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House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore [Mr. DICKEY].

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 16, 1996.

I hereby designate the Honorable JAY DICKEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Texas, Mr. SAM JOHNSON, for 5 minutes.

TIME TO CREATE A TAX SYSTEM THAT PROMOTES FREEDOM

Mr. SAM JOHNSON of Texas. Mr. Speaker, I found a statement by Richard E. Byrd, who was speaker of the Virginia House of Delegates from 1908 to 1914, which was the time when the income tax began. He predicted and I quote:

> A hand from Washington will be stretched out and placed upon every man's business; the eye of the Federal inspector will be in every man's counting house * * * the law will of necessity have inquisitorial features, * * * it will provide penalties, it will create complicated machinery. Under it men will be haled into courts distant from their homes. Heavy fines imposed by distant and unfamiliar tribunals will constantly menace the taxpayer. An army of Federal inspectors, spies, and detectives will descend upon the State.

Unfortunately, I believe the gentleman's prediction was right.

We in Congress have created a system that has grown from 11,000 to 7 million words, from 14 pages to over 9,000, and now has 480 different tax forms that require an additional 280 forms to describe the first 480. I don't believe this system is either simple or fair.

I will ask anyone to tell me that it is simple and fair when they can explain why 50 different tax experts, given the same return for a family of 4, come back with 50 different answers.

And why does it take over 115,000 IRS agents to enforce this Tax Code. Does anyone realize that there are more IRS agents than are employed by the Environmental Protection Agency, the Occupational Safety and Health Administration, the Food and Drug Administration, and the Drug Enforcement Agency combined.

I have to agree with Fred Goldberg, the IRS Commissioner under George Bush who said:

> The IRS has become a symbol of the most intrusive, oppressive, and nondemocratic institution in a Democratic society.
>
> Not to mention overly complex, economically destructive, unprincipled, inefficient, and discriminatory.
>
> Discriminatory because, as stated by Justin Morrill, a Member of this body back in 1866, in this country we neither create nor tolerate any distinction of rank, race, or color, and should not tolerate anything else than entire equality in our taxes.

Even the Founding Fathers were opposed to any politics based on income differences, because they feared it would lead to class warfare. They believed that comity and tolerance among the States and classes were the preconditions for a unified country.

I believe that the current system has divided the Nation because it says, that if you work hard and make a good living you should be punished. To all those who say the current system is fair I would like to point out a recent Readers Digest poll which found that Americans believe that no one should pay more than 25 percent in taxes and that is Federal, State, and local combined. And this feeling was universal across race, economic, and gender lines.

I believe it is time to create a tax system that promotes freedom. Freedom to me means a system that is fair and simple, encourages savings and investment, is efficient, drives the economy, provides opportunity for all and puts more money in your pocket.

That is why we will introduce a resolution to repeal the 16th amendment to the Constitution. The American public will see how destructive our tax system really is. I believe as Abraham Lincoln did that ''with public sentiment, nothing can fail; without it nothing can succeed.'' That is why I call on Congress and the American people to help us pull up the income tax system by its roots and replace it with a system that gives everybody the chance to succeed in attaining the American dream.

ISSUES CONGRESS SHOULD ADDRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized during morning business for 5 minutes.

Mr. PALLONE. Mr. Speaker, I think many of us know that for the last few weeks we have been in our districts. The House has not been in session until yesterday evening. Of course, it is an opportunity to talk to your constituents on a daily basis and get their input.

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What I found overwhelmingly was a feeling on the part of my constituents in my district in New Jersey that this House of Representatives and this Congress under the leadership of Speaker GINGRICH and the Republicans is not getting the job done.

My constituents expressed concerns about health care, whether or not they were going to have affordable health insurance or any health insurance at all; they expressed a great deal of concern about the environment, because we are now getting close to the summer season. My district is very dependent on shore tourism. For the last few years we have seen significant, at least in the last 10 years, we have seen significant improvement in our water quality, and they do not want to see the clock turned back on environmental protection.

They are also concerned about education. Today in my district in New Jersey we vote on the school board elections and the budgets. Property taxes are going up in many municipalities, and there is concern about a lack of State and Federal aid to help and provide property tax relief.

They are also concerned about jobs. They are concerned about whether or not pension, health care benefits, are going to be available, and whether they are going to have a job at all.

