the Ambassador that one thing the Helsinki Commission has learned at its 16 hearings on the former Yugoslavia, since the conflict began there in 1991, is that the conflict could have been stopped. Witness after witness, with experience on the ground, has told the Helsinki Commission that credible military threats continually caused the Serb militants to back off and be more cooperative. Had they faced international resolve, during the Bush or the early Clinton administration, we would not have needed these hearings this week. Opportunities were lost, one after another, as our ultimatums were revealed only as political bluffs.

The Commission does not say this only after the fact, as the Monday morning quarterback. From the beginning, we called for strong action to get humanitarian aid convoys through the lines, no matter what, to stop the bombardment of large, vulnerable civilian centers—to stop the war. We always met opposition. And now, our Government and those of Europe, seem to suggest that damage perpetrated against Bosnia has been so great that the reestablishment of a unified, multiethnic state is, at best, a dream. Even a 51/49 split, as proposed by the contact group, is out of reach. Military options are now riskier. What concerns me is the fact that the same officials who now find it too late to act, had other excuses when it was not too late. One can conclude that at least some of them simply never had the courage to act in the first place, or the foresight to see how American interests were affected by all of this.

To be clear, Mr. Speaker, I do not oppose finding solutions to problems at a negotiating table, but the parties involved should be given no choice but to find solutions at the table, and not from the hills surrounding defenseless Bosnian towns and cities. No parameters for acceptable behavior were established and upheld, and negotiations continue to be a dismal failure.

And what frustrates me most is that governments, and European governments in particular, are unwilling to acknowledge their incredible error, and to change course.

It was with some regret that I had to express these views before Ambassador Holbrooke, who, since becoming Assistant Secretary last August, has shown a personal interest in getting something done in the Balkans. I highlighted, in particular, the seriousness with which he has pursued the development of the Bosnian Federation, which perhaps, along with the Sarajevo ultimatum of February 1994, is the most innovative and positive effort undertaken by the Clinton administration in Bosnia. While I question the viability of the federation absent a real response to Serb aggression, I see no choice but to move forward with the federation as best we can.

Ambassador Holbrooke reported that international efforts leading to a new peacekeeping mandate in Croatia ''have helped prevent, at least for the moment, the wider war we all

feared.'' He expressed disappointment, however, that diplomacy has been unable to prevent the likely resumption of the tragic conflict in Bosnia. ''I bring you no optimism on Bosnia.'' Following Holbrooke, two expert witnesses—John Lampe of the Woodrow Wilson Center for International Scholars, and Steve Walker of the Action Council for Peace in the Balkans—presented views on various policy options. While they disagreed on what to do, they both expressed dismay that a full and fair settlement remains so elusive.

INTRODUCTION OF THE INVESTMENT COMPANY ACT AMENDMENTS OF 1995

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. FIELDS of Texas. Mr. Speaker, today I introduce legislation amending the Investment Company Act of 1940. Entitled the Investment Company Act Amendments of 1995, this legislation will promote more efficient management of mutual funds. It will result in reduction of operating costs that will save investors money, and allow a greater percentage of the assets of the fund to work on their behalf. This legislation will also provide for more effective and less burdensome regulation of mutual funds by the Securities and Exchange Commission, and it will increase and improve investor protection.

Enacted in 1940 and amended in 1970, the Investment Company Act built the foundation for a system that regulators and regulated entities alike agree has protected investors. For the most part it has not interfered with the development of new products and the creation of investment opportunities. There is a need, however, to reexamine the operation of the act, as our financial markets have expanded in size, complexity, and investment opportunities.

The goal of this legislation is to revise the provisions of the law that no longer reflect the demands of modern markets. We must be vigilant in our efforts to relieve mutual funds of the remaining unnecessary and duplicative regulatory burdens that remain in the current law. The operating costs of mutual funds represent the expenditure of moneys that reduce the pool of assets owned by the shareholders, and a reduction in the capital that is at work earning a return for them. Government imposed regulations that do not increase investor protection fail the cost/benefit analysis to which all regulations should be subjected. They mandate the waste of potentially productive resources. They represent, in effect, an undesirable tax on capital, the most pernicious form of tax. Unnecessary regulations do nothing except reduce the wealth of American citizens.

To this end, the Securities and Exchange Commission conducted its own review of the operation of the Investment Company Act. On the occasion of the 50th anniversary of the adoption of the statute, the SEC produced a comprehensive and valuable report. Entitled ''Protecting Investors: A Half Century of Investment Company Regulation,'' the legislation introduced today is based, in part, on a number of its recommendations.

For example, the SEC report recommended amending the act to expand exemptions for private investment companies, pools of money from sophisticated investors, from its registration requirements. This legislation will do that, but in a way that will insure that only pools of the most sophisticated investors, people who are not in need of the protection of registration under the act, are exempted. Regulation imposes costs, and sophisticated investors not in need of or desiring the protection of the act should be free to voluntarily accept greater risk return for the opportunity of greater reward. Exemptions from registration and regulation, however, will not be made available for those products that will be sold, perhaps, to less sophisticated investors. There is no intention in this legislation to allow a generation of unregistered investment companies to be offered to the general public.

This bill also proposes to implement the SEC recommendations for improving and modernizing mutual fund governance. This will include requiring a majority of the boards of directors of mutual funds to be composed of independent directors, and increasing the authority and responsibility of independent directors in running the fund.

The legislation will also make mutual fund regulation more efficient by eliminating requirements that are expensive to comply with and which do not increase investor protection. This includes eliminating the requirements of the existing law for shareholder ratification of certain routine corporate actions, including approval of the selection of auditors.

Provisions of this legislation will stimulate a reexamination of the rules governing investment company advertising. As introduced, it will break existing regulatory restraints on promotion and sales literature of investment companies. Current law requires the contents of fund advertising to be keyed exclusively to information which is either specifically or ''the substance of which'' is in the prospectus. This requirement is so inflexible it stifles the development of effective investor communications by those who market mutual funds. Although advertising puffery will never be tolerated in the sale of these important investments, and the antifraud provisions of the Act will remain in force and unchanged to govern statements made in connection with the sale of these investments, a new era of generally improved communications to mutual fund investors will begin with the enactment of this legisation.

Finally, in 1970 Congress adopted restrictions on the investment in mutual funds by other funds. This arose from concerns about the possibility of investors paying duplicative expenses and layers of fees. Restrictions on ''fund of fund'' investments may not be necessary in the modern markets of the 21st century which include negotiated commissions, technological oversight of the markets, increased competition, and improved Government regulation of mutual funds.

Reexamination of fund of funds restrictions is necessary because professional money management should be available to all investors, including those who themselves invest on behalf of mutual fund investors; that is, professional money managers. Fund managers may wish to benefit, on behalf of the investors in their mutual fund, from the expertise of other professionals in investments with which they themselves may not be familiar. With the opening of new markets around the world, and the constant development of new and often complex instruments for investment and hedging, it is unrealistic to believe that every fund manager can be knowledgeable in every product offered in every market. Fund managers should have available to them the opportunity to commit moneys to investments which are managed by individuals with particular expertise in certain instruments or markets. Mutual funds allow this to be done in a manner which provides for the diversification of risk. The decision of whether a mutual fund is a worthwhile investment should be left to the investor, whether individual or professional, and not be artificially restrained by statutory provisions the reasons for which may no longer be valid.

The legislation introduced today is a work in progress, intended to stimulate discussion of these proposals for modernization. Our subcommittee will actively seek input from investors, regulators, and the financial service industry for additional reforms as this bill moves through the legislative process. Inevitably there will be refinements of the specific proposals of the bill as introduced.

I encourage my colleagues, on behalf of their constituents, Government regulators, and the affected industries to offer their suggestions for improving the efficiency of the mutual fund market by removing unnecessary regulatory burdens. Efficient markets create additional opportunities for investors to earn returns on their savings. This is how the American people, a nation of investors, provide for their general welfare, the education and needs of their children, and the security of their retirements. The legislation I introduce today will help them accomplish their goals.

CONGRATULATIONS SHELBYVILLE HIGH SCHOOL RAMS

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. POSHARD. Mr. Speaker, I rise today to congratulate the Shelbyville High School Rams on their ''Elite Eight'' season. Shelbyville has historically been the place to be in central Illinois during basketball season. This year was no different, and when the Rams made it to Champaign for the big dance no one was surprised.

Led by freshman Head Coach Sean Taylor, and his assistant coaches, Bob Herdes and Jarret Brown, the Rams were able to compile a new all-time season high record of 28 and 4, win their first regional title in 6 years, and only their second sectional and super-sectional titles in the school's history.

You might think that this is the season of a veteran basketball team, but each of the Rams' starting five were underclassman. The future of Shelbyville basketball looks brighter than ever and I commend this fine group of young people on their accomplishments.

The roster of Shelbyville cagers is one of the best to ever hit the hardwood and includes: Kevin Herdes, Roger Jones, Rich Beyers, Mike Steers, Todd Wilderman, Joshua Forsythe, Alex Miller, James Brix, Tim Hardy, Harlan Kennell, Aaron Rohdemann, Ryan Shambo, Ben Short, Aaron Clark, Derk Williams, Jefrey White, Dirk Herdes, and Tom

Hammond. They should all be proud of their role in the Rams' success.

I am honored to represent these excellent ballplayers in Congress, and I look forward to seeing the Rams take to the court for another season next fall.

THE KANOTIN CLUB

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. BARCIA. Mr. Speaker, one of the greatest abilities demonstrated by people is their ability to come together on behalf of a common purpose. This joining takes place in many ways, but one of the most important to our society is through the formation of a club.

One of the oldest clubs within my congressional district is the Kanotin Club, dating back to the late 1800's. This club is located is Iosco County, and is named for the Indian chief who signed treaties with the United States conveying land, including Iosco County, which was originally known as Kanotin County.

The purpose of this club is to provide a location and forum for political, economic, and social leaders of northeastern Michigan to exchange ideas, wisdom and knowledge to further the economic and social development and well being of the area. This laudatory purpose has succeeded in bringing together a diverse group of skilled and insightful community leaders who have keenly devoted themselves to the purpose of improving their community.

While many organizations like to identify a long list of specific achievements, the Kanotin Club is truly interested in listing only one: Members working together to make the quality of life in their community better and better. They do not seek recognition for any specific project, preferring the satisfaction of knowing that what they did was right to the fleeting moment of notoriety in the Sun. This combination of humility and service is to be praised.

In this day of finding ways of forging new partnerships, of getting government officials, local businessmen, and other community leaders to work together. I strongly believe that we need look no further than the Kanotin Club for a model of what will guarantee strong and hopeful future for every community throughout our great Nation. Mr. Speaker, I urge all of our colleagues to join me in saluting the quiet efficacy of the Kanotin Club through those many years.

SOCIAL SECURITY 1993 TAX INCREASE

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. SCHUMER. Mr. Speaker, I rise in opposition to the Republican tax cut bill. It will bust the budget and give most of the benefits to the very wealthy and to corporations that have historically tried to avoid paying taxes.

One part of the bill that I strongly support is the repeal of the Social Security tax increase from the 1993 deficit reduction bill. As you may recall, I fought against this increase in 1993 and I was successful in helping to increase the income threshold for this unfortunate tax. Nevertheless, I felt then, and I feel now, that many seniors with modest incomes are hit by this tax increase.

It is my hope that the Senate will moderate this tax giveaway to the very wealthy and keep the repeal of the Social Security tax increase so that I may vote for the Conference agreement. It is a shame that the Republicans decided to put one good item in a bill that is nearly all bad. We should repeal the Social Security tax increase, but not use it to blackmail Members to vote for a bad bill.

THE CONSUMER FRAUD PREVENTION ACT OF 1995

HON. FREDERICK K. (FRED) HEINEMAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. HEINEMAN. Mr. Speaker, I am proud to introduce my first bill today, the Consumer Fraud Prevention Act of 1995.

Last Friday, the North Carolina Attorney General filed another telemarketing fraud suit against individuals who prey on senior citizens. The victim, a 71-year-old woman. The cost—her life savings of $57,000. An elderly man in Raleigh recently lost $37,000. In Durham, an elderly lady lost $212,000 in a scam directed at seniors.

