EXTENSIONS OF REMARKS

RURAL ROADS FUNDING

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mrs. JOHNSON of Connecticut. Mr. Speaker, anticipating next year's reauthorization of the 1991 Intermodal Surface Transportation Efficiency Act [ISTEA], I am introducing legislation today that will provide rural area roads eligibility for a small percentage of funding under the Surface Transportation Program [STP].

The intent of ISTEA's STP program was to provide greater flexibility to State and local authorities for transportation needs by providing States with block grant-type authority. However, ISTEA regulations prohibit roads classified as local or rural minor collectors from receiving Federal-aid highway funding. Since most roads in rural areas fall under this classification, they are not eligible for funding and remain in severe disrepair.

Under ISTEA's current STP distribution formula, States are required to set aside 10 percent of their STP funds for safety programs and 10 percent for transportation enhancement programs. The remaining 80 percent of STP funding goes into a general purposes fund, with a remaining distribution account receiving 50 percent, and a statewide distribution account receiving 30 percent.

Under the remaining distribution account, funding is provided to areas over 200,000 population, while only a minimal level of funding is provided to rural areas under 5,000 population based on a fiscal year 1991 funding level. Unfortunately, congressional attempts to provide State flexibility do not ensure adequate and equitable distribution of Federal assistance to rural area roads.

Moreover, roads functionally classified as local or rural minor collectors are not currently eligible for the rural areas under 5,000 population funding and, since most rural roads fall under these two classifications, they are ineligible for Federal assistance.

My legislation would allow roads functionally classified as local or rural minor collectors eligibility for STP funds under the existing special account for areas under 5,000 population only. My legislation would not amend the road classification system. Rather, it would only modify 23 USC 133(c) to allow roads functionally classified as local and rural minor collectors STP funding eligibility under the areas under 5,000 population account 23 USC 133(d)(3)(B). Moreover, I propose that of the 50 percent to be obligated under the remaining distribution account, at least 20 percent, or the existing minimum requirement, whichever is greater, should go to the rural areas under 5,000 population account. Finally, my legislation would amend the statewide planning process by requiring States to also consider the transportation needs of rural areas, including local and rural minor collectors.

I urge my colleagues to support this necessary legislation. It will provide the flexibility ISTEA was intended to produce and will greatly improve our roadway system by allowing local and rural communities the opportunity to decide which roads should be repaired.

MEDICAL SAVINGS ACCOUNTS: FANCY WORDS FOR NEW TAX SHELTER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. STARK. Mr. Speaker, medical savings accounts [MSA] will be voted on this week as part of the health insurance reform bill developed by the Republican leadership.

The MSA provisions should be deleted.

Everyone who thinks about them will quickly understand that they are destructive to the health insurance system, because they skim out the healthiest people in our society. Sicker and older people will be left behind in the traditional insurance pool, where rates will have to be raised to cover the costs of the more expensive people in that pool. These higher rates will, in turn, make insurance unaffordable to more people, thus increasing the number of uninsured in our society. MSA's may be good for individuals who are healthy at the present time, but they are bad for society that is trying to encourage health insurance for as many people as possible.

MSA's are an every-man-for-himself, to-hell-with-society philosophy.

What is not so clear is that they are a massive tax shelter.

I would like to include in the RECORD the portions of a paper by Iris J. Lav of the Center on Budget and Policy Priorities, which details how gross this new tax break is. Republicans talk about tax reform and tax simplification, but anyone who votes for MSA's is voting for tax complication and tax unfairness:

MSA PROVISIONS IN HEALTH CARE REFORM BILL CREATES TAX SHELTER AND CASTS DOUBT ON EXPANSION OF INSURANCE COVERAGE

(By Iris J. Lav)

The Medical Savings Account (MSA) provision in the House health care reform bill creates an extensive new tax shelter opportunity, the cost of which would grow over time. For people in good health, the MSA provision would be the equivalent of enacting a new Individual Retirement Account program—far more generous than the IRAs available prior to the Tax Reform Act of 1986.

Healthy, higher-income people who hope to retain for other purposes the tax-advantaged funds not needed for medical care would be attracted to use the MSAs with high-deductible insurance plans. People with less good health would find high deductible insurance plans less attractive and would be become segregated into conventional insurance plan, thereby raising the cost of such plans. As a result, it could become more difficult and less affordable for employers to offer adequate health insurance to employees most in need of it—potentially undermining the basic purpose of the health care reform legislation.

The potential problems caused by MSAs can be mitigated (but not eliminated) by limiting the ability of healthier people to use MSAs as a tax shelter for general purpose saving and investment. The tax shelter potential could be lessened by:

Significantly increasing the penalty for use of MSA funds for purposes other than paying medical bills.

Taxing interest earned on MSA accounts annually.

Recapturing foregone FICA (Social Security and Medicare) payroll taxes for amounts withdrawn from MSAs for purposes other than paying medical bills.

Raising the age at which funds may be withdrawn from MSAs for any purpose without incurring a penalty to age 65, so funds must remain available to expend on medical care until the individual qualifies for Medicare.

MSA PROVISIONS

Under the MSA proposal in the health care reform bill, qualified taxpayers (either directly or through their employers) are allowed to contribute yearly amounts to an MSA, up to a specified ceiling. To be qualified, taxpayers must have insurance coverage through a high-deductible health plan. Taxpayer (or their employers) may contribute the amount of the plan deductible of the MSA, up to $2,000 for an individual and $4,000 for a family.

Amounts individuals contribute to MSAs may be deducted on their income tax when determining adjusted gross income, which means they may be deducted whether or not the individual itemizes other deductions. If MSA contributions are made by employers on behalf of individuals (presumably even if salaries are reduced to allow the contributions to be made), the amounts contributed are not counted as wages or salary for purposes of computing income, FICA (Social Security and Medicare), or unemployment taxes. The interest earned on amounts accumulated in MSA accounts also is exempt from taxation.

Taxpayers may use the funds in their MSAs to pay any medical expenses that could qualify as itemized deductions on the taxpayers' income tax. Funds withdrawn from MSAs that are used to pay permitted types of medical bills are never taxed.

If funds are withdrawn from the MSA for non-permissible purposes, they are subject to income taxes as ordinary income in the year they are withdrawn. If the taxpayer is below age 59½, amounts withdrawn for non-permissible purposes also are subject to a 10 percent penalty. After the taxpayer attains age 59½, funds may be withdrawn from MSAs for any purpose without incurring a penalty.

MSA'S CREATE A TAX SHELTER

For higher-income taxpayers who anticipate remaining healthy, MSAs represent a new, tax-advantaged way to accumulate savings. Because contributions made by or through an employer are permanently exempt from Social Security and Medicare payroll taxes and are exempt from income taxes until withdrawn, and because the interest earned on amounts remaining in the MSA is allowed to compound without yearly taxation, the 10 percent penalty on withdrawals for non-permissible purposes is not

sufficient to prevent MSAs from becoming a tax shelter. Even after the penalty is paid, the after-tax return to savings in an MSA would under many circumstances exceed the return to conventional savings.

Figure 1 [not printed in RECORD] shows the difference to a taxpayer in the 36 percent federal income tax bracket between saving $3,000 of gross earnings under current law and saving the same amount in an MSA. In each case, the deposit is held at a three percent rate of interest. Under current law, the taxpayer would have $1,742 in after-tax funds to deposit in a conventional savings account. (The $3,000 gross earnings would be reduced by a 36 percent income tax, an effective state income tax of 4.5 percent after accounting for deductibility against federal taxes and a 1.45 percent Medicare tax. Taking away 41.95% of $3,000 leaves $1,742.) If those funds remain on deposit for 10 years with interest taxed yearly, they would grow to $2,079. Under the MSA provision, however, the taxpayer would deposit the entire $3,000 and interest would compound free of tax. After 10 years, the account would hold $4,032. The taxpayer could withdraw the funds for purposes other than medical care, pay income tax and the 10 percent penalty on the withdrawn amounts, and have $2,236 remaining.

In other words, after 10 years the value to the taxpayer of the funds saved in the MSA would exceed the value of conventionally-saved funds by 7.6%, even though a penalty was assessed for non-permissible use of the funds. If during those 10 years the taxpayer attained age 59½, no penalty would be assessed and the value to the taxpayer of the MSA savings would exceed the value of the conventional savings by more than 15 percent. As shown in Figure 1, the differential value of the MSA savings grows with the length of the holding period. After 20 years, an MSA withdrawal with penalty exceeds the value of conventional savings by 21 percent, while an MSA withdrawal after age 59½ exceeds the value of conventional savings by 30 percent. (It may be noted that the cost of the Treasury in foregone tax revenues also would increase over time, as growing amounts of savings are likely to be sheltered from taxation.)