I ask the Members of this House, I ask the Speaker, what is it that this Congress under the Republican leadership, under Speaker GINGRICH and the rest of the Republican leadership, have done about any of these issues? And the answer is pretty much nothing.

We are back now for a 6-week session. I understand that the House Republican leadership under Speaker GINGRICH is going to propose some bills that are essentially, in my opinion, nothing but smoke and mirrors, an effort to sort of suggest that they are going to address education, environment, and health care issues, but that they really will not be addressing those issues in a significant way.

Let me just talk a little bit, if I can, about what is missing from this Republican leadership or Gingrich agenda. First of all, the education element. We are continuing to operate now as we have since the beginning of this fiscal year on what we call continuing resolutions. In other words, we have not passed a budget, we have not passed appropriation bills, to keep the Government going, and I know we have had actually at least two Government shutdowns because of the inability, if you will, of the House Republican leadership to pass legislation to keep the Government operating.

But a big part of these continuing resolutions or stopgap spending appropriation measures that have been passed here have actually implemented major cuts in education funding, for title I and other programs that are important to our school districts.

What that means is that when those school districts do not get the education funding to hire teachers or to pay for teachers' salaries or whatever, they either have to lay teachers off, as many have now or give notice of layoffs, or increase their local property taxes to make up the difference.

That is what is happening in the State of New Jersey. Many of our constituents are going to be going to the polls today voting on school board budgets that are higher because they cannot expect the Federal aid that they normally would have. What that means is that property taxes go up for many of them and property taxes are already too high. There has been a lot of talk about taxation by the Republican leadership around here, but they have not mentioned the fact they are actually increasing property taxes because of the cutbacks in education funding.

On the issue of the environment, as you know, next Tuesday, or next Monday I should say, will be Earth Day. We will be celebrating, I believe, the 26th Earth Day. Over the last 25 years, on a bipartisan basis, there were major accomplishments to protect and improve the protection of the environment. Water and air quality have improved. But if you look at the record of this Republican Congress and the Gingrich agenda over the last year, they have tried significantly to turn back the clock on environmental protection. They introduced and passed in this House what I call a dirty water bill, which eliminates a lot of the protections to improve water quality, particularly with regard to enforcement. The spending bills, the same stopgap spending bills that have major negative impacts on education have also had negative impacts on environmental protection, to the point where the EPA cannot do inspections, cannot do cleanup of hazardous waste sites pursuant to the Superfund Program. Grants that would go to municipalities and counties to upgrade sewage treatment, to make sure our water continues to be clean, have been cut back significantly.

What I have always said is it is very nice to have environmental laws on the books, and we do have some good ones, but what is the point if you do not have the money to enforce those laws?

So I would just conclude, Mr. Speaker, and say that this House and this Republican leadership needs to address the real issues that face the American people, and not operate in this smoke and mirrors agenda.

TRIBUTE TO GAIL DOBERT, DEPUTY DIRECTOR, OFFICE OF BUSINESS LIAISON, AND LONGTIME AIDE TO SECRETARY RON BROWN

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. FORBES] is recognized during morning business for 5 minutes.

Mr. FORBES. Mr. Speaker, I thank you for this opportunity. I take the floor today to pay tribute to a young woman, a young woman by the name of Gail Dobert. Gail Dobert was lost by us on April 3 in the tragic airplane crash in Croatia that took the life of Secretary Ron Brown and 33 others. This morning I take the floor to talk about Gail and the promise that Gail represented.

Mr. Speaker, literally tens of thousands of young people come to Washington, DC, every year, with the hope of promise for the excitement and the opportunity to be part of this Government. Whether it is the government of Ronald Reagan or George Bush or Jimmy Carter or Bill Clinton, they come to this town because they are caught up in the excitement of a living and vibrant democracy and wanting very much to be a part of that democracy.

I rise today to pay tribute to Gail. Gail Dobert was a Department of Commerce official. Her family of Moriches, Long Island, a very wonderful family, who described themselves as Kennedy Democrats and said that they are thrilled by Gail's participation in the political process. Along with many of my neighbors on Long Island, I was deeply saddened when we learned of the loss of Gail and Secretary Brown and so many others on that tragic day.

But today we are here to celebrate the life of Gail and what she meant. So many individuals search their whole lives through to try to make a lasting contribution to the world, to their communities, to their Nation. I think it is fair to say that Gail Dobert, in her very short 34 years, made a tremendous contribution, not only to the political process, but enhancing our own democracy and to working for the concerns that brought her to Washington.