Unfortunately, these have not been isolated incidents. Telemarketing scams are defrauding senior citizens and those who are especially vulnerable, like the mentally retarded, all across the United States. Another appalling story is that of the 79-year-old blind woman from Minnesota who lost her life savings in a sweepstake scam. She responded to a solicitation which invited her to enter a contest for large cash prizes. Along with a small entry fee she was required to answer a simple question. To advance in the contest she had to answer more questions and pay additional fees. In all, she lost $25,000.

These fraudulent activities are not performed by legitimate companies, but by those who prey on the vulnerability of certain groups. That is why I am introducing this legislation.

The Consumer Fraud Prevention Act directs the U.S. Sentencing Commission to increase penalties for those who purposefully defraud the vulnerable in our society and those who utilize international borders to evade prosecution. The legislation also requires mandatory victim restitution first, then asset forfeiture. Once the victim is repaid, the property seized from the defendant will be used to fund the national hotline to combat fraud.

As a senior citizen myself, I am proud to offer this bipartisan legislation today on behalf of our Nation's senior citizens.

THE LIMITED-PURPOSE BANK GROWTH CAP RELIEF ACT

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. CASTLE. Mr. Speaker, today I am introducing legislation to lift an arbitrary, necessary and outdated regulatory burden from well-run financial services companies that provide much needed credit to American consumers. My colleague, Mr. LAFALCE of New York and I are sponsoring this legislation to lift the 7-percent growth cap on the annual asset growth of limited-purpose banks. We are pleased to have Representatives BILL MCCOLLUM, RICHARD BAKER, BARNEY FRANK, PETER KING, ED ROYCE, CAROLYN MALONEY, DICK CHRYSLER, and JON FOX join us as original cosponsors of the Limited-Purpose Bank Growth Cap Relief Act.

Limited-purpose banks are specialized lenders—most of these banks are credit card lenders operating on a national basis. They make consumer credit more available to all Americans. The growth cap on these banks was imposed under the 1987 Competitive Equality Banking Act [CEBA]. At the time of CEBA's enactment, it was argued that because limited-purpose banks could be affiliated with firms whose businesses were not permissible for bank holding companies (securities, insurance and commerical enterprises) they had a competitive advantage over full-service banks. The cap was intended only to be temporary, and Congress would lift it when interstate banking and branching and expanded bank activities were approved. Interstate banking and branching became law in 1994, Federal regulators have already greatly expanded approved bank financial activities, and Congress is providing regulatory relief to commercial banks. Limited-purpose banks are not a competitive threat to commercial banks. The growth cap has become an unprecedented restriction on a healthy, well-regulated industry and it no longer serves any useful purpose. The cap is actually forcing these banks to turn away customers.

Will lifting the growth cap give these banks an unfair edge over their competitors? No, the CEBA banks are still subject to many other restrictions not applicable to commercial banks. For example, they cannot accept checking and demand deposits or engage in commercial lending; they can only accept savings or certificates of deposit of $100,000 or more; and, they cannot cross market financial services with their affiliates. We are not proposing to lift those restrictions, but simply to lift the growth cap for the 23 existing CEBA banks. The original fear was that a proliferation of limited-purpose banks would be a competitive threat to full service banks. This was addressed in CEBA by prohibiting the creation of new limited-purpose banks. Allowing the assets of the surviving CEBA banks to grow by more than 7-percent annually will not result in the creation of new banks, change the limitations to which the grandfathered banks are subject, or otherwise threaten full service banks.

This legislation will simply allow limited-purpose banks to grow in response to their customers' needs. It will not undermine the safety or soundness of any institution or pose an unfair competitive threat to any other financial institution. If you believe in regulatory relief and allowing well-run companies to fully serve their customers, we hope our colleagues will join us in supporting this legislation to lift the 7-percent asset growth cap form all limited-purpose banks.

CELEBRATING NATIONAL MEDICAL LABORATORY WEEK

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. DIXON. Mr. Speaker, I rise to recognize National Medical Laboratory Week, April 16–22. This year's theme is ''The Lab Professional: A Key Member of Your Health Care Team.'' I want to specifically extend my personal thanks to the key members of the health care team at Washington Medical Center Clinical Laboratory in Culver City in my congressional district for their pursuit of excellence in providing vital health services.

Medical laboratory personnel constitute the largest segment of the allied health field. There are more than 265,000 laboratory personnel, including pathologist, medical technologists, specialists, and phlebotomists, at work in almost 40,000 hospital and independent laboratories in the United States. These highly trained and dedicated health professionals make an invaluable contribution to quality health care and save countless lives each day by providing reliable laboratory test results required for the prevention, detection, diagnosis, and treatment of disease.

We often overlook these health professionals who are rarely seen by patients but who make invaluable contributions to the high standards of health care enjoyed in the United States. I urge my colleagues to join me in extending my thanks to medical laboratory personnel for their commitment to providing quality health services to the Nation, and my best wishes for a successful National Laboratory Week.

INSURANCE TAX FAIRNESS AND SMALL INSURANCE COMPANY ECONOMIC GROWTH ACT OF 1995

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mrs. CHENOWETH. Mr. Speaker, Mr. FILNER of California, and I are introducing legislation today that strikes at the very heart of why those of us elected to the 104th Congress feel so strongly about our national purpose and identity. In this instance the issue is tax fairness; all Americans and American companies must pay their fair shares of taxes. This is the sum and essence of my legislation which is entitled the ''Insurance Tax Fairness and Small Insurance Company Economic Growth Act of 1995.''

To amend the Internal Revenue Code of 1986 to revise the limitation applicable to mutual life insurance companies on the deduction for policyholder dividends and to exempt small life insurance companies from the required capitalization of certain policy acquisition expenses.

Mr. Speaker, we have been hearing a great deal about corporate welfare these days; it appears to be what the New York Times, in its op-ed page referred to, on Wednesday, April 5, as a ''new political catch phrase'' that has entered ''the Washington lexicon.''

This is not a liberal or a conservative issue, Mr. Speaker, but an American issue. In fact the matter I cited above was Stephen Moore, director of fiscal policy studies at the Cato Institute. A strong voice for conservative thinking in America.

We have heard the distinguished chair of our Budget Committee, my colleague from Ohio, JOHN KASICH, use the phrase on several occasions. And the Senator from Texas, PHIL GRAMM, has also been cited for his concern with huge losses suffered by the Federal Treasury.

In fact, the Cato Institute states, according to Mr. Moore, that ''Congress finances more than 125 programs that subsidize private businesses at a net cost of $85 billion a year.''

I have no reason to doubt these figures, Mr. Speaker, even as I am shocked by simply stating the facts. We must get to the bottom of this issue, and it would be another great legacy of the 104th Congress if we could look at corporate welfare in the light of day, and rectify the mistakes of the past.

Our legislation, which will also be cosponsored by others who will join us after the recess, is perfectly timed for the huge problems we face as a nation. How we use our resources, both material and spiritual, remain the most important questions of our time.

I face these issues each day in both the Agriculture and Resources Committees I serve on. In terms of fiscal matters, I am often confronted with the issue of how are we going to pay for such and such a program, and still remain true to our principles of fiscal responsibility.

Our legislation will restore approximately $2 billion annually to the Federal coffers for use as Congress designates. It will mean that a few of the giant mutual insurance companies begin to pay taxes that Congress intended them to pay in the first place through section 809 of the U.S. Tax Code.

It is not intended in any way to divide the insurance industry; the overwhelming number of insurance companies are exempt from this legislation. It is intended, simply and specifically, to close a loophole that has long concerned many students of our tax system, and restore a level playing field for all corporate taxes.

By closing this loophole, Mr. Speaker, we will take a giant step toward restoring faith and confidence in the American political process. I urge the Ways and Means Committee to give it immediate consideration, and I am looking forward to joining with additional cosponsors. The time for the enactment of this legislation is now; it will make the 104th Congress the historic Congress that confronted and solved the problems of the past and looks forward to the new century with hope and optimism. We can do no less, Mr. Speaker. This legislation must be enacted.

TRIBUTE TO ZACH NUSSBAUM

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. CUNNINGHAM. Mr. Speaker, I rise today to salute the heroism of one of my younger constituents, Zach Nussbaum, of Fairbanks Ranch, CA. As the article below details, Zach saved his mother's life several weeks ago.

When Susan Nussbaum collapsed from dehydration on February 23, young Zach went to the phone and dialed 911, summoning an ambulance to his home. Zach remained on the line for 15 minutes and helped to direct the emergency crew to his house.

All of this happened on Zach's fifth birthday, which points out the importance of teaching our kids at an early age about 911 and how to get help in an emergency. I'm pleased to report that Susan Nussbaum has fully recovered and that Zach has returned to his normal routine.

Mr. Speaker, I know my colleagues join me in saluting the courage and heroism of Zach Nussbauum.

[From the Sun, Mar. 9, 1995]

5-YEAR-OLD SAVES MOM'S LIFE—FAIRBANKS RANCH BOY KNEW HOW TO DIAL 911

(By John P. Lyons)

As Zach Nussbaum cuddles his two favorite stuffed animals, Sonic and Tails, it's hard to believe that not too long ago he saved his mother's life.

But that's exactly what he did.

On Feb. 23, Zach's fifth birthday, his mother succumbed to dehydration and collapsed on the floor of the family's Fairbanks Ranch home.

Unfazed, Zach went to the phone and dialed 911, ultimately remaining on the phone for more than 15 minutes, and leading medical workers to his unconscious mother.

''It was his birthday present to his mother,'' said Susan Nussbaum, who has since recovered.

But Zach, who said he learned how to dial 911 practicing on his mother's car phone, was characteristically nonchalant about the entire incident.

''We practiced 911 in the car and didn't press the send button,'' he said. ''I take care of my mom.''

According to his mother Zach was calm throughout the incident, and showed no signs of trauma later.

But the authorities were impressed.

Most children Zach's age are not as helpful or competent when confronted with a real 911 situation, according to Sheriff's Deputy Roy Casteneda.

Zach, however, is no ordinary kid, and is already an avid workbook reader.

On the 911 tape, Zach could be heard giving medics directions to the Nussbaum house and then attempting to wake his mother, according to Susan Nussbaum.

''And when the ambulance arrived he simply said 'I'm done here' and went back to playing with his tops,'' She said.

Since saving his mom, Zach has returned to his full time occupation: playing pogs and video games with his three older brothers—Gabe, 7, Josh, 9, and Benji 10.

SAINT LARRY: OKLAHOMAN OF THE YEAR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to my very dear friend, the Reverend Larry Jones, head of Feed the Children, a humanitarian organization dedicated to feeding hungry children and helping people to lead normal and productive lives.

Feed the Children has delivered food and medical supplies to such countries as Haiti,

Ethiopia, Somalia, Uganda, Kenya, Armenia, and war-torn Bosnia. He has also delivered food to cities across the United States. On several occasions, Feed the Children has distributed tons of food to needy families in my congressional district in New York. For these efforts, and a lifetime of humanitarian service, Reverend Jones has been recognized as Oklahoman of the Year for 1994 by the magazine, Oklahoma Today.

Reverend Jones discovered his calling to help suffering children while on an evangelical mission in Haiti where he witnessed heart-wrenching scenes of hunger. Then he vowed to dedicate his life to service in behalf of hungry people all around the world.

I recall toward the end of the Haiti crisis last year, Reverend Jones and I arranged to have two planeloads of medical supplies and food delivered to aid the suffering people of Haiti. The military dictators then in power attempted to block the visit, but Reverend Jones persevered and after a few days delay, he took the plane full of supplies to Port-au-Prince.

Reverend Jones has a very deep understanding of the problems of the suffering of the poor. Earlier this year in testimony to the Ways and Means Committee on the welfare reform bill, he reminded Congress that in its zeal to reform the system, they must not forget those who have been left out of the mainstream of our wealthy society. Reverend Jones was joined at the hearing by spokesmen from Jewish, Catholic, and Protestant denominations in an appeal for compassion that has crossed religious lines.

Mr. Speaker, I am very proud to be a friend of Rev. Larry Jones who has dedicated his life to helping those who are less fortunate. In tribute to him and for the edification of my colleagues, I call attention to an excerpt from an article in Oklahoma Today, in which he was recognized as the Oklahoman of the Year for 1994.