REGULATORY BURDEN FACING SMALL BUSINESS

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. MANZULLO. Mr. Speaker, I am a proud supporter of the Small Business Growth and Administrative Act, now retitled the Small Business Regulatory Simplification and Enforcement Act. This bill, as contained in the Contract With America Advancement Act, will:

First, require agencies to publish easily understood guides to assist small businesses in complying with regulations;

Second, require agencies to provide informal, nonbinding advice, about regulatory compliance to small business;

Third, create a Small Business Administration [SBA] small business and agriculture enforcement ombudsman to allow citizens to confidentially comment on SBA personnel;

Fourth, create independent boards to provide a greater opportunity to track small business regulatory enforcement and policy; and

Fifth, require agencies to develop programs to waive and reduce civil penalties for violations by small businesses.

I might note, Mr. Speaker, that these provisions unanimously passed the Senate by a 100-to-0 vote on March 19.

I am attaching an article that appeared in the Chicago Tribune last week about Perry Moy, who lives in the district I am privileged to represent and owns a Chinese family restaurant. This article explains the effect of regulations on small business. Regulators in the executive branch should heed his insights, and I urge a similar resounding vote of confidence in small business by my colleagues in the House.

[From the Chicago Tribune, Mar. 18, 1996]

RESTAURATEUR AWAITS RELIEF FROM ''WASTEFUL'' REGULATIONS

(By Wilma Randle)

McHenry County Restaurant owner Perry Moy spends his days doing a lot more than running his eatery. He also has to handle a lot of paperwork, much of it dealing with various governmental regulations.

Moy is the owner of the Plum Grove Restaurant, family-owned eatery in McHenry. And, he says the paperwork he has to deal with is something he really could do without.

Moy also served as a delegate at last year's White House Conference on Small Business where the issue of government regulations was a major concern for small business owners.

Thus, Moy is among the nation's small business operators who are watching with interest a bill currently being debated in Congress that would relieve small business owners of much of what they say is the burden of governmental regulations.

The ''Small Business Growth and Administrative Accountability Act'' would require federal agencies to periodically review regulations to determine whether they need changing, according to a recent notice distributed by the National Federation of Independent Business, a Washington-based association representing more than 500,000 small business owners around the country.

The NFIB contends government regulations force employers to waste billions of hours each year filing paperwork as well as billions in costs related to complying with different regulations. ''That time and money could be better used and spent expanding businesses and creating jobs,'' said Jack Faris, NFIB president.

Paperwork isn't costing Moy billions of work hours, but he says when you run a small business, any time that isn't devoted to running the business is time you really can't afford to waste.

''The amount of paperwork I have to deal with—just in my business—is immense,'' he said. ''I have to deal with everything from employee taxes to the health and liquor regulatory agencies. And it's not just federal agencies. There are all these state and local regulations too.''

So, he said, ''Whatever changes can be made to relieve the paperwork and regulatory burden on small business I would welcome. It's truly one of the drawbacks about running a small business.''

TRIBUTE TO DADE COUNTY'S OUTSTANDING WOMEN

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mrs. MEEK of Florida. Mr. Speaker, it is my great pleasure to pay tribute for Women's History Month by joining with the board of commissioners, department of parks and recreation and the citizens of Dade County in celebrating the achievements of 15 outstanding women.

Elizabeth Metcalf—a woman of lasting impact, who has touched many lives in her service as a psychologist, teacher, State representative and dedicated volunteer for many organizations such as the League of Women Voters, The Girl Scout Council of Tropical Florida, and the Dade Heritage Trust.

Olimpia Rosado—came to the United States as an exile from Cuba in 1961, and since that time she has dedicated her life to preserving Cuban heritage, writing a regular column for Diario Las Americas, supporting the Miami Dade Public Library Hispanic Branch, and her extensive volunteer service.

Francena Thomas—children have always been her first priority. Francena has served as a public schoolteacher, university administrator, and currently as a community liaison for Metro Dade Police. Francena has hosted radio and television programs, writes a column for the Miami Times, and has spent extensive time volunteering for agencies such as Metro-Miami Action Plan, Alternatives to Violence, and the Youth Crimewatch Advisory Council.

Frances Bohnsack—serving presently as executive director of the Miami River Marine Group, Fran has made a positive imprint in the south Florida community through her activities in many women's organizations such as NOW and the Feminist Alternative. She has also dedicated her life as a teacher, political activist, and advocate.

State Representative Larcenia J. Bullard—is a former educator and school administrator who has taken on a task to serve in the Florida Legislature, along with her extensive community involvement which includes the NAACP, South Dade Civitan Club, National Council of Negro Women, Women's Political Caucus, and the Miami-Dade Criminal Justice Council. Representative Bullard is widely respected for her leadership in the South Dade Community she represents.

Linda Dakis—Judge Linda Dakis has focused her professional and volunteer efforts toward the effects of domestic violence in our community. She has been a leader in dealing with this difficult issue, and is respected nationally for her extensive work through publications and media program that explore this pervasive evil called domestic violence.

Margarita Rohaidy Delgado—has served as a social worker, Florida Senate Legislative Aide and presently owns her own company, MRD Consulting. She has served the south Florida community through her involvement with many organizations, among them the City of Miami Off-street Parking Board, Dade County United Way Board of Trustees, and Metro-Dade County Health Policy Authority.

Tananarive Due—is well known through her career as a columnist for the Miami Herald, as a novelist, international scholar, Big Sister, and giving back to the community through the Miami NAACP ACT–SO Committee and Big Brothers-Big Sisters. She is the daughter of two infamous south Florida civil rights leaders.

Vickie Jackson—responding to the tragic domestic violence loss of her sister, Bridget Smith, Ms. Jackson founded the Domestic Violence Education and Prevention Project, Inc. She also volunteers her time to the Inner-City Children's Touring Dance Co. and many other arts programs for children.

Elizabeth Kaynor—has served tirelessly as the executive director for the City of Miami Commission on the Status of Women, and is the founding director for the Center for Continuing Education of Women at Miami-Dade Community College. She grasps every opportunity to work for women's advancement through education, communication, networking, and international exchanges.

Ivette Arteaga Morgan—is currently the assistant principal of the Miami Palmetto Adult Education Center, and has served as an elementary teacher, social worker, school administrator, and university faculty member. Dr. Morgan has provided leadership for bilingual and multicultural education programs, was a cofounder of ASPIRA, and has volunteered her time to many programs that encourage women's political participation.

Janice O'Rourke—as a leader in educational and women's organizations, this banking executive has lent her talents and energies to many causes such as the Miami Branch of the American Association of University Women and other organizations that focus on women's education and empowerment.

Deborah Reyes—serves as the president of Capital American Mortgage Co. and consulting and training group. She is committed to serving her home community through her church, the Girl Scouts Council of Tropical Florida, the Community Coalition for Women's History, and the National Board of the Girl Scouts of the USA.

Being honored posthumously are:

Meg O'Brien—was a woman of courage and determination who became the founder of the WLRN Radio Reading Service, which provides print-handicapped persons with 24 hours of news, literature, and general information. She shared her love for literature through the radio program ''Cover to Cover,'' through the annual writer's conference in the Florida Panhandle, and through ''The Late Show,'' a bedtime story initiative for detainees at Youth Hall.

Belen Saborido—immigrated to the United States and became a successful businesswoman and community leader, launching her own business in 1981. She worked tirelessly to support education, women's concerns, service to families and children, health care, and the arts.

NATIONAL DIABETES DAY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. PALLONE. Mr. Speaker, today is National Diabetes Day. Diabetes is a life-threatening, chronic disease, and a major public health issue that affects 16 million Americans directly and the rest of the population indirectly through its impact on medical care and costs.

Since the 1960's the prevalence of diabetes has tripled and it is reaching epidemic proportions. The National Institutes of Health estimates that about 1,800 new cases are diagnosed each day. Diabetes is by far the most widespread disease in our country today. In 1992 alone, cost of care for diabetes totaled $92 billion.

The skyrocketing rise in diabetes is linked to four very important factors. First, an aging population. The aging of the baby boomer population will ultimately increase that number even higher. Second, is the increasing degree of obesity. Third, is the fact that the population is living in a more sedentary lifestyle, and fourth is the fact that improved diagnosis techniques have isolated cases at earlier stages.