Gail was born in Oneonta, NY, on April 12, 1961, the same day that headlines were made when the Russians had somebody orbiting the Earth. She grew up in St. Johns Street in Sayville, Long Island, and, ironically, she died on St. Johns Hill in Croatia. As a Long Islander, she loved the ocean, the warm breezes and the beaches that she came to love after her experiences every summer on Fire Island with her family. Rehoboth Beach, of course, became her favorite getaway beach from the rigors of Washington.

In 1979 she graduated from Connetquot High School in Long Island and left to attend Bucknell University. She was the beloved daughter, a I said, of Ken and Maureen Dobert, two individuals who describe themselves as Kennedy Democrats. She is the devoted sister of Ray and Darla, granddaughter of Helen, and I might add that this family's tragedy has only been enhanced because Gail lost both her grandmother and her grandfather, Maureen's parents, earlier in the year.

She is the adored niece of Regina and James and Elizabeth and cousin to Michael, Jennifer, Christopher, and Janice.

Prior to coming to Washington, Gail worked for Philip Morris and the New

York Daily News to help those two organizations with their summer jobs program that aided economically disadvantaged young people to find employment opportunities during the summer in New York City. Her first job out of Bucknell was as assistant director of public relations here in Washington for the Sheration Hotel chain. She did press, marketing, and events planning. But she could not fight that desire to come up here on Capitol Hill, and finally she landed a job as a senior legislative assistant to Pennsylvania Congressman Gus Yatron, a Democrat of Pennsylvania.

Following President Clinton's election in 1992, the road led Gail to four intense months as deputy director of operations for the inauguration. This appointment came as a result of her diligent and enthusiastic work under Ron Brown during his leadership as head of the Democratic National Committee. She served as budget manager for the Victory '92 Campaign, convention coordinator for all operational events, and corporate fundraiser at the DNC from 1990 to 1992.

After a 5-month recreational hiatus at various beaches in the Caribbean, Gail was persuaded to join Secretary Brown and did so in the Office of Business Liaison at the U.S. Department of Commerce as a confidential aide, deputy director, and, at the time of her unfortunate death, as acting director.

Under Secretary Brown's leadership and working closely with him, Gail helped to develop U.S. business interests abroad, and in fact she was able to organize and coordinate Presidential business development missions to Russia, South America, China, Ireland, India, Turkey, the Middle East, Africa, Bosnia and Croatia. These trade missions promoted export-related activities for specific business ventures by American companies. They developed over $44 billion in American opportunities abroad for businesses.

Mr. Speaker, I ask that the memory of Gail Dobert be recognized by this House and by the Nation at large.

DISTRICT OF COLUMBIA ECONOMIC RECOVERY ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning business for 5 minutes.

Ms. NORTON. Mr. Speaker, as this body is aware, it has imposed a Control Board on the District of Columbia, which has become insolvent. The only reason there are not more cities in this category, of course, is because most cities have States. Nevertheless, New York, Philadelphia, and Cleveland, long before the District became insolvent, themselves became insolvent and had control boards.

Control boards, of course, are necessary, because insolvent cities cannot borrow. One of the first things such cities need to do is to downsize their governments. That is exactly what is happening in the District of Columbia as I speak.

The fact is, however, that every other city that has become insolvent had a dual strategy or they never would have become solvent. The State provided either some direct aid, as in the case of Philadelphia, or a takeover of functions and aid, as in the case of New York City.

The District is a unique entity, and I have proposed a unique bill, the only alternative I can see, that provides any realistic way to counter the serious problems of the capital of the United States.

The unique fact about this city, of course, to face first and foremost, is that it has no State to help it in any way. The Congress, which, of course, has an obligation to help it with a payment in lieu of taxes, because we cannot build on the best land in the District, has not raised the District's Federal payment in 5 years.

Now, costs have gone up enormously in 5 years, so that means that the Federal payment is taking a loss every year that it is not raised. Congress, if anything, made it worse this year by shutting down the Government for a week and by delaying the full Federal payment for 6 months, just digging the hole deeper.

The Congress says the District cannot impose a commuter tax, even though 2 million people come in here using our facilities and walk out everyday without leaving a thin dime to support the city.

If you look at no State to help us, no Federal payment increase in 5 years, no commuter tax, you end up with no way out. It is the obligation of this body, that has constitutional responsibility for the capital of the United States and for every responsible person in this city, to think through how the recovery in fact is going to take place.