The profile of his organization, on the other hand, has never been higher. In 1994, Jones' Oklahoma City-based charity delivered truckloads of donated canned vegetables, antibiotics, wheelchairs, hams, coats, underwear, water purification tablets, books, powdered milk, Christmas candy, and stuffed animals to seventy countries around the world. His organization has heated orphanages in Romania, started loan programs in the Philippines, and supported prenatal clinics in Russia and a home for disabled children in Africa. Jones traveled to Rwandan refugee camps, to Bosnia and Croatia in the midst of war, and during last summer's trade embargo, delivered a planeload of food and medicine to Haiti just hours after President Bill Clinton announced the U.S. Marines were going in.

Here in the United States, Jones' trucks delivered millions of pounds of supplies to food pantries in places known to be wanting, like Appalachia and Harlem, and places where hunger is more hidden, like Vermont and Denver. He bought a vacant college campus in the heart of Oklahoma City and established a job training program there, then loaned one of the buildings to Head Start. His organization provided disaster relief during catastrophic flooding in south Texas and pinpointed the eight most destitute school systems in each of the fifty states and sent each student a care package at Christmas.

All of this—the $90 million charity, the fleet of trucks, the rides sitting on sacks of food in armored cars into countries at war—has happened, Jones maintains, without any planning on his part.

''Imagine,'' he says, ''you're standing there, and someone hands you a rope and asks you to hold it. Turns out the rope is attached to a hot air balloon, and you just go.''

For fifteen years, that ride has been Feed the Children.

TRIBUTE TO RICH BECKER

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mrs. MEYERS of Kansas. Mr. Speaker, April 20, 1995, marks the retirement as mayor of Lenexa, KS, of one of Kansas' leading citizens, Mayor Rich Becker.

During Rich Becker's 8 years as mayor, Lenexa has experienced phenomenal economic and residential growth and offers its citizens an extremely high quality of life.

In 1994, Rich Becker reached out to all Kansans and ran for Governor. He conducted his campaign with honor and integrity never saying a bad word about any other candidate. He and his wife, Nancy, traversed Kansas' 400,000 square miles from north to south, from east to west, visiting all 105 Kansas counties and all 627 towns and cities which have mayors—a more vigorous and rigorous campaign than any in history.

Rich Becker has distinguished himself as a selfless public official. The enthusiasm, energy, and integrity with which he has pursued his personal and public goals sets a standard of excellence in public service to which we all should aspire.

MORRISTOWN, NJ: THE SPIRIT OF AMERICA

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to pay tribute to the town which is the heart of my Congressional District, the historical town of Morristown, NJ, which celebrated the 130th anniversary of its incorporation into Morris County on April 6.

Like many early colonial American towns, Morristown was settled by Puritans searching for religious freedom, as well as industrious newcomers from the coast hoping to capitalize on the wealth of the land. In 1738 the Puritans established their church on the town's square or ''Green'' and proceeded to harvest the bounty of the land and the richness in the hills. This spirit of freedom and industriousness proved to be the rock upon which was built one of our Nation's greatest towns.

Perhaps, Morristown is most famous for being the military capital of the American Revolution. Gen. George Washington chose the town for its strategic location, iron industry, and citizens' loyalty to the cause of colonial independence. The Continental Army camped there for two bitter winters, with Washington making his headquarters at the home of the early industrialist Jacob Ford. In 1933, President Herbert Hoover established Washington's headquarters at the Ford Mansion as our Nation's first National Historic Park.

After the war and throughout the 19th century, Morristown prospered as the region's industrial capital, in addition to being the county seat of government and an area retail center. The town started to take on a new look with the advent of the railroad. Now only a short train trip from Hoboken, the wealthy financiers and industrialists of New York City could get away to the rolling hills and healthy climate of Morristown during the summer months. In fact, one of the town's main thoroughfares, Madison Avenue, became known as ''Millionaires' Row.''

Less celebrated at the time, yet more important to the town's future, were the other new groups of people locating in the town—immigrants. Since the middle of the 19th century, Morristown has been rejuvenated each generation by a new group of ethnic Americans. Germans, Irish, Italians, African-Americans from the South after the Civil War, Jews, Hispanics, Asians, and East Europeans from the former Soviet Union; all leaving an indelible mark on the history and culture of the town.

Today, Morristown is not known for its celebrity residents such as when it was graced by the likes of inventor Alfred Vail or the infamous cartoonist Thomas Nast. Instead, the citizens of Morristown, and the spirit that they harbor, are the beacon that attracts people and businesses from across the country and around the world to this small but vibrant town. So congratulations Morristown—you are the spirit of America.

YORK-ADAMS COUNTY CENTRAL LABOR COUNCIL ANNUAL WORKERS MEMORIAL DAY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. GOODLING. Mr. Speaker, I want to congratulate the York-Adams County Central Labor Council on their fifth annual workers Memorial Day. This event is held annually in order to recognize and remember workers who have been injured or have lost their lives in the workplace.

Over the last few years, we have made considerable progress in reducing serious injuries and deaths in the workplace, but much more needs to be done in order to achieve safety for all workers. Each year many avoidable workplace fatalities occur, and each time a great loss is suffered by both their families and their country.

As chairman of the Economic and Educational Opportunities Committee, I hope to consider different means of achieving a secure workplace and even improve the Occupational Safety and health Act to ensure that todays workers have the safest workplace possible.

Job safety is in everyones interest. Most responsible companies believe their employees are their best asset. Normally, the products these companies produce are of the highest quality.

In todays competitive market, quality products are the mark of a quality nation. Our workers are our future link to the world market and they should be able to work in an environment that is safe and secure.

We must find new and more effective ways for employers and employees to work together. It must be done in order to help American workers compete in the world marketplace and work in safe conditions.

We must remind ourselves of the contributions and sacrifices made by our workers every day. Workers Memorial Day is a fitting tribute for those who were injured, or died in the workplace.

THE VOICE OF THE PEOPLE

HON. EDWARD R. ROYCE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. ROYCE. Mr. Speaker, I want to take this opportunity to highlight the results of a survey conducted by one of the leading senior citizens advocacy groups in the Nation, 60 PLUS, which is dedicated to tax fairness for seniors.

This organization, which has over 250,000 members and is headed by former Congressman Roger Zion, polled 100,000 of its members, and by a 3-to-1 margin, they support the Republican tax fairness bill. Representative Zion and 60 PLUS Chairman Jim Martin delivered thousands of mailgram petitions to the Capitol steps earlier this week in support of this measure, noting that it lifts the outside earnings limit on Social Security beneficiaries, repeals the 1993 Clinton tax increase on seniors, increases the exemption from Federal estate taxes, reduces the capital gains tax, reforms SSI, and provides a tax credit for elderly care in the home.

Mr. Speaker, as Representatives of the people, we need to listen to their voices, and act accordingly.

HONORING THE CESAR CHAVEZ WRITING CONTEST AWARD WINNERS OF THE EAST SIDE UNION HIGH SCHOOL DISTRICT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Ms. LOFGREN. Mr. Speaker, I rise today to recognize more of the winners of the first annual Cesar Chavez writing contest held by the East Side Union High School District in San Jose, CA. I had the great privilege of attending the award ceremony honoring the student winners on March 31, 1995, and would like to continue sharing the essays and poems written by the student award winners with my colleagues.

On April 4, 1995, I began by sharing the essays and poems of the grand prize winners and three of the first place winners, and today I will share the five remaining first prize entries, and the first three of eight second place winning entries. On April 6, 1995, I shared the remaining five essays and poems of the second place winners.

The first prize winning essays and poems of Lisette Munoz of W.C. Overfelt High School, Ahmed Desai of Piedmont Hills High School, Brenda Reyes of Silver Creek High School and Eulala Reynolds of Yerba Buena High School follow:

CESAR CHAVEZ

(By Lisette Munoz of W.C. Overfelt High School)

To some he was a hero but he only saw himself as a man.
A man I believe put on this earth to help the disadvantage.
His struggle was not easy for he faced much prejudice.
An acquire prejudice brought upon be ignorance.
His people, he saw hunched over in the fields, sweat upon their brows, pain in their backs, hands blistered and skin darkened from the sun.
All eyes were wide open, everyone looked around but no one took stand.
Cesar Chavez felt something in his gut this was 'El Movimiento.'
He stood amid the mist of the pesticides and began to walk, and surprisingly, the people followed.
He then knew that all the people needed was a leader who was dedicated to his cause.
He fasted so that people would listen.
He pointed out the forgotten ones.
Babies deformed by the hands and inventions of man.
He did what he needed to go change would come about.
He did all this but his body couldn't withstand the battle.
He entered the souls of all of his followers, and his spirit became the agila on our flag, soaring to continue the unfinished struggle.

DEDICATED TO A DEDICATOR

(By Ahmed Desai of Piedmont Hills)

In a modern world dominated by models who are athletic superstars, rarely is society given the gift of a true hero. The late Cesar Estrada Chavez was and continues to be such a unique individual who deserves the title of ''genuine model.'' Chavez is an inspiration to many, and a teacher to all. There is much that he stood for, and even more that today's youth can learn from him.

A servant not to his own wants and desires, but rather to those of his community, Cesar Chavez reminds the young to put the needs of others before one's own. He utilized the tactics of civil disobedience and peaceful protests only to bring about change for the better and for society, and not for his personal gains or rewards. Armed with a strong dedication, yet a descendant of a poor background and a minority ethnic group, Chavez proved that anyone, anywhere, with perseverance, can succeed and make a difference. Withstanding and conquering numerous obstacles, he neither gave up nor lost hope. He worked long and hard, rested little, and made nothing come between him and his goal. As a result of years of continuous struggles, Cesar Chavez achieved his goal and gained rights for farm laborers. Youths of today can see themselves in Chavez, as they prepare their future aspirations and discover ways to accomplish them. As a model, Cesar Chavez teaches youngsters that the best and only method for success is through dedication and persistence.

Cesar Chavez lives on as a leader to whom teens can relate and look up. He was human and knew his strengths and limits. He did not only talk about ideas, but took charge and did things to make them a reality. Chavez, even with his short stay on earth, proved that a lot can be done in and with so little. Moreover, he made the most of what he had and did not ask for more than what he felt was deserved. The lifestyle that he led includes many lessons that can be beneficial to today's new generation. Let us reflect the past actions of Cesar Estrada Chavez, a great humanitarian. Feliz Cumpleaños, señor Chavez.

BATTLE

(By Maria Gonzalez of Santa Teresa High School)

He fought for what was right,
It didn't matter if it was Day or night.
He fought for our race,
And battled face to face
With the dangers we find
When we are the alien race.

Latino, Hispanic, Chicano
Some of the names he was called.
Proud to be who he was,
And what he stood for, Equality.

He was a leader urging us to Fight.
A leader explaining our right's.
Our right's as people
Our right's for freedom
Our right to come to this
Country, fight the odds, and Win.

''WHO IS HE?''

(By Brenda Reyes of Silver Creek High School)

The fields were his life.
Los files eran su vida.
The crops in the fields were his life.
Las cosechas que crecian en los files, eran su vida.
The people picking the crops in the fields, were his life.
La gente que cortaba la cosecha en los files, eran su vida.
The pesticides that fell upon the people, became his enemy.
Los insecticidas que caian sobre la gente en los files, se convirtieron en su enemigo.
They became his concern.
Ellos se hicieron su preocupacion.
His struggle.
Su batalla.
His fight.
Su pelea.
But no one cared.
Pero a nadie le importo.
''I will make a difference'' he said.
El dijo, ''Yo hare la diferencia.''
''I will bring justice'' he said.
El dijo, ''Yo traire justicia.''
''Something will be done!'' El dijo.
But no one listened.
Pero nadien escucho.
''No grapes'' he yells.
''Uvas no'' El grita.
''Who is he mommy?'' a little girl asked.
''Quien es el mami?'' una nina pregunto.
''I do not know'' the mom answers.
''No lo se'' contesto la madre.
''One day I will be like him, mommy.'' the girl said.
''Un dia sere como el mami.'' dijo la nina.
''I will fight for what I believe, and I will be a leader.''
''Yo peleare por mis creancias y sere una lider.''
''Many will believe in me, and I will believe in myself too.''
''Muchos creran en mi, y yo crere en mi misma tambien.''
''Crowds will come to listen to my words of wisdom, and there will be those that will want to stop me.''
''Grupos bendran a oir mis palabras de sabiduria y habran unos que quedran interponer.''
''But no one will suceed.''
''Pero nadie lo hara possible.''
''I will organize may own march's, and those who believe in me will follow.''
''Yo organisare mis propias marchas, y esos que crean en mi, me seguiran.''
''The sore blistered feet will be my reward.''
''Los pies mayugados y ampollados, seran mi rcompensa.''
''I will have hunger strikes, as he.''
''Yo trende guelgas de hambre, como el.''