Those at risk for diabetes generally exhibit four different characteristics: they are over 45 years old, more than 120 percent above their ideal body weight, physically inactive, or have an immediate family member diagnosed with diabetes.

The toll of diabetes in death and human suffering is very great. Physicians are very critical to pubic education efforts. Physicians need to be more aware and sensitive to the fact that diabetes is a very serious disease. Many people are unaware they have the disease until they seek treatment for one of its crippling conditions. Some of these conditions include: stroke, blindness, heart disease, or even kidney disease.

Diabetes is the leading cause of blindness among those 20 to 74 years old. Also, as many as 20 percent of diabetics develop kidney disease. And diabetics are two to four times more likely to develop heart disease and strokes.

Diabetes is currently the fourth leading cause of death by disease. Moreover, about 169,000 Americans die each year from the disease—more than the number of people who die from AIDS or breast cancer.

We must realize that diabetes requires a lifetime of medical care and self-treatment. A person with diabetes must have access to supplies, equipment, and education. With these resources made available, a person with diabetes can greatly reduce any complications that cause any suffering associated with the disease.

Health care must be made a priority for people with diabetes. People with diabetes have great difficulty acquiring affordable health insurance that is needed to obtain medical care. Medicare and Medicaid, the Federal Government's two largest health care programs, do not provide coverage of supplies and medication necessary to avoid complications related to diabetes.

According to the American Diabetes Association, diabetes research is proven to save money. Studies taken show that for every dollar spent on medical research, $13 is saved in health care costs. The majority of diabetes research is supported by the National Institutes of Health. Ironically, of the more than $12 billion spent by the U.S. Government on medical research, only 3 percent is used to fund diabetes research. There must be a greater amount of support for medical research programs and also increased funding for diabetes research.

In regard to health care issues, we must have widespread support for legislation and efforts in the private sector that will ensure greater access to health care for people with diabetes.

I have recently become a cosponsor of two bills sponsored by Representative FURSE (H.R. 1073 and H.R. 1074) that seek to expand Medicare coverage of outpatient self-management training and access to blood testing strips. I have also signed on to a letter supporting the National Institutes of Health as a priority when considering a balanced budget.

We, Representatives in Congress, have the opportunity to improve the lives of millions of Americans with diabetes who rely on Medicare for their health insurance. I look forward to working with the other Members of Congress, now and in the future, to improve the lives of people with diabetes.

TRIBUTE TO FRANKLIN MEISSNER

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. KENNEDY of Massachusetts. Mr. Speaker, I rise to pay tribute to an outstanding individual, Mr. Franklin Meissner, of Weymouth, MA. Today, Mr. Meissner, the outgoing chairman of the board of the South Shore Chamber of Commerce, will be honored for his exceptional work. During his tenure, the South Shore Chamber had its most successful financial year and is now the second largest chamber of commerce in New England. As the 1995 chairman, Mr. Meissner made significant improvements to the administration of the chamber by reorganizing the Economic Development Organization and upgrading the communications and computer operations. He also instituted the ''Elder-Preneur'' of the year award, honoring older people who continue to contribute to society.

In addition to efforts at the chamber, Mr. Meissner has been very active in serving his neighbors and community. To list just a few of his civic service activities: he is a member of the Weymouth Rotary Club; is director of the South Shore Hospital, Health and Educational Foundation; and is director of the Bank of Braintree. Mr. Meissner is also a successful businessman, as president of Electro Switch Corp., he employs over 500 people in Massachusetts and North Carolina. What has been very evident in all of Mr. Meissner's activities is strong dedication and a commitment to success.

Mr. Speaker, it is indeed an honor and a pleasure for me to have this opportunity to recognize this outstanding individual. I am sure I speak on behalf of many members of the community who have worked with Mr. Meissner when I offer my heartfelt congratulations and best wishes on this special day.

163D ANNIVERSARY OF THE TREATY OF AMITY AND COMMERCE BETWEEN THE UNITED STATES AND THAILAND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. GILMAN. Mr. Speaker, I rise today to commemorate the 163d anniversary of the Treaty of Amity and Commerce between the United States and the kingdom of Thailand. This treaty, signed in 1833, is unique in that it is the first treaty of its kind between the United States and an Asian nation. It is a symbol of our enduring friendship and high respect for the Thai people.

For many years, the United States has had a close political and personal relationship with the people and the Government of Thailand. The Thais stood shoulder to shoulder with us in our long and principled battle against communism in Southeast Asia. Today, they continue as our ally in the war against illicit drugs.

Thailand stands as a model to other South East Asian nations as a bedrock of peace and stability in a region which has seen much turmoil.

Today, the Thais have much to be proud of in the robust development of their economic strength and their leadership in Asian commerce. The interdependence of our economies binds us even closer together and Thai-Americans have made strong contributions to American society and culture.

Mr. Speaker, it is a honor to recognize this 19th century treaty which serves as the foundation of a long and prosperous relationship. It is hoped that Thailand and the United States will continue their long-standing and mutually beneficial friendship which serves as a model of cooperation in the region.

REPUBLICAN HEALTH BILL WILL RIP-OFF SENIORS BY PERMITTING SALES OF BAD INSURANCE PRODUCTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. STARK. Mr. Speaker, the health insurance bill that was approved by the Ways and Means Committee last week contains language that completely guts the laws against Medigap fraud and abuse.

The following letter from a consumer advocate explains why.

It is another reason the House should pass a simple, pure Kennedy-Kassebaum bill.

SENIOR HEALTH INSURANCE ISSUES,
Scotts Valley, CA, March 20, 1996.

Hon. BILL ARCHER,
Chairman, House Committee on Ways and Means, Longworth HOB, Washington, DC.

DEAR CHAIRMAN ARCHER: I am very concerned about an Amendment by Mr. Collins that recently passed out of the Committee on Ways and Means on Duplication and Coordination of Medicare Related Plans. I have been a consultant on Medicare, supplemental insurance and long term care insurance for more than eighteen years to both state and national consumer groups. I was very active in a lawsuit brought by the Santa Cruz District Attorney against an insurance agency for overselling duplicative and overlapping coverage to seniors in 1989. We both testified repeatedly in both Houses on this issue prior to the passage of OBRA 90.

While there is a legitimate reason to carve out a narrow exemption for disabled Medicare beneficiaries who have purchased guaranteed issue major medical coverage that duplicates and coordinates against Medicare, the Collins Amendment does not even address that issue. The proposed amendment language rolls back all federal and state protections since 1980 against selling multiple and duplicate policies to seniors on Medicare. This Amendment would allow companies and agents to sell seniors any amount and combination of policies on top of their Medicare and a Medicare Supplement. This practice has a long and disgraceful public history that led Congress to take action several times over the last two decades.

Not only would the proposed language repeal all federal protections, it would repeal all existing state laws and prohibit the enactment of any future state laws to protect elderly consumers. In addition to allowing the sale of excessive and duplicative coverage, it would also allow companies to coordinate those benefits against Medicare and other existing health benefits.

I find it very hard to believe that this Congress would allow these practices to resume and strip states of their rights to protect their own citizens from these abusive practices. Good public policy demands that seniors make the best use of scarce premium dollars and use any excess towards providing for their long term care needs, not the purchase of unnecessary duplicate coverage. I urge you to take a closer look at this issue.

Sincerely,

BONNIE BURNS,
Consultant.

SENIOR HEALTH INSURANCE ISSUES,
Scotts Valley, CA, March 20, 1996.

Hon. NEWT GINGRICH,
Speaker, The Speakers Office, House of Representatives, Washington, DC.

DEAR SPEAKER GINGRICH: Enclosed are copies of letters I have written commenting on the recent proposed federal legislation on tax clarification of long term care insurance and on duplication of medical benefits for people on Medicare. I understand that both of these issues will be voted on the floor shortly in one or more bills related to health insurance reform. These legislative proposals are almost identical to language contained in the Budget Bill that garnered many of the same concerns. I hope you will consider the issues I have raised in my letters to the Chairs of the various committees and subcommittees. These are extremely important issues that have profound repercussions for older consumers.

Stripping states of their rights to regulate consumer protections within their borders for their oldest and most vulnerable citizens is not consistent with your desire to allow states more flexibility and choice. Is it your public policy position that overinsurance for health care costs in the oldest and sickest populations is a desirable outcome? I can't imagine that you want to see seniors using their scarce health care premium dollars that should be spent on long term care coverage used to purchase unnecessary and excessive health care coverage.

Please take a careful look at these issues.

Sincerely,

BONNIE BURNS,
Consultant.