Step one is in place. The District is going to reduce its work force by 10,000 people in the next 4 years. That is a 25-percent reduction in its own city government work force. I challenge any Member to show me any government that has had that kind of reduction in so short a period of time. Indeed, the District is halfway there, because of the 10,000 positions that will go, it already has eliminated more than 5,000 of them. And yet this year, before half of the fiscal year was over, the District was down $100 million. You do not get out of insolvency that way.

So yesterday on Tax Day, I introduced the District of Columbia Economic Recovery Act. It adopts the approach that Members on both sides of the aisle want the Congress to adopt, tax cuts for the District of Columbia, rather than direct aid; tax cuts in order to encourage middle income residents who live here now to remain, and others to come.

In other words, the city would be able to support itself the old-fashioned way, because there would be enough middle-income taxpayers to pay for what needs to be paid for. There would be a flat 15 percent rate that would have a progressive effect on the income scale, giving substantial Federal tax reductions to D.C. taxpayers.

By the way, there is much to learn from my bill, I think, for the States. If you want to keep folks in New York, Newark, Chicago, and Los Angeles, perhaps the States should try reducing State income tax on taxpayers that remain in those cities, rather than allowing those cities to become what everybody knows they are becoming as I speak, and that is basket cases.

You cannot afford to have the proud capital of your country become a basket case. You are going to pay one way or another. Let us pay for it by letting D.C. residents keep their own money. There also would be capital gains exemption for D.C. residents who invest in the District of Columbia.

Yes, this is a unique remedy for a uniquely handicapped city. Read this morning's Washington Times editorial, ''A Serious Plan for What Ails the District.''

TRAVEL AND TOURISM IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Wisconsin [Mr. ROTH] is recognized during morning business for 5 minutes.

Mr. ROTH. Mr. Speaker, I congratulate the Speaker for the good job he is doing in the Chair.

The SPEAKER pro tempore. Thank you sir. You are not doing so badly yourself.

Mr. ROTH. Mr. Speaker, I am excited this morning. We now have 219 cosponsors to the Travel and Tourism Partnership Act. That means that we have more than a majority of the Members in the U.S. House of Representatives that have signed onto this legislation, and it is only appropriate that it happened on April 15—tax day. That is the day the American people focus on how much it costs to run their Government.

The American people know that travel and tourism is the second largest industry in America, and it is going to be the largest industry in America in only 4 years. What this means is that one out of every nine Americans who works, works in the travel and tourism industry.

Travel and tourism has only one problem: The people in the industry do not know how powerful they are politically. So the people that work in travel and tourism, that work in our hotels, motels, and our restaurants, small businesses up and down Main Street, America, they work hard and they pay their taxes. They do not do a lot of screaming. So whenever a tax bill comes to pay for more and more taxes, the American Congress puts it on the hard-working people that work in travel and tourism. Because they are so

busy working, they do not have time to demonstrate.

The American people ought to know that every household in America, because of the travel and tourism industry, pays $652 less in taxes. That is right. if you live and own a home anywhere in America, yesterday, on tax day, you paid $652 less in taxes because of this industry, because so many people are employed in this industry. The travel and tourism industry pays a total of $54 billion a year in taxes, and that benefits all Americans.

What has this Congress done? This Congress has closed down the U.S. Travel and Tourism Administration. Travel and tourism is the second largest industry in America and we have stopped advertising. What does every small business person in America know? You have to do some advertising. But Congress said ''We are going to save a few dollars,'' being very myopic, ''and we are going to close down the U.S. Travel and Tourism Administration.''

What I have done is introduce this legislation, and it does not cost 1 dollar in taxes. With this legislation will have the Government and private industry, travel and tourism, working together to let the world know what we have got to offer right here in America.

Every day we can see the benefits of travel and tourism. We had one of our Members here this morning talking about the environment and Earth Day. The money we spend on Earth Day, what will it do? It's just 1 day, where people work on a project, and speak to the TV news in the evening; but the next day it is all forgotten.

Not with travel and tourism. People in travel and tourism are environmentalists every day of the year. Why? It's their business. We want to have clean water. We want to have clean air. We want to make sure we have recreational areas for people to enjoy and to have a healthy environment: All of this means tourism.

I think the U.S. Congress, Mr. Speaker, is waking up to that message, and that is why we have 219 cosponsors on this bill. Very few bills ever get that kind of support.