''And the grumbling of my stomach, will be my reward.''
''Y los grunidos de mi estomago, seran mi recompensa.''
''I can't wait to grow up mommy.''
''No pudo esperar para crecer mami.''
''I want to be just like Cesar Chavez.''
''Quiero ser igualita que Cesar Chavez.''
''It can be done, huh mommy?''
''Si se puede, eh mami?''
''Yes honey, it can be done.'' The mom smiles.
''Si mija, si se puede.'' La mama sonrie.

CESAR CHAVEZ

(By Eulala Reynolds of Yerba Buena High School)

Raw, callous, sun, rain
Eternal work, labor, pain
Grief, hurt, no reward
Living land a sharpened sword
Struggle, family, one thing clear
Survival, essential, defeat near
Uprooted and adrift behold!
For this an endless story told!
What one voice and truth is heard?
A man with whom a piercing word?
Loud for absorbed by truckloads of women and men
Who fight for justice again, again
The power of nonviolence but yet a war
Lead by him to soothe the wound
The wound an open cut, a pool
desolate, defeat, doom
The union ''La Causa'' it's birth not a breech
Gallo wine, grapes, lettuce beseech
For had ''La Causa''slowly climbed its way
The picket march exist today
Child labor put to ends
By well pronounced fighting friends
Cesar Chavez stood brave, tall
His lifelong dream, ''live for the cause''
For now over is the war
Still the wound remains, the scar.

The second prize winning essays and poems of Lauren Droira of Andrew Hill High School, Eva Zuniga of Independence High School and Troy Arevalo of James Lick High School follow:

CESAR CHAVEZ'S TESTIMONY TO MODERN SOCIETY

(By Lauren Droira of Andrew Hill High School)

A splendorous eagle soars through the boundless skies above on a quest to grasp the seemingly unattainable star.
Off in the horizon a muffled road:
Come accompany us in accomplishing such a dream which appears so far.
Ferocious winds encompass the creature, though it valiantly persists onward, an astonishing feature.
Cesar Chavez: a dauntless, intrepid warrior;
One who strived throughout his entire existence to eradicate the actual barrier.
Racism? Latino farmers impetuously toil throughout the day,
Hoping to be paid by the sun's final ray.
Injustice? Living conditions were quite squalor,
Personal wages as meager enough to leave a child's stomach hollow.
Such reasons fed the brewing red fire of desecration;
Protests, tumults, riots were born Mr. Chavez as the chieftain.
''SOCIAL JUSTICE!'' exclaimed the impoverished multitude,
And the truth was revealed bare and crude.
Now this great moment in time,
Has influenced the viewpoints of society's mind.
One can rationalize that such minorities stand beneath the human category, if you will,
Regardless of their customs, ethnic backgrounds, or skill.
Regressing to the era of John Locke and his corresponding theories,
One recalls the Natural Rights: the right to life, liberty, and property.
To whom was such theory directed towards?
Why the people of the world, of course!
Analyzing this statement, one can discover some significant aspects;
CORRECT! Humans possess rights to live independently, to survive, and to own, though obliged to comply with the present-time precepts.
For instance, this world can be pictured as a vast rainforest filled with thousands of different species,
Among such myriad of creatures exists humanity.
Each member must stand in one accord in order to endure
The process in maintaining freedom and composure.
Sacrificing every ounce of material obtained for his fellow agriculturers,
Including the faithful supporters,
Chavez eventually was depicted as a unique, symbolic figure for migrant worker's ethics,
Simultaneously promoting social justice.
Influentially, Chavez's devotion and dedication in transforming the ''old society'',
Has conclusively become our tenacity to continue striving for equality.
Yet beyond its effects on society's established regulations,
Chavez's perseverant character has modified even the most desperado of people into diligent beings possessing substantial aspirations.
During his amazing fulfillment,
Cesar Chavez's speaking contained moral relevance.
''The beauty of life is not what surrounds us, but the compassion and charity we have within our hearts.''
Human beings tend to rank others according to outer bearings,
Though interior values possess greater meanings.
Considerate, abased, and anxious,
Cesar Chavez could very well represent a golden sack of morals, so virtuous.
Similar to Dr. Martin Luther King and Ghandi,
Who both likewise elevated the social rights of their corresponding people utilizing a manner of fiery resolution and obstinacy,
Cesar Chavez can be illustrated as the deliverer of his own compatriots,
The stalwart defender who blanched the obscure unrighteous spots.
In history such standard bearer that prominently
Exudes in determination to conquer the epitomy,
Specifically for his fellow workers and racial minorities,
Is highly commended in the present times,
And will be in the future minds.

CHARITY

(By Eva Zuniga of Independence High School)

All too many times while I was young, I was asked who my hero was. I had never stopped to think about the importance of this question until recently. Throughout my education I was given research assignments that required me to learn the lives of many people. I knew that these people were important to many people and I thought what they done was great but, I never felt a touching emotion for these people. I asked many people including teachers and friends what makes a hero heroic? However, I never found an answer that was suitable to me. I decided to compose a search of my own on what a hero should be and I realized that the characteristics of a hero couldn't be found in an encyclopedia article nor in a definition in a dictionary. It was a feeling you feel in your heart. It's a definition you create on your own to fit your personal beliefs.

After reading about the life of Cesar E. Chavez I finally felt gratitude for a man who has brought so much knowledge to the lives of many. Cesar was born into a family with little of their own and nothing to spare. He learned the ways of life from his work in the farming fields of California. With little education and a strong will in life Cesar grew to be a leader, a man who took action, someone who speaks up, a man who will fight until he wins or die trying. He helped his fellow farm workers by gathering people who believed that working in the fields where poisonous gases are sprayed and threaten the lives of men, women and children. He rallied against every health problem, every underpaid and overworked individual farm worker. This wasn't a job for Chavez, it wasn't something he was paid to do. It was what he believed and what he knew his people deserved.

Many times Chavez risked his life for the welfare of his people. He starved himself for long periods of time to express his strong beliefs and he sacrificed anything to bring his people to a better way of life.

Chavez fought for the dreams of thousands of people and their families. The time, the effort, and the courage that Cesar has shown us we should honor and respect. He has taught many lessons, fought many battles and he has left us with the knowledge to fight on.

CESAR CHAVEZ

(By Troy Arevalo of James Lick High School)

He struggled, with persistence, for the rights of the oppressed, And in striving to bring about a change, he did not rest. Despite the disheartening atmosphere in which he matured and grew, Chavez became the type of leader only of which there are a few. The needs of his people fell upon uncaring ears, And through his fight for liberation, there fell many, many tears.

Although many Mexicans were helped by Cesar Chavez in bringing an end to their plight, he emphasized that his crusade was for all people, it was not just a Mexican fight.

Chavez's organization of unions attracted many powerless people who would not confront the growers who proved to be formidable, but to gain liberation, he was surely capable.

Because of his efforts in trying to help the California farm workers, his movement gained empathy from much of the nation, but there was still prejudice from many, many people against the workers in the organization.

In order to form the union, Chavez went from door to door. In the end, when the workers had gained their liberation, it did not matter that they were all poor .

After spending five years of life for his people's liberation, Chavez finally succeeded, but these rights were by far not easily gained, but greatly needed.

CONGRATULATIONS PIONEER CITY RODEO

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. POSHARD. Mr. Speaker, I rise today to congratulate the Pioneer City Rodeo of Palestine, IL, on being named the best small outdoor rodeo in America. The Pioneer City Rodeo was selected from a field of over 700 small outdoor rodeos by a distinguished panel of livestock contractors, top cowboys, and specialty rodeo acts.

Recently in Las Vegas, NV, the Professional Rodeo Cowboy Association awarded the Pioneer City Rodeo a commemorative flag, ceremonial belt buckle, and a check for $1,000. Continuing an annual tradition, the Pioneer City Rodeo donated their winnings to the Cowboys Crisis Fund to help families of injured cowboys. This is a true showing of cowboy honor and while the Rodeo's selection as the best in America is a grand achievement the example these fine people set is an even greater accomplishment.

Being voted the best small outdoor rodeo in America is a great achievement and I am honored to represent these award winning cowboys in Congress. Congratulations Pioneer City Rodeo, you are the best in America.

FEDERAL RESERVE REFORMS INTRODUCED

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. HAMILTON. Mr. Speaker, today I am introducing important legislation that would make substantial improvements in the structure and practices of the Federal Reserve System—the Federal Reserve Reform Act of 1995. Senator BYRON DORGAN is introducing similar legislation in the Senate.

This bill addresses the three issues of great importance to the American economy and our system of democratic government—the public accountability of those who make important monetary policy decisions, the current absence of any channel of formal communication between the Federal Reserve and the administration, and the veil of secrecy surrounding policymaking at the Federal Reserve.

During the past year, the Federal Reserve has demonstrated the power it exerts over the U.S. economy through its ability to influence the level of interest rates. Since February, 1994, the Federal Reserve has raised interest rates seven times for a cumulative increase of 3 full percentage points—from a target Federal Funds rate of 3 percent in early 1994 to 6 percent currently. The recent decline in the housing sector—both sales and starts of single-family homes have fallen significantly during recent months—indicates that the rise in interest rates is starting to slow economic growth and may slow job growth in the months ahead.

The Federal Reserve occupies an anomalous position within the Government of the United States. It is an enormously powerful institution, but it does not conform to the normal standards of Government accountability. Power without proper accountability simply does not fit into the American system of democracy.

Through its control over monetary policy the Federal Reserve affects the lives of all Americans. It has the power to decide who prospers and who fails. The path that the Federal Reserve sets for monetary policy and interest rates affects every businessperson, worker, consumer, borrower and lender in the United States and has a major impact on the overall performance of the economy, as we became painfully aware during the 1990–91 recession and the anemic recovery since.

The independence that the Federal Reserve must have to insulate monetary policy from political pressures also removes the Fed from the normal processes of accountability that apply to every other agency of the Federal Government. We must address a very difficult and perplexing problem—how to make the Federal Reserve more accountable to the American people without jeopardizing its independence and its ability to conduct monetary policy free of political pressure.

No other government agency enjoys the Fed's prerogatives.

Monetary policy is decided in secret, behind closed doors.

The Federal Reserve is not required to consult with Congress or the administration before setting money or interest rate targets, even though its power affects the financial well-being of every American.

The President, who is responsible for the performance of the economy and is blamed if things go wrong, often must wait until late in his term to appoint a new Chairman of the Federal Reserve Board. President Clinton, for example, will not be able to appoint a new Fed Chairman until March 1996.

The Fed's budget is not published in the U.S. Government Budget, even though it spends about $1.7 billion per year. Only 7 percent of Federal Reserve expenditures are detailed in the U.S. Government Budget for fiscal year 1996—the $177 million spent by the Board of Governors.

The presidents of the 12 Federal Reserve Banks, who participate in monetary policy decisions on the Federal Open Market Committee [FOMC], are neither appointed by the President nor confirmed by the Senate.

Even though the Federal Reserve engages in more than $1 trillion in transactions in the money markets each year, most of these activities are exempt from audit by the GAO or any other outside agency.

The bill that I am introducing today aims to make the Federal Reserve more accountable to the American people, not by giving politicians control but by making duly appointed public officials solely responsible for the conduct of monetary policy, by creating a formal channel of communication between the President and the Federal Reserve, and by providing Congress and the American people with more and better information on the Federal Reserve's policies and procedures. This bill updates similar bills I introduced to previous Congresses.

The Federal Reserve Reform Act has six major provisions:

ROLE OF FEDERAL RESERVE BANK PRESIDENTS

First, it would vest sole responsibility for the conduct of monetary policy and open market operations in the seven-member Board of Governors of the Federal Reserve System and would create a special new Federal Open Market Advisory Council through which the presidents of the regional Federal Reserve Banks could advise the Board on monetary policy.