IN HONOR OF CALIFORNIA RECLAMATION DISTRICT NO. 108

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. FAZIO of California. Mr. Speaker, I rise today to honor California reclamation district No. 108, which is celebrating its 125th year of operation.

In 1868, the California State Legislature authorized the organization of reclamation districts to encourage residents to transform the State's swamps and flooded areas into arable land. One of California's oldest reclamation districts, No. 108, dates from September 1870. District No. 108 was organized by Yolo and Colusa County landowners for the purpose of slavaging the tule lands that extended from the western bank of the Sacramento River to the Colusa Basin.

One of district No. 108's earliest and most important responsibilities was flood control. Tens of thousands of acres of district land occupied low-lying areas of the Colusa Basin, surrounded on three sides by water during flood periods. The district had the immense challenge of dealing with potential flooding. In order to handle this contingency the district helped fund and maintain the Knights Landing to Princeton levee on the west side of the Sacramento River, as well as other levees outside district boundaries.

At the turn of the century, the district purchased areas of Sutter and Colusa County land, which it used as outlet channels to relieve pressure on the west side Sacramento River levees. During the same period, district authorities supervised the construction of a back levee to protect district lands from northern and western flood waters.

As development of lands within the district grew, so did R.D. 108's flood control efforts. Eventually, the district's work at the Knights Landing Ridge resulted in the 1915 formation of the independent Knights Landing Ridge Drainage District. During the same period, the newly-created Sacramento River West Side Levee District assumed maintenance control of the West Side Levee between the towns of Knights Landing and Colusa.

The earlier flood control efforts undertaken by district No. 108 laid the foundation for the development of these newer entities. District No. 108 developed a strong cooperative relationship with these bodies which continues to this day. The entire lower portion of the Colusa Basin enjoys greater flood protection as a result of this cooperative effort.

In the early years of this century the district expanded its focus, moving into the realm of irrigation. In 1917 district No. 108 obtained permission to irrigate lands not adjacent to the Sacramento River. An intense effort was mounted to establish an irrigation and drainage system which would serve the entire district. This effort was completed with great success. Today, there are 118 miles of irrigation ditches and over 300 miles of drains operated and maintained by the district.

In recent years, reclamation district No. 108 has faced a variety of challenges. During the 1960's the district worked with Sacramento River Water users and the U.S. Bureau of Reclamation to formulate a supplemental water supply plan. Today, district No. 108 is bring together Federal, State, environment, and water administrators and landowners in an attempt to develop a feasible and cost effective method for protection of the Sacramento River's endangered fish.

CELEBRATION OF JAN PIERCE'S 40 YEARS OF PROGRESSIVE LABOR LEADERSHIP

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. MANTON. Mr. Speaker, I rise today to pay tribute to Jan D. Pierce, the vice president of the Communications Workers of America, District One.

For the last 40 years, Mr. Pierce has worked tirelessly as a progressive labor leader in the communications industry and has been a leading advocate for rank and file unionism in the United States.

Mr. Pierce has been an active union member his entire working life, beginning with his

employment by the then Bell System in 1956. He then served as president of CWA Local 4320 in Columbus, OH. Following that, he worked with the CWA District One staff as area director, assistant to the vice president and beginning in 1985, as vice president of the largest CWA district in the country.

Mr. Speaker, Mr. Pierce has stood by his word for the last 40 years by serving as an articulate spokesperson with a progressive point of view on major social, economic and political issues. In addition, he has involved himself in countless causes and struggles including civil rights, human rights, women's rights, political campaigns, demonstrations, picket lines and movements to improve conditions for the American worker.

Mr. Speaker, I am proud to recognize the achievements of Jan D. Pierce, and I know my colleagues join me in honoring him as we celebrate 40 years of progressive labor leadership with the Communications Workers of America.

HONORING JOANNE O'ROURKE ISHAM, DIRECTOR, OFFICE OF CONGRESSIONAL AFFAIRS, CENTRAL INTELLIGENCE AGENCY

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. COMBEST. Mr. Speaker, I rise today to call special attention to the dedicated work of Ms. Joanne Isham as Director of Congressional Affairs at the Central Intelligence Agency. Ms. Isham served in this demanding job for 2 years, taking over the office in a period of controversy following the reprimand of several CIA employees for their handling of the Aldrich Ames spy case. She recognized that the CIA's relations with the Congress were badly damaged by the spy case and set about immediately to improve them.

Mr. Speaker, I witnessed a dramatic shift in the Agency's posture with the Congress following Ms. Isham's appointment. She initiated a series of reforms to ensure that the Intelligence Committees were kept fully and completely informed of significant developments at the Central Intelligence Agency. She accomplished this turnaround not with a heavy hand, but with fair and even-tempered management. Ms. Isham kept me fully apprised of significant developments in the intelligence community. She earned the committee's respect in a most difficult undertaking.

Ms. Isham has now been promoted to be Associate Deputy Director for the CIA's Directorate for Science and Technology. This is a new position that will enable her to capitalize on her strong relations with the Congress and many years of experience in the CIA to bring a strategic and more corporate management team to the CIA's Directorate for Science and Technology. We will miss her at Congressional Affairs, but look forward to working with her in this new capacity.

Finally, I want to note that, in recognition of her work, she was awarded the Contract With America's Distinguished Intelligence Medal by Director John Deutch on March 18, 1995, in recognition for her outstanding leadership and management of the Office of Congressional Affairs. I want to thank her for her service to her country and her unstinting bipartisan work on behalf of the intelligence community.

SALUTE TO FAMILIA DIAZ MEXICAN RESTAURANT

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. GALLEGLY. Mr. Speaker, I rise today to salute a family restaurant in my district that is celebrating six decades of success—a family restaurant that never forgot the importance of family.

Familia Diaz Mexican Restaurant, now a fixture on 10th Street in Santa Paula, was established in 1936 by two people who had just $500 in savings and a dream in their hearts. Jose and Josepha ''Pepa'' Diaz opened their cantina, originally called ''Las Quince Letras,'' and resolved that through hard work and determination they would succeed.

While Jose worked the front, making conversation with faithful customers who, over the years, would become almost as close as family, Pepa would be in the kitchen turning out her famous recipies, sometimes sending daughter Vickie to the corner store to buy the ingredients for a particular dish.

Word spread and the restaurant grew. In the 1950's, their son, Tony, came into the business and built on the progress his parents had made. For many years, Tony's wife, Cecila, and his sister, Nora, almost single-handedly turned out the restaurant's famous tamales.

In 1980, when Tony was celebrating his 30th year in the restaurant, he was joined in the business by two of his children, Sandra and Dan. This was so very appropriate, because in Familia Diaz' 60 years of business, business has always been deeply rooted in family.

While the number of fast food restaurants turning out food that is precooked, prepackaged, and preheated continues to proliferate, it is refreshing to know there are still places to go where food is prepared, the way it is at Familia Diaz.

I would like to wish the Diaz family a sincere congratulations on this happy 60th anniversary and best wishes for the future. I know that as long as this restaurant maintains a healthy supply of its most precious commodity—family—it will continue to enjoy great success.

PROCLAMATION HONORING MRS. AMANDA FRAZER DAWSON

HON. VICTOR O. FRAZER

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. FRAZER. Mr. Speaker, I insert the following for the RECORD:

A PROCLAMATION

Whereas, Ms. Amanda Blyden was born on April 7, 1906 in Tortola in a little Village of Cane Garden Bay to Celina and George Blyden;

Whereas, Ms. Blyden moved to St. Thomas in the early 1900s;

Whereas, she attends Christ Church Methodist in the Market Square where she has remained an active member for over fifty years;

Whereas, Ms. Blyden married Mr. Albert Frazer on December 16, 1925;

Whereas, she had ten children, seven are presently alive and active in their communities;

Whereas, she is a proud grandmother and great grandmother to over fifty children;

Therefore, be it resolved on this the seventh day of April 1996, I, Victor O. Frazer, Member of Congress, join with family and friends to honor a great woman as she celebrates her ninetieth birthday.

HOUSE CONCURRENT RESOLUTION 148

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mrs. MINK of Hawaii. Mr. Speaker, I came to Congress in January 1965, when questions about our escalating involvement in Vietnam were widely debated. Congress had passed the Gulf of Tonkin resolution the summer before, providing supporters of the war in Vietnam with a claim that Congress had authorized it. I took a stand against United States involvement in the Vietnam war. Supporters of the war used the near unanimous vote taken by Congress in passing the Gulf of Tonkin resolution to prove that I was out of line and even un-American for opposing my Government at a time of armed conflict.