But the flip side is we have 216 Members of Congress in the House who are not yet signed on. Do they not care about one out of every nine working people in America? I want the travel and tourism industry to contact these Members too. To let them know this is going to be an election issue, and that travel and tourism means jobs.

There are three industries that jobs for the American people will come from the rest of this decade and into the 21st century. What are they? Telecommunications, information technology, and travel and tourism. These are the three great job-producers in America's future.

So when we talk about travel and tourism, we are talking about an industry that is going to produce the jobs that our people need if we are going to have a strong economy.

The U.S. Congress is not going to produce jobs. Travel and tourism produce jobs for one out of every nine working Americans. In only 4 years, 661 million people will be traveling worldwide. Why is that important? Because that number of people will spend more than $585 billion in the process. That is a lot of money to be added to the American economy.

Mr. Speaker, our Travel and Tourism Caucus is the largest caucus in Congress—304 Members. I ask all Members to join this caucus, because travel and tourism is the wave of the future.

THE 104TH CONGRESS AND THE ENVIRONMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Ms. PELOSI] is recognized during morning business for 5 minutes.

Ms. PELOSI. Mr. Speaker, I am pleased to be a cosponsor of the travel and tourism legislation of our colleague from Wisconsin, Mr. ROTH, and wish him much success with it. However, I do take issue with one comment that he made, and that is what he said about Earth Day, that it is a day we go have our press events, make some fuss about Earth Day, and then it is forgotten for the rest of the year.

Maybe that is the approach that some of our colleagues on the Republican side of the aisle, and I am not including Mr. ROTH in that, because I know that is not his attitude, but some of our more extreme Members on the Republican side of the aisle take to Earth Day, but that is not the appropriate approach.

As our colleague mentioned Earth Day, we are preparing for Earth Day, the 26th anniversary of the first Earth Day, which will occur next Monday. I think it is important to make some observations about what has happened in this 104th Congress when it comes to the environment.

The 104th Congress came to Washington with an aggressive anti-environment agenda promoted largely by industry and special interest groups who are determined to turn back 25 years of progress to protect public health, safety and the environment.

The budget cuts proposed by the Gingrich majority in Congress for the Department of Interior and the Environmental Protection Agency are aimed at the heart of our Nation's environmental protection. The two departments with the greatest environmental authority have become the prime targets in the current attack on the environment.

The proposed cut in funding for the EPA is 21 percent below last year's level, and this would seriously affect EPA's enforcement of clean air, clean water, and safe drinking water laws. The Interior appropriations bill included provisions to open Alaska's Tongass National Forest to increased logging and to continue the moratorium on the listing of new endangered species.

The funding for protection of our Nation's wetlands, endangered species, forests and the public lands, must not be sacrificed in favor of short-term profits for miners, grazers, and developers. Programs to protect our Nation's water and air should not be held hostage to budget antics that have left these primary environmental agencies limping through the 1996 fiscal year with only a fraction of the funding needed to function.

Mr. Speaker, I want to call to the attention of our colleagues once again some of the impacts of the extreme Republican cuts on the EPA. Weakened enforcement of environmental laws, including a 40-percent reduction in health and safety inspections of industrial facilities; delayed new standards to protect drinking water, including tap water standards; delayed new and ongoing cleanups at toxic waste sites; rolled-back community right-to-know information about toxic chemicals; created barriers to developing new controls to protect rivers and streams from industrial water pollutants. The Republican approaches have delayed approving pesticides with lower health risks as a safer alternative for farmers, delayed new standards for toxic industrial air pollutants, delayed review of air pollution standards to ensure adequate health protection, delayed studies on how toxic chemicals may impair reproductive development, and studies on how pollution affects high risk populations.

I want to make two observations. The list goes on and on. I am just naming a few that affect EPA. There are others that affect the Department of the Interior and the Department of Justice's enforcement. I make two observations about that list.

One is, Mr. Speaker, as you know, as a colleague on the Subcommittee on Health and Human Services of the Committee on Appropriations, scientists have come before our subcommittee and said that you cannot separate personal health from the health of our environment. Pollution prevention is disease prevention. That makes these cuts foolish cuts, because they are not cutting the budget, they are reducing an investment in public health as well as environmental health.

I want to also call to the attention of our colleagues the release of a report by the California State Senate on environmental protection. The report says, ''Contrary to popular belief, environmental regulations are not a major cause of job losses and declining economic performance.'' The Senate report concludes that environmental laws are not a major cause for the relocation of businesses to other States or countries. According to the report, more jobs are lost from leveraged buyouts and mergers than from controlling pollution.