The Federal Reserve System consists of the Board of Governors in Washington and the 12 regional Federal Reserve Banks. The Board of Governors has seven members, who are appointed by the President and confirmed by the Senate to 14-year terms. The governors of the Federal Reserve are thus duly appointed Government officials who are responsible to the President and Congress, and through them to the American people, for their conduct in office.

The Federal Reserve Bank presidents, in contrast, owe their jobs to the Boards of Directors of the regional banks—boards dominated by local commercial banks. Neither the President nor Congress has any role in selecting the presidents of the Federal Reserve Banks Some of the bank presidents are career employees, others have backgrounds in banking, business, and academics; none are duly appointed Government officials. Nonetheless, they participate in monetary policy decisions through their membership on the FOMC, where they cast 5 of the 12 votes that determine monetary policy and interest rates.

The role of the Federal Reserve Bank presidents—and the broader issue of the influence of the Nation's banks and of private interests on the Federal Reserve—has been a source of concern ever since Congress decided to establish the Federal Reserve in 1913.

In the initial draft of the Federal Reserve Act, there was a debate between some Members of Congress and President Wilson over whether the Nation's banks should be allowed to appoint members of the Federal Reserve Board, with the President arguing that there should be no individuals on the Board representing private interests. During the 1920's, when uncoordinated open market operations by the Federal Reserve Banks were disrupting the markets for Treasury securities, Treasury Secretary Andrew Mellon argued that the properly appointed public officials on the Federal Reserve Board should have sole responsibility for regulating open market operations.

And when Congress rewrote the banking laws during the 1930's, President Roosevelt, who proposed to vest sole responsibility for open market operations in the Board, ultimately compromised on a provision of the Banking Act of 1935 under which a rotating group of five Federal Reserve Bank presidents was allowed to share voting responsibility for open market operations with the seven members of the Federal Reserve Board.

This situation, in which private individuals who are neither appointed by the President of the United States nor confirmed by the Senate nonetheless directly participate in monetary policy decisions, is an anomaly in our system of democratic government. It is true that almost all Government agencies make extensive use of private citizens in an advisory status. The Federal Reserve, for instance, has three major advisory panels which meet with the Board of Governors three to four times a year, including the Federal Advisory Council, a panel of 12 bankers which advises the Board of Governors ''on all matters within the jurisdiction of the Board.''

But nowhere other than the Federal Reserve are representatives of private interests permitted to have a vote on Government policy. This is the proper function of Government officials who have either been elected by the people or duly appointed and confirmed in the appropriate manner, and that is the way it should be at the Federal Reserve as well.

The bill that I am introducing today would address this controversy by going back to the first principles laid out by Presidents Wilson and Roosevelt, that properly appointed Government officials should be responsible for the conduct of monetary policy at the Federal Reserve.

First, the bill would dissolve the Federal Open Market Committee and make the Board of Governors of the Federal Reserve responsible for monetary policy and open market operations. Second, it would create a Federal Open Market Advisory Council, through which the presidents of the 12 Federal Reserve Banks could advise the Board of Governors on regional economic conditions and other factors affecting the conduct of monetary policy and open market operations. The Bank presidents would no longer have a vote on monetary policy, but the Board of Governors would still have the benefit of their advice.

Power without accountability does not fit the American system of democracy. In no other government agency do private individuals make government policy. The Federal Reserve Reform Act 1995 will now apply this same principle of democracy to the Federal Reserve.

CONSULTATION ON ECONOMIC POLICY

Second, it would require the Secretary of the Treasury, the Chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget to meet three times a year on a non-voting basis with the Board of Governors, to consult on monetary and fiscal policy.

Two of the required meetings would take place just before the FOMC sets its annual money growth targets in February and July and reports to Congress, as required by the Full Employment and Balanced Growth Act of 1978. The third meeting would occur in the fall at the start of the administration's annual budget cycle. These meetings will bring together the key members of the fiscal and monetary policymaking teams.

The purpose of the meetings is to improve the flow of information between the administration and the Federal Reserve. Currently, there is no formal channel of communication between the President and the Fed. At times, various Presidents and their economic advisers have been reduced to carrying on policy disputes by publicly sniping at the Fed through the press.

In the past, the Fed Chairman and the Treasury Secretary have tried to maintain some communication through informal meetings, but this process depends too heavily on the personalities involved. While Nicholas Brady was Treasury Secretary, the process apparently broke down and the meetings became very sporadic, while I understand that Chairman Greenspan and former Treasury Secretary Lloyd Bentsen worked together very well. But with the appointment of a new Treasury Secretary, Robert Rubin, the process will have to be sorted out all over again.

But informal meetings are not enough. These meetings do not involve all the major participants in monetary policy decisions and this process requires no formal presentation or discussion of economic goals or plans. Under the Federal Reserve Reform Act, the administration will have a formal avenue to present its program for the economy to the Federal Reserve Board and lay out its goals and targets for monetary policy. The members of the Board will also have an avenue to convey their concerns about fiscal policy to the administration. Communication will flow both ways.

TERM OF THE CHAIRMAN OF THE FEDERAL RESERVE

Third, the bill would allow the President to appoint a Chairman of the Federal Reserve Board—with the advice and consent of the Senate—1 year after taking office, at the time when the first regular opening would occur on the Federal Reserve Board. This would make the Fed Chairman's term basically coterminous with the term of office of the President of the United States.

The current chairman of the Board of Governors, Alan Greenspan, was appointed by President George Bush and will hold that office until March 1996, more than 3 years into President Clinton's term. Fortunately, Chairman Greenspan and President Clinton appear to work well together. Even though Mr. Greenspan was not appointed by President Clinton, this does not appear to have caused any significant problems with monetary policy or the progress of the economy. But if they had not been able to work together, the result could have been serious damage to the American economy and a paralysis of economic policy. This is a risk the country should not take.

The Federal Reserve Reform Act would address this by having the President appoint the Fed Chairman to a 4-year term beginning 1 year after taking office, when there will be a new vacancy on the Board in any event. Each appointee will still be subject to Senate confirmation, as under current law. Giving the President 3 years of a term with a Federal Reserve chairman of his own choosing is surely preferable to the possibility under current law of a lengthy period where the President and Fed chairman cannot work together.

IMMEDIATE DISCLOSURE OF CHANGES IN MONETARY POLICY

Fourth, this bill would require the FOMC to disclose immediately any changes in the targets of monetary policy, including its targets for monetary aggregates, credit aggregates, prices, interest rates, or bank reserves.

This provision would codify the Fed's new practice of announcing policy decisions immediately, which it implemented with the first of its recent increases in interest rates on February 4, 1994. Prior to that time, the Fed would keep its policy decision secret. Any change in monetary policy or interest rate targets would have to be inferred by the financial markets and investors from the Fed's subsequent actions. This process was akin to reading tea leaves or gazing into crystal balls, and gave powerful financial institutions that could pay enormous salaries to professional Fed-watchers an advantage over small investors in Indiana and much of the rest of the Nation.

I am very pleased by the Fed's decision to announce its policy decisions immediately. It was a change that I and other members of Congress had been recommending for some time and I think it was an excellent decision. Small investors now have the same information at the same time as the money-center banks and other financial institutions. While my bill would not make any changes in the Fed's new procedures, it would write them into law, confirming the approval of Congress for what the Fed has done.

GAO AUDITS OF THE FEDERAL RESERVE

Fifth, the bill would permit the Comptroller General to conduct more thorough audits of Federal Reserve operations, by removing selected current restrictions on GAO access to the Federal Reserve.

The General Accounting Office is the watchdog of Congress. It carries out that responsibility through financial and program audits of government agencies. These audits are of tremendous value to Congress. Not only do they ferret out waste, fraud and abuse, they perform the even more important function of telling Congress when programs are not working and where programs can be improved.

For many years, from the mid-1930's to the late 1970's, the Federal Reserve was exempt from GAO audits along with the other bank regulatory agencies, on the grounds that it funds were not appropriated by Congress. In 1978, the Federal Banking Agency Audit Act authorized the GAO to audit the bank regulatory agencies, allowing full audits of the Comptroller of the Currency and the Federal Deposit Insurance Corporation and limited audits of the Federal Reserve. Since then, the GAO has conducted numerous audits of the Fed's regulatory activities. These audits have provided useful suggestions for reducing costs at the Federal Reserve, improving regulatory programs, and strengthening the banking system with no noticeable harm to the Federal Reserve or its effectiveness in regulating member banks.

Currently, the GAO is prohibited access to any Federal Reserve function involving, first, transactions with a foreign central bank or foreign government, second, any deliberations or actions on monetary policy matters or third, any transactions made under the direction of the FOMC. Thus, even though the Federal Reserve engages in more than $1 trillion in transactions in the money markets each year, most of these activities are exempt from audit by the GAO or any other government agency.

My bill would remove the last two restrictions, and thus provide for more thorough audits of the Fed, while retaining the restriction against GAO access to transactions with foreign central banks or foreign governments.

PUBLICATION OF FEDERAL RESERVE BUDGET

The final provision of the bill would require that the Federal Reserve's annual budget be published in the Budget of the U.S. Government. The Fed would submit its budget for the current year and the two following years to the President by October 16 of each year, and the President would be required to print the Fed's budget in the Government Budget without change.

The Federal Reserve's expenditures are not subject to approval by either the President or Congress, unlike the budgets of other government agencies.

Despite the fact that the Federal Reserve takes in and spends billions of dollars each year, the Federal Reserve's budget is not conveniently available to Congress or the public. Only a small fraction of the Fed's $1.6 billion of operating expenses were included in the U.S. Government Budget for fiscal year 1996—just the $177 million of expenses incurred by the Board of Governors in Washington. The details on this part of the Fed's budget, only 7 percent of the Federal Reserve's total spending, appeared in Appendix of the Budget, at the very end of the section entitled ''Government-Sponsored Enterprises.''

During 1996, the revenues of the Federal Reserve System will be about $20 billion. A small fraction of these revenues, less than $1 billion, will consist of payments by banks for services provided by the Fed. Most will consist of interest received from the Treasury on the Fed's holding of U.S. Government securities, which the Fed acquired during open market operations conducted for monetary policy purposes. Out of this $20 billion, paid mostly by taxpayers, the Federal Reserve will incur approximately $1.7 billion in operating expenses. About $1 billion of this will be for personnel costs. The rest will be for supplies, travel expenses, telephone and postage, printing money, maintenance of equipment, amortization of buildings, etc. The remainder of the Fed's revenues will be returned to the Treasury, where it is listed in the Budget as an offsetting receipt.

The Federal Reserve Reform Act will not reduce the Federal Reserve's control over its own budget. The bill will not subject the Federal Reserve to the Congressional appropriations process, nor will it give either Congress or the administration any control over the Federal Reserve's spending. All it does is require that the data be published conveniently in the U.S. Government Budget, where spending by every other government agency is already listed. This includes the Supreme Court, which has its budget published in the Government budget without any loss of independence.

Adopting the bill would thus implement a basic principle of democracy that no Government agency should take in and spend billions of dollars without having its budget readily accessible to the public.

In conclusion, in our Nation the Government must be accountable to the people. The Federal Reserve, with its enormous power over the economy and the well-being of the American people, does not meet the normal standards of accountability in a democracy. The bill that I am introducing today will make the Fed more accountable without impairing its ability to conduct monetary policy. The bill does not impose presidential or congressional or other outside controls on Fed policy. Instead, my bill addresses the complex problem of increasing Federal Reserve accountability in a democratic society without jeopardizing the Federal Reserve's independence or injecting politics into monetary policy.

In the 80 years since the Federal Reserve System was created, Congress has made a number of changes in its structure and procedures, adding responsibilities and powers from time to time and periodically revising its relationship with Congress and the administration. The bill that I am introducing today continues this process by proposing a handful of evolutionary changes in the practices and structure of the Federal Reserve.