This Taiwan resolution repeats the mistakes of the Gulf of Tonkin resolution.

For 24 years we have adhered to a One China policy to the point where we have declined to recognize Taiwan as an independent nation. Until we do, our policy has been as stated in the Taiwan Relations Act. Taiwan does not have a United States Embassy in the United States; neither do we have one in Taiwan.

Despite the diplomatic difficulties that this One China policy has caused, it has produced enormous prosperity in Taiwan, making it the 19th largest economy in the world. Today Taiwan is a major trader with the United States as well as with the People's Republic of China. It has won its right to the international trading table without dispute.

The Taiwan Relations Act states no committment on the part of the United States to use our military force in case of threats by mainland China. It was carefully crafted to avoid this inference.

Today we are amending that act. This resolution specifically makes that pledge of military force.

I find it hard to support this resolution, despite the alarming and exceedingly provocative actions of the People's Republic of China, because it goes too far and changes the longstanding policy without any substantive debate and without discussion of all the ramifications of this change.

This resolution is a cold war style reaction to the current missile firing and military maneuvers by the People's Republic of China in the Taiwan Straits. A sounder resolution which deplored this provocation and urged that it come to a halt and commended the Government of Taiwan for their remarkable achievements, pledged continuing support and friendship, and congratulated them on their upcoming election would have been all that was

needed to point to the obvious need for the People's Republic of China to back off.

Yet I cannot vote against the Taiwan resolution, because like most of the Congress I, too, am disturbed at the aggressive behavior flagrantly exhibited by the People's Republic of China. It is not a normal reaction to the first Presidential election going on in Taiwan. In fact, it assured the overwhelming election of President Lee. It probably is more related to the power struggle going on in the People's Republic of China over who is to succeed Deng Xiao-Ping. We know that the various factions are positioning themselves to succeed him. A statement that the United States is a friend of Taiwan was probably important to reiterate. However, to go further and threaten the use of our military I believe was going too far.

Further, I believe that the President of the United States is in charge of the foreign policy of the United States and is also the Commander in Chief of our military forces. President Clinton had already ordered our ships to the Straits of Taiwan to observe the tactical exercises to make sure that it did not invade Taiwan's territorial integrity.

For these reasons I decided to vote ''present'' to respect the President's appropriate exercise of authority over this episode. My vote of ''present'' was cast to indicate that I had confidence in the President to serve the interests of all Americans in this matter at this time.

In the future if it ever becomes necessary to consider a resolution of war against the People's Republic of China I want to be free to determine at that time whether or not to support such a step.

I believe that those who voted for this resolution could be said to have already made their decision to go to war.

I want to reserve that decision to a later time and hope that that time will never come.

AVIATION TAX SCHEDULE

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. LIGHTFOOT. Mr. Speaker, the administration has proposed as part of its fiscal year 1997 budget request that Congress give the Federal Aviation Administration [FAA] the unlimited authority to establish and raise new aviation taxes. Under the administration proposal, the FAA could establish and implement those new taxes not later than 60 days after enactment. Following my statement is the aviation tax schedule developed by FAA in support of its budget request. Space limitations prevent us from adding the complete document into the RECORD today. However, the full FAA document is readily available from my office.

This new aviation tax schedule is clearly a case of the ''devil is in the details.'' The administration, in its publication ''FAA fiscal year 1997 Budget in Brief,'' attempts to portray these aviation taxes as limited to $150 million. However, the legislative language submitted to Congress, coupled with the information I am sharing with this House today, tells another story.

The legislative language submitted to Congress does not actually limit the amount collected in aviation taxes, it merely limits the amount available for obligation in fiscal year 1997 to $150 million. As we see in the attached aviation tax schedule entitled, ''Illustrative User Fees and Aviation Regulation and Certification,'' the administration clearly has bigger things in mind. This aviation tax plan could raise as much as $345 million in fiscal year 1997. Who knows what designs the administration would have on the almost $200 million in unobligated new tax funds the FAA could collect in fiscal year 1997.

At this point let me briefly highlight a few of Secretary Pena's proposed new aviation taxes.

At least $122 million could come from the airlines in the form of aircraft registration fees, air operator certificate fees and manufacturers certification fees. An additional $57 million could come from general aviation in the form of new license and medical certification fees. I am sure other parts of the aviation community will be interested to see what the administration believes should be their share of the new aviation taxes.

Mr. Speaker, this proposal is even worse than the original McCain-Pena proposal, S. 1239, because under this new administration proposal Congress would not have the opportunity to review any new aviation taxes before they were implemented. I hope Members of the other body who have supported S. 1239 will take a long, hard look at the administration's proposed aviation tax structure, because this is the future of aviation. This is what the administration would propose if Congress were to ever approve the McCain-Pena bill.

This administration's creation of a phony aviation funding crisis demonstrates that it does not believe itself capable of, nor is it even willing to attempt, to live within the confines of a balanced Federal budget.

We see today what the administration passes off as its vision of the future of aviation; not a modern, leaner, more efficient FAA—but new taxes to paper over the problems of an old, inefficient organization—in other words—business as usual.

It's interesting to note, Mr. Speaker, the administration continues to resist FAA reform. Two weeks ago the House passed the Duncan-Lightfoot FAA reform legislation. The Secretary of Transportation threatens a presidential veto of our FAA reform legislation. In fact, earlier this year the Appropriations Committee had to direct the FAA to develop and implement a plan to reform its personnel and procurement procedures.

Mr. Speaker, this plan for new aviation taxes goes to the heart of what the General Accounting Office has reported to us about the FAA. There is an organizational culture problem at FAA that I believe can only be fixed with continued congressional insistence on personnel reform, procurement reform and, of course, the restoration of FAA to independent agency status.

I think it is vital the Congress, the aviation community and the traveling public, which will ultimately pay these new taxes, have the opportunity to see the fine print whenever this administration proposes new aviation taxes. You can be sure this misguided tax proposal will face serious congressional scrutiny, particularly from the House Transportation Appropriations Subcommittee.

ILLUSTRATIVE USER FEES FOR AVIATION REGULATION AND CERTIFICATION

Presently the FAA charges fees for foreign repair stations and fees to recover the costs of the Civil Aviation Registry for processing and issuing aircraft registration certificates, dealers' aircraft certificates, and special registration numbers. Registry fees are nominal, for example, registering an aircraft is a one-time fee of $5 and there is no charge for airmen certification. Proposed new fees and increases in existing fees which were authorized by the Drug Enforcement Assistance Act of 1988 and which will take effect in 1997 still will not recover indirect overhead costs, nor will they compensate for FAA's costs to actually certify and license aircraft, airmen, air operations, or air agencies. A list of the types of Registry fees, how much is now charged and how much will be charged beginning in 1997, is shown in Exhibit No. 1, ''Civil Aviation Registry'' on the next page.

The User Fee Task Group studies a number of possible certification and licensing fees, which are listed below. A brief description of each fee is provided in Appendix No. 2, ''Synopsis of Illustrative User Fees—Certification, Regulation, and Licensing.'' More detailed narratives on each fee are available.

[In millions of dollars]

Illustrative fee:	*Projected annual revenue*
Aircraft Certification: Designee Appointments and Renewals	6.0
Aircraft Certification: Design Certification, Production Approval, and Airworthiness Certification	10.0
Aircraft Registration Fee	250.0
Airmen Certification/Registration (including Medical Certification)	56.5
Certification of Air Operators and Air Agencies	11.6
Civil Aviation Registry	11.0
Total Projected Annual Revenue	345.1

AIRCRAFT CERTIFICATION; DESIGNEE APPOINTMENTS AND RENEWALS

The FAA interviews and reviews the credentials and training of individuals who seek appointments as engineering, airworthiness, or inspection representatives. These individuals benefit economically as designees of the FAA. Therefore, a $1,000 fee for initial appointments and annual renewals would not seem unreasonable and would probably add an element of efficiency, as those designees who conduct certifications infrequently would opt not to be appointed, thereby reducing FAA's workload. Conversely, caution should be exercised to not charge too high a fee, as this might decrease the number of designees and also increase the FAA's workload.