The American people have the answer: They want a safe and healthy environment. We should follow their lead

and we should live up to their expectations that the Federal Government will ensure their health and safety at all levels.

Mr. Speaker, on that note, I would like to close by saying when we observe Earth Day this year, we should use it to make observations about how far we have come and what is at risk, and we should every day of every year work to protect the environment and health of the American people.

THE NEW LEGISLATIVE AGENDA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 5 minutes.

Ms. DELAURO. Mr. Speaker, today Congress returns from a 2-week break, and the Republican majority leader has announced what he calls a new legislative agenda for this Congress. But in fact it is the same old Republican agenda, dressed up with some new rhetoric. Their agenda still fails the fundamental test, which is helping working middle-class families cope with the challenges that they face in their everyday lives.

When I was home during the recent break, I met with constituents in my district who feel that this Congress is simply not doing the job that working families need.

Consider just two issues, health care and pensions. The House passed a health insurance reform bill that should have addressed, I repeat, should have addressed, the problems faced by the millions of Americans who cannot get health insurance because they suffer from a preexisting condition.

I have a preexisting condition. I am a survivor of ovarian cancer. There are not too many businesses that want to include me in their insurance policy because of my prior illness. It would raise the cost of premiums for everyone. So I understand this problem of preexisting condition.

Millions of Americans cannot get health insurance because they suffer from a preexisting condition, or they fear losing their coverage if they lose or they change their jobs. When Congress took up this bill, we had a real opportunity, a real opportunity, to help families in this country by modestly reforming the health insurance industry and meeting the needs of working families.

I was in Wallingford, CT, not too long ago, where I met with a group of construction workers. One of the gentlemen there said to me that he was very, very much concerned about the downsizing of businesses all over the country. He has a child with a terminal illness. He said, ''I stay up nights worrying that if I lose my job, I lose my health care. What do I do about my child's illness and her health care?''

We had an opportunity, and, unforturnately and sadly, the bill that passed the House is a bad bill. It let the American people down, and it will make the health care problem worse.

We had a bipartisan bill sponsored in the Senate by Senator KENNEDY and Senator KASSEBAUM, and in this body, in the House, by Congresswoman MARGE ROUKEMA of New Jersey, a bipartisan bill that took the first steps toward addressing these two very serious problems. Instead of passing that legislation as it is and as the authors thought it best, what happened was that under the banner of reform, the House passed the bill which includes extraneous provisions that raise costs, hurt consumers, and will increase the number of uninsured in this country.

For example, they added medical savings accounts, which are expensive, destructive and bad health care policy. Instead of helping working middle-class families, our Republican colleagues continue to cater to the special interests. The medical savings accounts are a creature of the Golden Rule Insurance Co., headed up by J. Patrick Rooney, who, not by my description, but by the description of a variety of others, including the Wall Street Journal, has indicated that he is the third largest contributor to Republican campaigns.

Medical savings accounts have been added to this bill, causing an enormous problem. Medical savings accounts will take the healthy out of the traditional insurance pool, provide them with a tax break, and leave the insurance pool with only those who are frail and sick, thereby driving up premiums for everyone else. With the rise in those costs of premiums, people will no longer be able to afford them, thereby increasing the number of uninsured.

The American Council of Actuaries, not a liberal group by any stretch of the imagination, indicated that there would be a 61 percent shifting of costs with the medical savings account to those who are now currently insured in a traditional insurance policy, a 61-percent shift in cost.

Working Americans know very, very well, very well, about cost shifting in health care. When people are not insured, that does not go begging, it does not fall into a black hole. Everybody else who is insured picks up the cost. We had an opportunity, and we missed it.

Watch carefully and listen carefully. Do not buy this new rhetoric. Understand what is going on here.

RECESS

The SPEAKER pro tempore. There being no further requests for morning business, pursuant to clause 12, rule I, the House will stand in recess until 11 a.m.

Accordingly (at 10 o'clock and 10 minutes a.m.), the House stood in recess until 11 a.m.)

□ 1100

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 11 a.m.