THE BALANCED BUDGET ENFORCEMENT ACT OF 1995

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. VISCLOSKY. Mr. Speaker, today, I am joined by our colleagues, Representatives CHARLIE STENHOLM, CALVIN DOOLEY, and TOM BARRETT, in introducing the Balanced Budget Enforcement Act of 1995. This legislation would put in place tough, new measures to reform the budget process and eliminate the Federal budget deficit by the year 2002.

I cosponsored the predecessors to this bill when they were introduced in the 102d and 103d Congresses by our former colleagues, Leon Panetta and Tim Penny. This Balanced Budget Enforcement Act of 1995 would force us to start now and begin bringing the budget into balance by the year 2002. It would do so by setting spending caps and using across-the-board cuts if the caps aren't met. Here's how:

THE BALANCED BUDGET ENFORCEMENT ACT OF 1995 SUMMARY

(1) Deficit Reduction Targets (in addition to the amounts required by current law) to reach balance in 2002.

	1996	1997	1998	1999	2000	2001	2002	Total
Discretionary caps	12.9	30.1	53.9	73.8	98.9	121.7	144.6	535.9
Entitlement/revenue scorecard	31.9	59.6	80.6	105.6	125.3	147.4	169.4	719.9
Debt service	1.7	6.2	13.6	24.2	38.4	56.2	77.9	218.1
Grand total	46.5	95.9	148.1	203.6	262.6	325.3	391.9	1,473.9

(2) Setting Sound Economic Estimates: The President appoints a ''Board of Estimates,'' consisting of the Chairman of the Federal Reserve and four private citizens nominated by House and Senate party leaders. The Board must choose either CBO's or OMB's estimates of how much deficit reduction is needed in that Session. The Board's choices would be binding on the President and Congress, so that the deficit reduction requirement for each would be identical. Finally, the Board would meet again after adjournment to pick either CBO's or OMB's estimates of how much deficit reduction was actually accomplished by Congress during the Session.

(3) Requirement of President to Submit Balanced Budget: The President must propose a budget that will reach balance by 2002. Further, the President's budget must use the assumptions chosen by the Board of Estimates, meet all discretionary caps and entitlement/revenue deficit reduction targets, achieve balance in 2002 and each year thereafter, and be voted on by Congress.

(4) Requirement of Budget Committees to Report Balanced Budget: Likewise, the congressional budget resolution must lay out a plan to reach balance by 2002. Budget resolutions also must use the estimating assumptions chosen by the Board of Estimates, meet all discretionary caps and entitlement/revenue deficit reduction targets, and achieve balance in 2002 and each year thereafter.

(5) Enforcement:

A. Discretionary savings—Appropriations. The discretionary savings will be achieved by keeping appropriations bills within a single annual cap, and enforced by across-the-board sequestration of discretionary programs.

B. Entitlement/revenue savings—Reconciliation. The entitlement/revenue deficit reduction priorities will be set through the annual budget process. The budget resolution (conference agreement) will include a reconciliation directive targeting by committee the dollar amount of deficit reduction to be achieved from entitlements and/or revenues and will generate a ''spin-off bill'' (to be sent to the President) putting those targets into law.

C. Sequestration: Overall reconciliation requirements will be enforced by sequestration; the type of sequestration in any year depends on whether a spin-off bill has been enacted.

(1) Targeted sequestration to enforce reconciliation: (applies if a spin-off bill has been enacted, either as a result of a budget resolution or, later, as a title in a reconciliation bill). If a committee misses its entitlement target, entitlement programs within that committee's jurisdiction will be sequestered by a uniform percentage to meet the target. If revenues do not meet the revenue target, a uniform personal and corporate surtax will be imposed to meet the target.

(2) Comprehensive sequestration: (applies if a spin-off bill has not been enacted; this would generally occur if the President first vetoes the spin-off bill, then vetoes a reconciliation bill containing the committee targets). There will be a comprehensive sequestration of entitlement spending and some revenue provisions in the amount needed to hit the overall target for entitlement/revenue deficit reduction. For revenues, a surtax would be imposed upon personal annual incomes greater than $250,000 and corporate incomes over $10 million. This formula will produce $4 in entitlement spending cuts for every $1 in revenue increases.

(6) Tax cuts/Investment: Tax cuts and/or investment policies can be enacted if they are paid for.

I believe that balancing the budget is our moral responsibility as Members of Congress. I have always supported a balanced budget, and the responsibility to achieve this is not one that I take lightly. Over the years, I have frequently taken the political road less traveled in the name of deficit reduction. When I am in northwest Indiana, I tell my constituents that I am opposed to cutting their taxes because it would undermine serious efforts to reduce the deficit. In March, I was one of only six Democrats to support the rescissions bill because I believe we need to start making tough spending decisions now. In January, I supported a constitutional amendment to balance the budget for the first time because I finally lost

faith that the Congress has the resolve to balance the budget without being required to do so.

Regardless of the amendment's defeat in the Senate, we must not give up the fight for a balanced budget. We have the power to do this without a constitutional amendment, and it is critical that we now demonstrate the collective courage necessary to eliminate deficit spending. A majority of the House and Senate has demonstrated its support for balancing the budget, and it would be a cruel hoax on the American people to fail to do so simply because we do not have a constitutional imperative.

Nations, like families, have to plan for the future. As a nation, we have failed to plan. We have borrowed to achieve a false sense of security today, leaving the bills for our children to pay tomorrow. In 1994, alone, we spent $203 billion more than we had. This means that $783 was borrowed from every single person in America. Over the past 20 years, the average budget deficit has grown from $36 billion in the 1970's, to $156 billion in the 1980's, to the unprecedented $248 billion hole we have dug for ourselves so far in the 1990's. This irresponsible spending has resulted in a money pit so deep that this year's interest payment—$235 billion—will be larger than this year's deficit of $176 billion. The Balanced Budget Enforcement Act of 1995 would stop this destructive trend. It would set us on the path to achieve a balanced budget by 2002.

In closing, Mr. Speaker, I urge my colleagues to cosponsor this important legislation. The sooner we begin a serious effort to balance the budget, the better off our children and grandchildren will be.

WHERE WE GO FROM HERE: A DIALOGUE OVER THE TRANSFORMATION TO A BETTER AMERICAN FUTURE APRIL AND MAY 1995

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 7, 1995

Mr. GINGRICH. Mr. Speaker, I submit the following for the RECORD.

The American Opportunity:

Creating a Safe and Prosperous Future for our Generation and Our Children.

The Coming Debate:

Is not about just the Budget.

It is about America's Future.

It is about the Doing the Right Thing.

It is about an opportunity to create the potential for prosperity, safety and a better life for virtually every American.

It will take hard systematic work and real change, but it can be done and it will improve our lives and our children's lives.

''Doing the Right Thing'' Means:

Being Truly Compassionate by replacing the Welfare State with an Opportunity Society.

Restoring Freedom by ending Centralized Bureaucratic Micromanagement.

Promoting Prosperity, Economic Growth, and Take Home Pay by Reducing Taxes, Litigation and Regulation.

Creating Opportunity for every American by Leading the Transformation to a Third Wave, Information Age Society.

Creating a Safe Future for Our Children and Our Retirement Years by Balancing the Budget and Solving the Financial Crises in funding Medicare and Social Security.

The Majority Party in American Politics Is Responsible for Leading the Civic Discussion About the American Idea.

It is our Moral Responsibility.

The Majority Party must lead a New Dialogue to achieve the needed changes. That New Dialogue will lead to a New Partnership with the American People.

Through our New Dialogue, we can change Today's Public Opinion into Tommorrow's Public Judgment.

In 1995 we are at a crossroads. America has been in similar situations and always risen to the challenge.

''Our Generation has a Renedezvous with Destiny''—*Franklin Delano Roosevelt, 1936.* (Facing Nazi Germany, Fascist Italy and Imperial Japan.)

''We have nothing to fear but fear itself''—*Franklin Delano Roosevelt, 1933.* (Facing 25% unemployment in the Great Depression.)

''We have every right to dream heroic dreams * * * the crisis we are facing today * * * requires our best effort and our willingness to believe in ourselves and to believe in our capacity to perform great deeds, to believe that together with God's help we can and will resolve the problems which now confront us. After all, why shouldn't we believe that? We are Americans.''—*Ronald Reagan, 1/81*—(Facing 13% inflation, 22% interest rates, the Iranian hostage crisis and the Soviet Empire's invasion of Afghanistan.)

We have the opportunity to improve every American's life through 5 strategic improvements:

1. Being Truly Compassionate by replacing the Welfare State with an Opportunity Soviety;

2. Restoring Freedom by ending Centralized Bureaucratic Micromanagement;

3. Promoting Prosperity, Economic Growth, and Take Home Pay by Reducing Taxes, Litigation and Regulation;

4. Creating Opportunity for every American by Leading the Transformation to a Third Wave, Information Age Society;

5. Creating a Safe Future for Our Children and Our Retirement Years by Balancing the Budget and Solving the Financial Crises in funding. To Embrace change on this scale, we must use an appropriate Planning Model: Vision, Strategies, Projects, Tactics.

We have living proof America can succeed in the 21st Century.

All around us scientists and entrepreneurs are inventing a better future.

All around us corporations are re-thinking and re-engineering to produce more, better and faster, with fewer resources.

All around us the private sector and private citizens are changing, adapting and improving.

When we have our plan thought out, we must lead by listening to others about their plans, their hopes and their fears.

Listen, Learn, Help, Lead.

These are the 4 key steps to getting people to implement change on a large scale.

Five Strategic Improvement will help us create a better government and a better America:

The First Strategic Improvement *Being Truly Compassionate* requires: Replacing the Welfare State with an Opportunity Society.

It is a failed model of delivering goods and services to help people. It actually hurts the poor.

Its failure is reflected by the violence, brutality, child abuse and drug addiction in every local TV news broadcast.

The culture of violence increasingly permeates our entertainment and denigrates our civilization.

The non-working, non-productive part of our society is a factor in the deficit and declining American competitiveness in the world market.

The Human Cost of the Welfare State Poor Americans are:

Trapped in Unsafe Housing.

Maintained in Unsafe Neighborhoods.

Saddled with rules that are anti-work, anti-family, and anti-property.

Forced to have their children attend public monopolies that cost a lot but accomplish little.

In the name of ''compassion'' we have funded a system that is cruel and destroys families.

A Failed Welfare State.

Welfare spending now exceeds $305 billion per year, for a total of $5 trillion since 1965—more than the cost of winning WWII.

This $305 billion is roughly 3 times the amount needed to raise all poor Americans above the poverty line.

Since 1970, the number of children in poverty has increased 40%.

Since 1965, the juvenile arrest rate for violent crimes has tripled.

Since 1990, the number of unmarried pregnant teens has nearly doubled and teen suicide has more than tripled.

As Welfare Spending has Grown, So has illegitimacy.

As Education Spending has Risen, SAT scores have fallen.

The failure of the welfare state strikes at the heart of the American belief that every citizen is endowed by Our Creator with certain unalienable rights among which are life, liberty, and the pursuit of happiness.

No Civilization can survive with:

12 Year olds having babies, 15 year olds killing each other, 17 year olds dying of AIDS, and 18 year olds receiving diplomats they can't read.

Furthermore, no civilization can survive with parents and grandparents cheating their children by refusing to Balance the Budget and live within their means.

The legacy we're leaving to our children: Moral and Fiscal Bankruptcy.

A program for a Better American Future begins with replacing the Welfare State with an Opportunity Society. A cheap Welfare State is an inadequate response.

Transforming the Welfare State into an Opportunity Society for the Poor requires:

- Shift from caretaking to caring—Morris Shechtman, *Working Without a Net.*
- Welfare Reform that emphasizes work, family and opportunity—Charles Murray, *Rethinking the Social Welfare System, Losing Ground.*
- Volunteerism and Spiritual Renewal—Marvin Olasky, *The Tragedy of American Compassion.*
- Renewing the Basic Values of American Civilization.
- Tax Incentives for work, investment, and entrepreneurship—Jack Kemp, *An American Renaissance,* Desoto, *The Other Path: Introduction.*
- Re-establishing property ownership and full citizenship for the poor—Manhattan Institute, *City Journal,* Spring 1993.
- Learning as the focus of Education—Polly Williams, Wisconsin State Legislature.
- Government protection for the poor against violence and drugs—James Q. Wilson, *Crime*; William Bennett, Heritage Foundation, *Policy Review.*

The Second Strategic Improvement *Restoring Freedom* by Ending Centralized Bureaucratic Micromanagement by the Government in Washington.