EXHIBIT NO. 1.—CIVIL AVIATION REGISTRY IMPACT OF FULL COST RECOVERY

[In thousands of dollars]

	Current fee	Estimated annual collection	Proposed fee	Estimated annual collection	Required cost recovery fee	Estimated annual collection
Aircraft Registration Certificate (Non-Transport)[1]	5.00	210.0	32.00	1,344.0	45.03	1,891.4
Aircraft Registration Certificate (Transport)[1]	5.00	11.0	17.00	37.4	45.03	99.1
Aircraft Reregistration Certificate[2]	0	0	17.00	408.0	45.03	1,080.8
Airmen Certificate—New/Additional Ratings	0	0	14.00	2,240.0	18.21	2,913.8
Dealer's Aircraft Certificate—Original[3]	10.00	13.0	22.00	28.6	27.90	36.3
Dealer's Aircraft Certificate—Additional	2.00	6.4	7.00	22.4	27.90	89.3
Duplicate Aircraft Registration	2.00	6.0	7.00	21.0	44.89	134.7
Duplicate Airmen Certificate	2.00	90.0	7.00	315.0	23.85	1,073.4
Pilot Certificate—Reissued/Renewal[4]	0	0	14.00	980.0	23.85	1,669.8
Record Security Aircraft Parts Locations Engines & Props[5]	5.00	129.0	17.00	436.6	26.90	694.0
Record Security Interest[5]	5.00	150.0	17.00	510.0	26.90	807.0
Renewed Special Registration Number	10.00	40.0	28.00	112.0	34.68	138.7
Special Registration Number	10.00	100.0	30.00	300.0	37.16	371.6
Total		755.4		6,757.0		11,000.0

Requiring Operating Funds, $11.0M.

[1] This is the cost for the original aircraft registration.

[2] This is the cost for the renewal of aircraft registration which must occur every TEN years.

[3] These are currently renewed on an annual basis and will continue to be done that way.

[4] This will be for the ID portion of pilots certificates which will need to be renewed every TEN years.

[5] The collections for these fees currently goes to the General Fund, not the Registry.

FAA designates about 6,000 medical doctors, Airmen Medical Examiners (AME's), to perform medical examinations to certify the health of airmen. Typically, exams cost about $50–$75, and on average, AMEs conduct 50–100 exams a year. Few AMEs make a living from these exams and few would find it worthwhile to continue their designations if a fee were to be charged. Although not yet instituted, AMEs are to be charged $200 to attend FAA mandated training.

AIRCRAFT CERTIFICATION: DESIGN CERTIFICATION, PRODUCTION APPROVALS, & AIRWORTHINESS CERTIFICATION

FAA engineers conduct extensive analyses, inspections, and ground or flight tests to certify that an aircraft, engine, propeller, or aircraft part complies with design standards. FAA also approves manufacturers' request to produce and sell aircraft replacement parts. Fees could be charged for the initial certifications and for periodic renewals. While $10 million in annual revenue is projected for this user fee, much work needs to be done to fine tune this forecast, and to determine what types, and the amounts, of fees that could be charged.

AIRCRAFT REGISTRATION FEE

Presently, registering an aircraft is a one-time charge of $5. Under current legislation this will increase to an initial registration fee of $17 for commercial airlines and some business jets, and $32 for all other aircraft. Every ten years there will be a renewal registration fee of $17. The proposed illustrative aircraft fee, comparable to an automobile registration fee, could convert this fee to an annual fee with an option to pay several years in advance, and possible levels of charges could be the following:

Type of aircraft	Number in fleet[1]	Illustrative fees	Annual revenue (thousands)
Single Engine Pistons	123,600	$100	$12,360
Multi-engine Pistons	15,800	1,000	15,800
Turboprops	4,900	9,000	44,100
Turbojets	4,400	18,000	79,200
Piston Helicopters	1,500	500	750
Turbine Helicopters	3,200	1,500	4,800
Subtotal	153,400		157,010
Large Jet Aircraft	4,725	20,000	94,500
Total	158,125		251,510

[1] Based on 1997 forecast.

Note: It is important to bear in mind that these fees would be instituted in lieu of, not in addition to, the existing aviation taxes.

AIRMEN CERTIFICATION REGISTRATION AND AIRMEN MEDICAL CERTIFICATION

FAA certifies that airmen (e.g., flight engineers, pilots, mechanics) meet certain qualifications/requirements, for example, that pilots have flown a minimum number of hours. FAA assesses charges for certifying foreign airmen, but does not now assess a fee for domestic certifications. Fees could be established, comparable to those charged for foreign certifications, ranging from $250 to $400. Once certified, airmen could be charged an annual registration fee, like an individual's automotive driver's license. Annual fees might be the following:

Airmen	$15 annual fee	$20 annual fee	$25 annual fee
Student Pilots	X		
Private Pilots	X		
Mechanics	X		
Flight Navigators	X		
Parachute Riggers	X		
Dispatchers	X		
Commercial Pilots		X	
Flight Engineers		X	
Flight/Ground Instructors		X	
Airline Transport Pilots			X

A user fee is proposed to charge pilots to recover the costs to administer the Medical Certification and Airmen Medical Examiners Programs. To do so, the following fees might be assessed:

Certificate	No of certificates[1]	Possible fee	Projected revenue
1st Class Medical Certificate (commercial pilots; examined every six months)	170,000	$30	$5,100,000
2nd Class Medical Certificate (annual examination)	115,000	25	2,875,000
3rd Class Medical Certificate (private pilots examined every two years)	170,000	15	2,550,000
Total	455,000		10,525,000

[1] The number of certificates will decrease in the future when recreational pilots are not required to take a medical examination, but are able to self-certify that they are medically qualified to fly.

To simplify the administrative processing and to make it easier for airmen to pay, rather than charge a separate medical certification fee and a separate airmen registration fee, these charges should be combined into a single fee.

CERTIFICATION OF AIR OPERATORS AND AIR AGENCIES

Individuals and companies who wish to provide aviation services to the public must be certified by FAA that they meet certain requirements. These are mandated by law and include requirements relating to airplane performance, airworthiness, training programs, operating manuals, and crew member qualifications. Except for the certification of foreign repair stations, FAA does not charge for the time and resources expended in granting a certificate. Fees could be charged to cover the cost of the initial certification and annual renewals. Air operators include large airlines, commuter and small charter airlines, foreign airlines, external load operators, and agricultural operators. Air agencies include repair stations, pilot training schools, and maintenance schools.

An initial certification charge would be a flat rate determined by a formula using historical data. For example, to certify a large airline, FAA could charge $202,000, which is based on an average of 2000 inspector hours at a rate of $101 per hour. Annual renewal fees could be a rate based on the complexity of the review.

INTERNATIONAL COMPARISONS

User fees for certification and regulation are not without precedence. A review of fees charged by Australia, United Kingdom, Canada, and Japan, showed that all four countries charged fees for an air operator certificate, pilots' and other airmen's licensing, and certificates of airworthiness. See exhibit No. 2, ''Certification and Regulation Fees—International Comparisons.'' Fee schedules for each country can be provided. Generally, Canada's certification and regulation fees, like the United States' at this time, are nominal, and do not capture the costs of providing the services. About 20%–30% of Canada's regulatory function is funded by user fees, and 70%–80% is subsidized by general taxpayers.

In almost all instances, instituting the illustrative certification and regulation fees would require new or revised authorizing legislation and an accelerated rulemaking process. S. 1239, ''Air Traffic Management System Performance Act of 1995,'' a bill submitted by the Senate Committee on Commerce, Science, and Transportation's Subcommittee on Aviation, would allow the establishment of fees for safety, certification, security, training, inspection, and other activities. In addition, the bill mandates that the fees go into effect 45 days after submission to Congress. This is important since historically our experience has shown that it takes an average 2.4 years to go through the usual rulemaking process.

In an environment where users would be charged for services, fees for certification and licensing make sense, despite vehement opposition by those who would be charged. For a number of reasons, however, collection of these fees, while not impossible, would probably be difficult in FY 1996.

EXHIBIT NO. 2—CERTIFICATION AND REGULATION FEES INTERNATIONAL COMPARISONS

User Fee	Australia	United Kingdom[1]	Canada[2]	Japan	United States
Air Operators Certificate	Yes	Yes	Yes	Yes	No.
Pilot License	Yes	Yes	Yes	Yes	1997.
Licensing for Airmen Other Than Pilots	Yes	Yes	Yes	Yes	1997.
Airmen Medical Certification		Yes	Yes	Yes	No.
Other Designees (airworthiness representatives, manufacturing inspection representatives)	Yes		No		No.
Certificate of Airworthiness	Yes	Yes	Yes	Yes	No.
Certificate of Airworthiness Renewal	Yes	Yes	No	Yes	No.
Noise Type		Yes	No	Yes	No.
Noise Type Renewal			No	Yes	No.
Type Certificate	Yes	Yes	Yes	Yes	No.
Aircraft Registration			Yes	Yes	Yes.
Simulator Certificate (Annual and Renewal)		Yes	No		No.