The Centralized, Washington-based system of bureaucratic micromanagement has failed in a diverse, continent-wide country.

Reforms should emphasize decentralization from Washington and return authority to state and local governments.

A general rule for decision making: For local problems, local government is better than national government and the private sector is better than local government.

The private sector includes non-profits as well as for-profit activities.

Elected Leaders have Four Roles in this New Opportunity Society:

Visionary Definer and Value Articulator.

Symbol of Community Power and Standing.

Recruiter of Talent and Energy for Private Sector Solutions.

Administrator and Manager of the Government.

When Re-Thinking the Federal Government, we must ask:

1. Does the Community Leadership have an interest in making this happen even without Federal intervention?

2. Is it something which is morally and spiritually more appropriate in a nonprofit, voluntary system?

3. Does the project symbolize and communicate the values we want the society and culture to be reinforcing?

4. Can a private, for-profit business achieve the same goal as well or better than the government?

5. If there a Third Wave Information Age technology that improves service or lowers cost or does both?

6. If government is the best place to do it, can it be done at the state or local level?

7. If the Federal government is the best place to do it, where is it on the priority list? Can we afford to do it?

8. Have we thought through the least expensive, most citizen oriented, most entrepreneurial way to do it with maximum satisfaction and minimum resources?

The Third Strategic Improvement *Promoting Economic Growth, Jobs and Prosperity* by Reducing Taxes, Litigation and Regulation.

The American Economy needs to grow within an increasingly competitive world market: to provide more jobs and increased take home pay, to provide resources for charities, local and state governments, to increase revenues so the Federal government budget can be balanced without raising taxes, to pay for Social Security and Medicare in the 21st Century.

As Washington Grows, the Economy Slows.

The Middle Class Squeeze:

Today most families are working harder—they're just not getting ahead.

Federal Taxes as a Share of Median Household Income have risen steadily.

Middle Class Anxiety is Justified.

Creating more effective government that needs fewer resources will allow us to lower taxes and increase take home pay for working middle class families.

Re-engineering government to cut out waste, lower costs, increase productivity and increase quality will also allow us to lower taxes on entrepreneurs and inventors so we can create more Economic Growth.

Economic Growth is the consistently underestimated contributor to our economic well-being.

In 7 years, the difference between the high and low economic growth projections means:

$1,826 billion swing in the size of the Federal budget deficit, $1,432 billion swing in Federal revenues.

$19,007 swing in what individuals could make over 7 years.

High Growth Rates can be achieved and sustained and are a response to following the right policies—just as good health comes from good nutrition and exercise.

Example:

Japan 1975—1993: 18 Years without a Recession; 4.3% Annual Growth Rate; 3.7% Annual Personal Income Increase.

Compared with America's performance: 1975–1993: Three Recessions during that period; 2.6% Annual Growth Rate; 1% Annual Personal Income Increase.

Imagine if America had matched the Japanese in Economic Growth over a similar period:

Real GDP would have been $1.7 trillion greater.

Per Capita Income would have been $8,519 greater.

Federal Revenues would have been $365 billion greater.

The Federal Budget Deficit would have had a $179.6 billion Surplus rather than a $185.7 billion deficit in 1984.

Greater American Competitiveness and Increased Economic Growth Requires:

A Tax Code that favors work, savings and investment.

Less litigation.

Less regulation and Red Tape.

Lean and Effective Bureaucracies.

Lifetime learning.

Entrepreneurial culture.

Sensible government investments in infrastructure.

Government research and development leading to corporate product development and marketing.

More aggressive U.S. government support of exports and more effective enforcement of trade agreements.

The Fourth Strategic Improvement *Creating Opportunity* by Leading the Transformation to a Third Wave, Information Age Society.

America needs to lead the world into the emerging Third Wave Information Revolution and its new technologies.

The Information Age will create opportunities in a wide range of areas:

Computers.

Worldwide Electronics.

Molecular Medicine.

Breakthroughs in Material Technology.

Exploring and Manufacturing in Space.

Microminiaturization.

Virtual Reality.

In the Third Wave Information Age, we can do Far More for Far Less.

All over America, companies and institutions are finding ways of doing more for less.

Over the last 15 years, one major automotive company has transformed itself through new technology and a new culture of quality and productivity.

They produce the same number of cars at 2½, but ½ the work-force.

Consider what a government that matched that standard would look like.

Consider how much we could improve services, reduce spending, reduce taxes and balance the budget with this approach.

Re-inventing the old government isn't good enough.

New Breakthroughs do not fit into the traditional model of government.

New Breakthroughs require Bold Rethinking based on Druker, Deming and others.

We must apply these New Breakthroughs as part of replacing the Welfare State with an Opportunity Society.

In a Successful 21st Century government, we can replace the wasteful bureaucracies of today with programs that serve citizens and save tax dollars.

The Fifth Strategic Improvement *Creating a Safe Future for Our Children and Ourselves* by Balancing the Budget and Solving the Financial Crises in Medicare and Social Security.

The Budget Deficit combined with the Baby-Boomers' coming retirements will cause a crisis of Historic Proportions unless the problem is honesty faced and managed well in advance.

The Debt Consumes America.

The defenders of the Welfare State know a crisis is coming.

''Social Security will face a cash deficit in 2013, the unified deficit will increase unless taxes are raised or benefits reduced and (it) could come even earlier (1999).''—OMB Director—Alice Rivlin, 10/94.

Their debt numbers actually understate the problem because they fail to account for 4 additional powerful factors:

1. The taxpayers' burden in paying interest on the debt;

2. The cost of higher interest rates caused by federal government's borrowing;

3. The imminent financial crisis in Medicare;

4. The soon to be retiring Babyboomers and their effect on the Social Security Trust Fund.

Fact: Every Citizen will have to pay a lot in taxes for interest on the debt.

The Current Budget Deficit is Projected by to continue growing into the future without solution.

Debt in 1995 $4,800,000,000,000.

Interest for Debt in 1995 $235,000,000,000.

Debt in 2005 $7,533,000,000,000.

Interest on Debt in 2005 $412,000,000,000.

Cumulative Interest, 1995–2009 $5,212,000,000,000.

Over the next 15 years, we'll pay as much in taxes just to pay interest on the debt as today's entire debt:

Debt in 1995, $4.8 trillion.

Interest on the Debt, 1995–2009, $5.2 trillion.

The following Americans will pay a lot just on interest on the debt that builds up over their entire lives:

Interest payments over a lifetime of 75 years.

Year of birth:	
Robert, 1959	$75,851
Mary, 1974	115,724
Sally, 1995	187,150

Our spending today saddles our children with debt tomorrow. Sally will have to pay $187,150 in taxes for interest on the debt to finance her parents and grandparents' Medicare and Social Security before she begins paying taxes for any government services that benefit her.

In 1997, we will pay more for interest on the debt than we'll pay for National defense.

In just 17 years, spending on entitlements and interest on the debt will consume all tax revenues.

The only item in the budget we'll be able to afford is interest on the debt and entitlements—discretionary spending will be beyond our means.

Fact: Budget deficits raise interest rates and cost everyone additional money.

What a Balanced Budget will mean for most Americans:

One recent estimate is that a balanced budget would reduce interest rates up to 2%. 2% lower on your car, your mortgage, your credit card, your family farm. These lower interest rates will make America a much more competitive economy in the world market.

With a Balanced Budget lowering interest rates (the Balanced Budget Dividend), experts believe the American economy will:

Create 4.3 million more jobs in 10 years.

Increase per capita incomes 16.1%.

Generate $235 billion more revenue for the Federal Government without a tax increase.

Generate $232 billion more revenue for State and Local Governments without a tax increase.

Fact: The imminent crisis in Medicare funding is real and unavoidable. It must be corrected within the next few years.

Medicare Spending will soon outrun Revenues, and its deficit will climb.

Medicare goes bankrupt in 6 years.

Because a centralized government monopoly is inherently inefficient, wasteful and

too slow to adopt to new ideas and new solutions.

Medicare Must be Transformed.

Fact: When the Baby-Boomers begin to retire, they will put enormous pressure on the Federal Budget.

The Baby-Boomers' retirement threatens the Social Security Trust Fund.

It drains the Social Security Trust Fund, and adds to the already massive deficit.

Faced with combined deficits on this gigantic scale, the politicians of 2013 will only have four choices:

Ruthless Spending Cuts of Unprecendented Depth.

Massive Tax Increases.

Cuts in Social Security.

Financial crises leading to inflation.

Recap: The Four Fiscal Facts that make change in the Federal Government unavoidable are:

1. Rising cost to taxpayers of interest on the debt;

2. Cost to everyone of higher interest rates caused by the deficit;

3. Imminent crisis in Medicare funding;

4. Shift in Social Security from surplus to deficit as the Baby-Boomers start retiring.

5. Strategic Improvements define ''Doing the Right Thing'':

Restoring Freedom by ending Centralized Bureaucratic Micromanagement.

Promoting Prosperity, Economic Growth, and Take Home Pay by Reducing Taxes, Litigation and Regulation.

Creating Opportunity for every American by Leading the Transformation to a Third Wave, Information Age Society.

Creating a Safe Future for Our Children and Our Retirement Years by Balancing the Budget and Solving the Financial Crises in funding Medicare and Social Security.

The story of two children provide questions about the future:

Danny: A successful suburban 18 year-old whose family is well-off and his otherwise bright future is threatened and he doesn't even know it. If Danny can't provide for his own future, how can he provide for America's?

Theresa: A poor inner-city 15 year-old whose life is bleak and future uncertain. If Theresa is unable to break the cycle of poverty, violence and drug addiction, how will she be able to contribute to America's?

All of the world's children rely on American leadership for a safe, free and prosperous future.

There is no alternative Leader.

The alternative to a strong America is a dark and bloody planet: Bosnia, Somalia, Rwanda, Haiti, Chechnya.

For our Children's sake, our country's sake, and the world's sake, we must wrest control from those who refuse to take responsibility and insist on a plan to create a Safe and Prosperous Future for our children and our own retirement years.

The Steps to a Do-able, Practical, Common Sense Balanced Budget Plan Follow:

1995 Revenues—$1.419 Trillion.

2002 Revenues—$1.788 Trillion.

2002 Spending=2002 Revenues.

$1.788 trillion=$1.788 trillion, Budget Balanced.

Total Spending for Last 7 Years 1989–1995: $9.5 Trillion.

Total Spending for Next 7 Years Under a Balanced Budget 1996–2002: $11.7 Trillion.

Social Security is off the table.

Social Security Spending:

1989–1995=$1.997 Trillion.

1996–2002=$2.892 Trillion.

Non Social Security Spending will still go up every year:

1989–1995=$7.5 Trillion.

1996–2002=$8.8 Trillion.

The Key to getting to a Balanced Budget is to be sufficiently Innovative, Creative and Transformational to meet America's Key needs while spending $11.7 trillion over the next 7 years.

If we Fulfill our Destiny, we'll achieve: Our Vision of a 21st Century America.

Every American safe from violence and drugs.

Every person will be integrated into the world of work, property, and achievement.

A healthy environment will be managed through sound science and a common sense, effective and economical approach.

New technologies and new approaches will extend opportunities in learning, health and jobs to the poorest rural and inner-city neighborhoods.

Government will be lean, customer responsive and effective.

A Renewed American Civilization with a renewed understanding of ''Our Creator'', our traditions and our institutions and in voluntary and non-profit charities and activities.

The best system of health in the world.

Effective lifetime learning.

New technologies and approaches to create the fullest possible participation of every American with disabilities.

A pro-entrepreneur, pro-science and technology, pro-savings and investment America that is inventing the best products with the highest values in the world.

Job opportunities for every American with the greatest value-added, highest productivity, largest incomes and best job security in the world as the best exporting country that creates American jobs through world sales.

Low taxes so incomes translate into take home pay and the family budget has precedence over the government budget.

A regularly balanced federal budget with declining national debt so money will maintain honest value without inflation, taxes to pay interest will be declining and interest rates will be low.

The Time for Cheating our Children has Ended.

The Time to Balance the Budget has Arrived.