[1] Other fees charged include: aircraft engine emissions; air traffic controllers' license (Canada also charges this fee); flying exhibit fees where more than 500 people are likely to attend.

[2] Generally these charges do not reflect costs of providing service. About 70–80% of Canada's regulatory function is subsidized by general taxpayers, and 20–30% is funded by user fees.

Note: Australian fees in effect on 7/90. Civil Aviation Authority (United Kingdom) fees in effect on 4/95 (rates are updated annually). Canadian fees effective as of 8/95. Japan's user fees in effect on 10/95.

As shown in the very first chart, the total projected revenue from certification, regulation, and licensing user fees is $345.1 million. This compares with the allocated cost[1] for Aviation Regulation & Certification of $658.6 million, resulting in a shortfall of $313.5 million. (See Appendix No. 2, ''Comparison of Costs and Revenues by Activity.'') While the precise amount of the deficit can be adjusted, e.g., adjust aircraft registration fee, reexamine aircraft certification revenue projection, or institute additional fees, the bottom line is that there is a sizable deficit between revenue from user fees and the costs of providing certification and regulation services.

CONGRESS MUST ACT CAREFULLY WHEN REGULATING SECOND AMENDMENT RIGHTS

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. GUNDERSON. Mr. Speaker, the debate about guns is as old as these United States of America. The American Revolution was about tyranny of the few over the many; and the power to control the masses included the ability to control firearms. As a result, our Founding Fathers believed it essential to guarantee the right to bear arms as a way to prevent history from repeating itself.

Throughout the ensuing 220 years, the second amendment has served us well—for food, for defense, and for sport. Guns were necessary to secure food and for protection as families settled our country during the early years of the country. Gun skills were vital to life then, remained important through two World Wars, and are still important today, especially to those outdoors enthusiasts in Wisconsin. There are many gun clubs in western Wisconsin, where young and old alike practice against targets and clay pigeons. Our hunters enjoy the sport and challenge of trying to bag a buck or a bird. We must ensure that their enjoyment can continue.

Yet everyone should recognize that the second amendment right to bear arms is not absolute. Congress has the ability to regulate the use of firearms where necessary. For example, over 60 years ago, Congress prohibited automatic weapons—machine guns—because allowing the sale of these weapons was contrary to the public interest. Today, we need to confront another growing problem—incidences of random gun violence by individuals and excessive drug-induced violence. This violence often pits our law enforcement personnel against criminals with greater firepower.

I believe that some firarms can be regulated by Congress without violating our second amendment rights. Just as a person cannot abuse his free speech rights by yelling fire in a crowded theater, there are reasonable limits that Congress may need to place on certain firearms. The issues are what firearms Congress regulates and how the regulation is conducted.

Today, we confront that issue as the House of Representatives again considers the assault weapons ban. Once again, both supporters and opponents have made their views known with emotional fervor. Both sides approach this debate with important and valid concerns. To many, the issue is the basic guaranty to bear arms provided in the second amendment to the Constitution. To others, the issue is a question of how to protect against mass killings all over the country, in both urban and rural areas.

When the House considered the assault ban in 1994, I noted that the real issue was not whether Congress could ban a short, designated list of firearms. Rather, the issue was whether, in addition to a short list, the people wanted to entrust the Federal bureaucracy with the power to decide which firearms were copies or duplicates of the firearms banned in the law or that met the additional banned firearm criteria. Supporters claimed that language prohibiting copies or duplicates is necessary to be effective and that the additional banned modifications are narrowly tailored. Opponents disagreed, noting that the effect would likely be to ban dozens of weapons. By a narrow vote of 216 to 214, the House decided that the Bureau of Alcohol, Tobacco and Firearms [BATF] should have that power.

In my opinion, the existing assault weapons law leaves excessive discretion to the Bureau of Alcohol, Tobacco and Firearms to determine when modified firearms should be banned. I believe then, as I believe now, that providing such wide latitude is wrong and that Congress must be more specific if it is to act at all.

As a result, I will vote to repeal the assault weapons ban. I sincerely believe that Congress must act very carefully when curtailing constitutionally protected rights, and it must fully disclose the effects of the legislation it passes to regulate those rights. The House did neither when it passed the assault weapons ban in 1994.

H.R. 2202, IMMIGRATION REFORM

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Ms. WATERS. Mr. Speaker, I was unable to be present for the floor debate on immigration reform due to business in my district. However, I would like to submit my views on H.R. 2202 for the RECORD.

As a Californian, I am well aware of many of the problems and economic strains associated with illegal immigration. However, we must not deter people, many who come here seeking freedom and opportunity, and many who have become productive citizens, from legally entering the United States. Many legal immigrants come to this country with a desire to work. Our challenge is to manage that flow rationally.

H.R. 2202 is an extreme measure that not only attempts to stop illegals from crossing our borders—often in unworkable and repressive ways—but also limits many of our family members such as sisters, brothers, parents, and adult children from joining us in America. This bill actually punishes legal residents and citizens by unreasonably restricting family reunification visas. It denies adult children and siblings of citizens and legal residents—many who have waited years to enter the United States—the chance to reunite with their families in America. This change in law would unfairly punish families that depend on their loved ones, not the Government, for support.

This bill also imposes annual refugee caps, limiting the number of eligible refugee applications to 50,000 per year—that's almost half of the current number. These people may be terrorized by their government, and have no other recourse than to flee their nation. Under this legislation, refugees could be turned away if the immigration quota of 50,000 for that year has been filled. This is a disgrace for a nation with a solid tradition of immigration, and a history of being a refuge for those who flee terror and deprivation.

I am disillusioned that some of my colleagues seek to make this bad bill worse by amending it to deny children an education, simply because they happen to be born to undocumented parents. Such a move would only further hurt an already disadvantaged child. It is absolutely cruel to punish innocent children for their parents' decisions.

This provision would also take a financial toll. In Los Angeles County alone—my home, and the home to nearly 30 percent of California's public school population of almost 1.5 million—the administrative costs for verification

could total as much as $97 million over a 7-year period, at $37 per student plus startup costs. It makes more sense to educate our children, rather than waste our resources verifying their citizenship, while risking discriminating against our own citizens in the process.

Other provisions, such as those which would force public hospitals to identify illegals before being reimbursed, are equally immoral. This could threaten public health and possibly increase harassment and discrimination in our hospitals.

It is my hope that we may vote to divide this bill into two parts, one which deals with legal immigration and the other with illegal immigration. I support securing our borders with more agents, better equipment, and sturdy barriers. I applaud the deportation of criminals and increased penalties for people who fraudulently reproduce U.S. documents. However, I do not back the provision to enhance the power of Federal law enforcement, including increasing wiretap authority. This is a complex bill with more weaknesses than strengths, at this point. Splitting the bill could allow us to focus on the real problem, which is stopping illegal, not legal, immigration.

Let us decrease the flow of illegal immigrants to our Nation, while proceeding to advance legal immigration. Our country continues to obtain its ultimate strength from diversity. Our tradition as a nation of immigrants obligates us to find a fair and just way to handle that responsibility.

Specifically, on the amendments, had I been present, I would have voted as follows:

Amendment No. 3, offered by Representative BEILENSON—''yes'';

Amendment No. 4, offered by Representative MCCOLLUM—''yes'';

Amendment No. 7, offered by Representative BRYANT (TN)—''no'';

Amendment No. 9, offered by Representative VELÁZQUEZ—''yes'';

Amendment No. 10, offered by Representative GALLEGLY—''no'';

Amendment No. 12, offered by Representative CHABOT—''no'';

Amendment No. 16, offered by Representative CANADY—''no'';

Amendment No. 18, offered by Representative DREIER—''no'';

Amendment No. 19, offered by Representative CHRYSLER—''yes'';

Amendment No. 22, offered by Representative POMBO—''no'';

Amendment No. 24, offered by Representative GOODLATTE—''no'';

Amendment No. 28, offered by Representative BURR—''no'';

Bryant motion to recommit—''yes''.

Final passage—''no''.

In addition, on Thursday, I would have voted ''no'' on rollcall vote 80, ''no'' on rollcall vote 81, ''yes'' on rollcall vote 82, and ''no'' on rollcall vote 83.

And, on the motion to go to conference on the omnibus continuing appropriations bill, I would have voted ''yes''.

Finally, on Friday, I would have voted ''no'' on both the rule and final passage of H.R. 125, to repeal the assault weapon ban.

TRIBUTE TO GIRL SCOUT GOLD AWARD RECIPIENT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. OBEY. Mr. Speaker, today, I would like to salute an outstanding young woman, Elizabeth Fox, who has been honored with the Girl Scouts of the U.S.A. Gold Award by the Indian Waters Girl Scout Council in Eau Claire, WI.

She is being honored for earning the highest achievement award in Girl Scouting. The Girl Scout Gold Award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development.

Girl Scouts of the U.S.A., an organization serving over 2.6 million girls, has awarded more than 20,000 Girl Scout Gold Awards to senior Girl Scouts since the inception of the program in 1980. To receive the award, a Girl Scout must fulfill five requirements: earn four interest project patches, earn the Career Exploration pin, earn the Senior Girl Scout Leadership Award project, earn the Senior Girl Scout Challenge, and design and implement a Girl Scout Gold Award project. A plan for fulfilling the requirements of the award is created by the senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

For the Girl Scout Gold Award project, Elizabeth organized a stuffed animal drive in her community and donated the toys to local time-out shelters. For her project, Elizabeth assessed the needs of her community, developed a plan to address one specific area in need, and followed through with the project to completion. The organizational and communications skills she developed through the project will benefit her throughout her life, and Elizabeth's dedication to Eau Claire will benefit the community for a long time to come.

The earning of the Girl Scout Gold Award is a major accomplishment for Elizabeth Fox, and I believe she should receive the public recognition due her for this significant service to her community and her country.

HONORING CHARLES C. WILLIAMS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. KILDEE. Mr. Speaker, it is my pleasure to rise before my colleagues in the U.S. House of Representatives to recognize Mr. Charles C. Williams. Mr. Williams is retiring after many years of dedicated public service. A retirement dinner in his honor is to be held on March 29, 1996 in Flushing, MI.

Throughout his 40-year career, Mr. Williams worked diligently to improve the lives of those who were less fortunate, and who were most in need. Mr. Williams proved to be a tireless advocate for children and played a vital role in helping to develop and advance programs dedicated to the preservation of one of the most important resources, the family. His work on behalf of his community has earned him the respect of not only his colleagues, but also the countless people whose lives were touched by him.

Mr. Speaker, Charles C. Williams has worked selflessly to make his community a better place in which to live. I know that his retirement dinner is not meant to celebrate his departure from the Department of Social Services, rather, the dinner is meant to show him the deep and abiding love and respect his colleagues, his family, his friends, and his community have for him. I ask you and my fellow Members of the 104th Congress to join me in paying tribute to such a dedicated public servant, Mr. Charles C. Williams.

H.R. 2202—THE IMMIGRATION IN THE NATIONAL INTEREST ACT

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Mr. KENNEDY of Rhode Island. Mr. Speaker, I believe H.R. 2202 creates an aura of fear and suspicion within our communities. Instead of addressing the real problem—the loss of our jobs to illegal immigrants, it unfairly punishes children and college students seeking an education. My district in Rhode Island is comprised of American citizens and legal residents of a multitude of races and nationalities. Because of that, I voted against final passage of the bill.

I wholeheartedly support H.R. 2202's initiatives to end illegal immigration by increasing the number of border control agents, building additional roads and barriers and cracking down on employers who hire illegal aliens. This mean spirited bill however, heightens the fear, hysteria, and anti-immigrant fervor that is running rampant across this country. For this reason, I could not in good conscience support this legislation.

My district in Rhode Island is enriched by the many people who have brought their cultures and traditions to this great Nation to build a life for themselves and for future generations. I am proud of these hardworking Americans, who each day go to work, pay taxes, and contribute to creating a stronger United States and Rhode Island.

Rhode Island boasts a myriad of ethnic groups who take pride in these cultures and traditions. This allows future generations of Rhode Islanders to celebrate the lives of their forebearers while providing the greater community the opportunity to share, learn, and respect the value of difference. This fellowship is part of the solution to ending the ignorance and fear of the unknown. Whether it be the Portuguese fiestas in Bristol, the Greek festivals in Pawtucket, the Hispanic celebrations in Central Falls, the French-Canadian traditions in Woonsocket, the Italian feasts in North Providence, or the Irish parades in Newport, Rhode Islanders value and cherish their ethnic roots. H.R. 2202 contributes to the slow but sure demise of these cultural values.

I find it unconscionable that Congress would approve legislation allowing school administrators the right to demand proof of citizenship before allowing a child to receive an education. It is a travesty that in an effort to curb illegal immigration, the authors of this bill have chosen to scapegoat children. Have we become so desperate that we must resort to these drastic measures? Creating an Orwellian society in which individuals must present a

card to verify their legality refutes everything that is right and good about America. It is blind and unfair. It fans the flames of prejudice. Does anyone doubt who will be asked to present a card? All too easily administrators will fall back on old prejudices for guidance. Someone is not any less an American because of the color of their skin or because their last name is new to a neighborhood.

I view H.R. 2202 as nothing but a political ploy orchestrated by the Republican Party to once again appease their supporters, to retain and build upon their majority. By forcing Democrats to go along, or be criticized for not doing the politically in thing, the Republican majority is once again playing games with extremely important issues. I will not be a part of playing their games and trampling on the spirit of ethnic pride in Rhode Island and the United States.

CONSERVATIVES ATTACK SLAUGHTER AS SHE FILES COMPLAINT AGAINST MCINTOSH

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1996

Ms. SLAUGHTER. Mr. Speaker, please insert the following article as additional documentation to my statement on March 22, 1996, regarding the need for the conduct of the Committee on Standards of Official Conduct to be beyond reproach.

[From Gannett News Service, Dec. 5, 1995]

CONSERVATIVES ATTACK SLAUGHTER AS SHE FILES COMPLAINT AGAINST MCINTOSH

(By John Machacek)

Rep. Louise Slaughter, D–NY., Tuesday filed an ethics complaint against a Republican subcommittee chairman. But she faces a counterattack from conservatives.

The complaint to the House Ethics Committee alleges Rep. David McIntosh, R–Ind., used fabricated documents and made false statements on the House floor during his drive to limit lobbying by federally funded nonprofit groups. Consumer activist Ralph Nader has filed a similar complaint.

Slaughter said McIntosh's actions were part of a ''campaign of intimidation'' aimed at silencing her and the Alliance for Justice, a civil rights and public interest lobbying group, which has vigorously opposed proposed Republican budget cuts.

''These actions . . . are way over the line,'' Slaughter said. ''It's McCarthyism all over again, and we have to stop it.''

Meanwhile, Americans for Tax Reform, a conservative group pushing McIntosh's legislation, is calling Slaughter the ''original tax-dollars-for-lobbyists welfare queen'' in postcards mailed to some of her constituents.

The mailing says Slaughter received $61,000 in campaign contributions last year ''from special-interest lobbies that receive federal funds, which is used to lobby for more money.''

''We wanted to draw attention to Louise Slaughter as the best-paid lobbyist these special interests could buy,'' says Audrey Mullen, executive director of Americans for Tax Reform, a coalition of conservative activists, taxpayer groups and businesses.

McIntosh, chairman of a House Government Reform subcommittee, brushed off the complaint, telling reporters that Slaughter and the Alliance for Justice were simply following the ''first rule of special-interest politics.''

''When your position on the merits of the issue is embarrassing, you launch an attack on your opponents,'' he said.

McIntosh's aides told reporters in October—after the House rejected Slaughter's request to debate her complaint against him—that he was not worried about Slaughter's plans to take her case to the Ethics Committee.

After ''informal contacts'' between House Ethics Committee and McIntosh staffers, McIntosh was told there ''wouldn't be enough of a complaint'' for the committee to pursue, said Chris Jones, McIntosh's press secretary.

The Ethics Committee staff makes recommendations to committee members.

Slaughter said in an interview Tuesday that McIntosh's ''intimidation tactics'' had continued through this week. She said a McIntosh aide told her staff McIntosh could file a counter-ethics complaint against her if a complaint was filed against him.

''Louise Slaughter can't have it both ways,'' Jones said. ''Her staff has been calling Indiana reporters since September trying to stir up a story about an ethics complaint. If the Ethics Committee is to be used to solve political disputes, then everyone will be fair game.''

McIntosh has apologized for the incident in which his staff used the Alliance for Justice's letterhead on a report that purported to list the amount of federal grants received by the alliance's members. He said the document should have contained a disclaimer. But he has recently told groups in Indiana that he stands by the figures

Slaughter and and Aron, Alliance for Justice president, say some of the information in the document was inaccurate.