America's Future requires a New Dialogue and a New Partnership with the American People.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S5527–S5559

Measures Introduced: Eight bills and one resolution were introduced, as follows: S. 711–718, and S. Res. 109. **Page S5547**

Measures Reported: Reports were made as follows:

S. 115, to authorize the Secretary of the Interior to acquire and to convey certain lands or interests in lands to improve the management, protection, and administration of Colonial National Historical Park, with an amendment. (S. Rept. No. 104–30)

S. 127, to improve the administration of the Women's Rights National Historical Park in the State of New York, with an amendment in the nature of a substitute. (S. Rept. No. 104–31)

S. 134, to provide for the acquisition of certain lands formerly occupied by the Franklin D. Roosevelt family, with an amendment in the nature of a substitute. (S. Rept. No. 104–32)

S. 188, to establish the Great Falls Historic District in the State of New Jersey. (S. Rept. No. 104–33)

S. 197, to establish the Carl Garner Federal Lands Cleanup Day, with an amendment in the nature of a substitute. (S. Rept. No. 104–34)

S. 223, to authorize the Secretary of the Interior to provide funds to the Palisades Interstate Park Commission for acquisition of land in the Sterling Forest area of the New York/New Jersey Highlands Region. (S. Rept. No. 104–35)

S. 357, to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Historical Park. (S. Rept. No. 104–36)

S. 363, to improve water quality within the Rio Puerco watershed, New Mexico, and to help restore the ecological health of the Rio Grande through the cooperative identification and implementation of best management practices that are consistent with the ecological, geological, cultural, sociological, and economic conditions in the region. (S. Rept. No. 104–37)

S. 378, to authorize the Secretary of the Interior to exchange certain lands of the Columbia Basin Federal reclamation project, Washington. (S. Rept. No. 104–38)

S. 392, to amend the Dayton Aviation Heritage Preservation Act of 1992 with regard to appointment of members of the Dayton Aviation Heritage Commission. (S. Rept. No. 104–39)

S. 551, to revise the boundaries of the Hagerman Fossil Beds National Monument and the Craters of the Moon National Monument. (S. Rept. No. 104–40)

S. 587, to amend the National Trails System Act to designate the Old Spanish Trail and the Northern Branch of the Old Spanish Trail for potential inclusion into the National Trails System. (S. Rept. No. 104–41)

S. 601, to revise the boundaries of the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island. (S. Rept. No. 104–42)

S. 610, to provide for an interpretive center at the Civil War Battlefield of Corinth, Mississippi. (S. Rept. No. 104–43)

H.R. 400, to provide for the exchange of lands within Gates of the Arctic National Park and Preserve, with an amendment in the nature of a substitute. (S. Rept. No. 104–44)

H.R. 440, to provide for the conveyance of lands to certain individuals in Butte County, California. (S. Rept. No. 104–45)

H.R. 536, to extend indefinitely the authority of the Secretary of the Interior to collect a commercial operation fee in the Delaware Water Gap National Recreation Area. (S. Rept. No. 104–46)

H.J. Res. 50, to designate the visitors center at the Channel Islands National Park, California, as the "Robert J. Lagomarsino Visitors Center". (S. Rept. No. 104–47)

Special Report prepared by the Permanent Subcommittee on Investigations entitled "Criminal Aliens in the United States". (S. Rept. No. 104–48) **Page S5546**

Measures Passed:

Commending Senator Robert C. Byrd: Senate agreed to S. Res. 109, extending the appreciation

and gratitude of the United States Senate to Senator Robert C. Byrd, on the completion by the Senator of the 4 volume treatise entitled ''The History of the United States Senate.'' **Pages S5536–38**

Law Enforcement Officer Integrity: Committee on the Judiciary was discharged from further consideration of S.J. Res. 32, expressing the concern of the Congress regarding certain recent remarks that unfairly and inaccurately maligned the integrity of the Nation's law enforcement officers, and the resolution was then passed. **Page S5538**

Committee Authority: On Thursday, April 6, a consent agreement was reached providing that committees have authority to file legislative and executive reports during the adjournment of the Senate on Tuesday, April 18, from 10 a.m. to 3 p.m.

Nominations Confirmed: Senate confirmed the following nomination:

Dennis M. Duffy, of Pennsylvania, to be an Assistant Secretary of Veterans Affairs (Policy and Planning). **Page S5559**

Nominations Received: Senate received the following nominations:

1 Army nomination in the rank of Chief of Staff of the Army. **Page S5559**

Messages From the House: **Page S5546**

Measures Referred: **Page S5546**

Measures Read First Time: **Page S5546**

Executive Reports of Committees: **Pages S5546–47**

Statements on Introduced Bills: **Pages S5547–52**

Additional Cosponsors: **Page S5552**

Authority for Committees: **Page S5553**

Additional Statements: **Pages S5553–58**

Adjournment: Senate convened at 10:30 a.m. and, in accordance with the provisions of H. Con. Res. 58, adjourned at 12:48 p.m., until 12 noon, on Monday, April 24, 1995.

Committee Meetings

(Committees not listed did not meet)

SOCIAL SECURITY AND DISABILITY TRUST FUNDS

Committee on Finance: Subcommittee on Social Security and Family Policy held hearings to examine the 1995 Board of Trustees Annual Report of the Social Security and Disability Trust Funds, receiving testimony from Senator Kerrey; Shirley S. Chater, Commissioner, and Harry Ballantyne, Chief Actuary, both of the Social Security Administration, Department of Health and Human Services; and Stanford Ross, Washington, D.C., and David Walker, Atlanta, Georgia, both Public Trustees of the Social Security and Medicare Trust Funds.

Hearings were recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: Fifty-nine public bills, H.R. 1468–1526; and three resolutions, H. Con. Res. 61–63, were introduced. **Pages H4430–33**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Burton of Indiana to act as Speaker pro tempore for today. **Page H4417**

Designation of Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Wolf to act as Speaker pro tempore to sign enrolled bills and joint resolutions through May 1, 1995. **Page H4417**

District of Columbia Financial Responsibility: House agreed to the Senate amendments to H.R. 1345, to eliminate budget deficits and management inefficiencies in the government of the District of Columbia through the establishment of the District of Columbia Financial Responsibility and Management Assistance Authority—clearing the measure for the President. **Pages H4421–23**

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of May 3, 1995. **Page H4423**

Resignations—Appointments: It was made in order that notwithstanding any adjournment of the House until Monday, May 1, the Speaker and the Minority Leader be authorized to accept resignations and to make appointments authorized by law or by the House. **Page H4423**

Quorum Calls—Votes: No quorum calls or votes developed during the proceedings of the House today.

Adjournment: Met at 11:00 a.m., and pursuant to H. Con. Res. 58, adjourned at 11:53 a.m., until 12:30 p.m. on Monday, May 1.

Committee Meetings

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior (and Related Agencies) held a hearing on the Franklin Delano Roosevelt Memorial Commission, the National Capital Planning Commission, and on the Pennsylvania Avenue Development Corporation. Testimony was heard from Senator Hatfield, Co-Chairman, Franklin Delano Roosevelt Memorial Commission; Harvey Gant, Chairman, National Capital Planning Commission; and Richard Hauser, Chairman, Pennsylvania Avenue Development Corporation.

Joint Meetings

MARCH EMPLOYMENT SITUATION

Joint Economic Committee: Committee held hearings on the employment-unemployment situation for March, receiving testimony from Katharine G. Abraham, Commissioner, Bureau of Labor Statistics, Department of Labor.

Committee will meet again on Friday, May 5.

FORMER YUGOSLAVIA

Commission on Security and Cooperation in Europe (Helsinki Commission): Commission met in closed session to receive a briefing on certain United Nations activities and concerns in the former Yugoslavia and in several of the New Independent States of the former Soviet Union from Sergio Vieria de Mello, United Nations High Commissioner for Refugees.

Commission recessed subject to call.

Next Meeting of the SENATE

12 noon, Monday, April 24

Senate Chamber

Program for Monday: After the transaction of any morning business (not to extend beyond 1:00 p.m.), Senate will begin consideration of H.R. 956, to establish legal standards and procedures for product liability litigation.

Next Meeting of the HOUSE OF REPRESENTATIVES

12:30 p.m., Monday, May 1

House Chamber

Program for Monday: Legislative program to be announced.

Extensions of Remarks, as inserted in this issue

HOUSE

Ackerman, Gary L., N.Y., E834
Baker, Richard H., La., E863
Barcia, James A., Mich., E822, E842, E869
Bilirakis, Michael, Fla., E836
Brown, George E., Jr., Calif., E834, E837
Castle, Michael N., Del., E869
Chenoweth, Helen, Idaho, E870
Clay, William (Bill), Mo., E826
Clyburn, James E., S.C., E850
Coble, Howard, N.C., E851
Cunningham, Randy ''Duke'', Calif., E870
DeLauro, Rosa L., Conn., E864
Diaz-Balart, Lincoln, Fla., E829
Dixon, Julian C., Calif., E870
Fazio, Vic, Calif., E815, E841
Fields, Jack, Tex., E868
Filner, Bob, Calif., E865
Flanagan, Michael Patrick, Ill., E821
Foglietta, Thomas M., Pa., E825, E845
Forbes, Michael P., N.Y., E840, E851, E858
Frelinghuysen, Rodney P., N.J., E871
Gallegly, Elton, Calif., E837
Gibbons, Sam, Fla., E821
Gingrich, Newt, Ga., E877
Gonzalez, Henry B., Tex., E849
Goodling, William F., Pa., E871
Hamilton, Lee H., Ind., E874
Harman, Jane, Calif., E815
Hastert, J. Dennis, Ill., E835
Hayes, James A., La., E829
Heineman, Frederick K. (Fred), N.C., E869
Horn, Stephen, Calif., E832
Houghton, Amo, N.Y., E819
Hoyer, Steny H., Md., E864
Johnson, Sam, Tex., E821
Kingston, Jack, Ga., E828
LaFalce, John J., N.Y., E855, E860
Levin, Sander M., Mich., E819
Lincoln, Blanche Lambert, Ariz., E848, E864
Lipinski, William O., Ill., E844, E851
Lofgren, Zoe, Calif., E831, E872
Lowey, Nita M., N.Y., E844
Luther, William P., Minn., E835
McHugh, John M., N.Y., E820
McKeon, Howard P. ''Buck'', Calif., E862
Maloney, Carolyn B., N.Y., E827
Manton, Thomas J., N.Y., E815, E817
Markey, Edward J., Mass., E820, E851
Menendez, Robert, N.J., E817, E825, E854, E860, E862
Meyers, Jan, Kans., E871
Miller, George, Calif., E823, E838
Minge, David, Minn., E822
Moakley, John Joseph, Mass., E850, E862
Montgomery, G.V. (Sonny), Miss., E823, E840
Nadler, Jerrold, N.Y., E820
Norton, Eleanor Holmes, D.C., E852, E859, E862, E864
Olver, John W., Mass., E850
Owens, Major R., N.Y., E848
Packard, Ron, Calif., E840
Pallone, Frank, Jr., N.J., E854, E859
Pastor, Ed, Ariz., E822, E841
Pelosi, Nancy, Calif., E837
Poshard, Glenn, Ill., E858, E861, E864, E868, E874
Rangel, Charles B., N.Y., E870
Richardson, Bill, N. Mex., E838
Roemer, Tim, Ind., E816, E858, E861
Royce, Edward R., Calif., E872
Rush, Bobby L., Ill., E849
Schumer, Charles E., N.Y., E869
Scott, Robert C., Va., E829
Smith, Christopher H., N.J., E833, E845, E866
Solomon, Gerald B.H., N.Y., E842
Stark, Fortney Pete, Calif., E826, E846
Stokes, Louis, Ohio, E816
Studds, Gerry E., Mass., E815
Stump, Bob, Ariz., E816
Tauzin, W.J. (Billy), La., E857, E861
Traficant, James A., Jr., Ohio, E834
Vento, Bruce F., Minn., E850, E852, E859
Visclosky, Peter J., Ind., E876
Vucanovich, Barbara F., Nev., E836
Walsh, James T., N.Y., E825
Wolf, Frank R., Va., E829
Woolsey, Lynn C., Calif., E822, E841
Young, Don, Alaska, E817, E855, E860

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