PRAYER

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

As the rain nourishes the Earth, so may Your grace, O God, nourish us in the depths of our souls, our minds, and our hearts. We strive to learn and master new tasks. We absorb the facts and figures of today's world and we have all the resources of the intellect of the generations. Yet on this day we pray that we will heed the needs of our souls, strengthen our inner being in faith, preserve the hope and renewal of our hearts and by so doing walk in love and trust with You, our God, for ever and ever. Amen.

THE JOURNAL

The SPEAKER. 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.

Mr. DIXON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DIXON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 335, nays 67, answered ''present'' 1, not voting 28, as follows:

[Roll No. 118]

YEAS—335

Allard	Bishop	Castle
Andrews	Bliley	Chabot
Archer	Blute	Chambliss
Armey	Boehlert	Chenoweth
Bachus	Bonilla	Christensen
Baesler	Bonior	Chrysler
Baker (CA)	Bono	Clement
Baker (LA)	Boucher	Clinger
Ballenger	Brewster	Coble
Barcia	Browder	Coburn
Barr	Brown (OH)	Coleman
Barrett (NE)	Brownback	Collins (GA)
Barrett (WI)	Bryant (TN)	Collins (MI)
Bartlett	Bryant (TX)	Combest
Barton	Bunn	Condit
Bass	Bunning	Conyers
Bateman	Burr	Cooley
Beilenson	Burton	Costello
Bentsen	Callahan	Cox
Bereuter	Calvert	Coyne
Berman	Camp	Cramer
Bevill	Campbell	Crane
Bilbray	Canady	Crapo
Bilirakis	Cardin	Cremeans

Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Evans
Ewing
Fawell
Fields (TX)
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefner
Herger
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lantos
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney
Manzullo
Martinez
Mascara
Matsui
McCarthy
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Payne (NJ)
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Torres
Torricelli
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Young (FL)
Zeliff

NAYS—67

Abercrombie
Ackerman
Baldacci
Borski
Brown (CA)
Brown (FL)
Clayton
Clyburn
Collins (IL)
DeFazio
Durbin
Engel
Ensign
Everett
Fazio
Filner
Foglietta
Frank (MA)
Gephardt
Geren
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hefley
Heineman
Hilleary
Hilliard
Jacobs
Klink
LaFalce
Latham
Levin
Lewis (GA)
Longley
Manton
Martini
McDermott
Menendez
Neal
Oberstar
Olver
Pallone
Pastor
Pelosi
Pickett
Pombo
Pomeroy
Rush
Sabo
Schroeder
Sisisky
Skaggs
Stark
Stockman
Tanner
Taylor (MS)
Thompson
Torkildsen
Velazquez
Visclosky
Volkmer
Watt (NC)
Weller
Wynn
Yates
Zimmer

ANSWERED ''PRESENT''—1

Harman

NOT VOTING—28

Becerra
Boehner
Buyer
Chapman
Clay
Dornan
Farr
Fattah
Fields (LA)
Ford
Gibbons
Greenwood
Largent
LaTourette
Markey
McDade
Meek
Myrick
Owens
Richardson
Riggs
Rose
Thornton
Tiahrt
Towns
Vento
Wilson
Young (AK)

☐ 1127

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from North Carolina [Mr. BALLENGER] come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER 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.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 16, 1996.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the certificate of election received from the Honorable Bill Jones, Secretary of State, State of California, certifying that, according to the semi-official returns of the Special Election held on the 26th day of March, 1996, the Honorable Juanita M. McDonald was elected to the Office of Member of the Congress from the Thirty-seventh Congressional District of California.

With warm regards,

ROBIN H. CARLE.

SWEARING IN OF THE HONORABLE JUANITA MILLENDER-MCDONALD, OF CALIFORNIA, AS A MEMBER OF THE HOUSE OF REPRESENTATIVES

The SPEAKER. Will the Member-elect from California, the Honorable JUANITA MILLENDER-MCDONALD, present herself in the well along with the California delegation and raise her hand?

Ms. MILLENDER-MCDONALD appeared at the bar of the House, and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations, you are a Member of the House.

A WELCOME TO THE HONORABLE JUANITA MILLENDER-MCDONALD AS A MEMBER OF THE HOUSE

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, it is my great honor and privilege this morning, on behalf of the California delegation, to introduce the newest Member of Congress from the State of California. I hope that she will be the first in a series of new Members that will be elected from California.

But before I yield briefly to the minority leader, I would like to note that Gus Hawkins is present to participate in this great activity, and before we begin to praise JUANITA, may I just say about Gus Hawkins, my dear friend for the last 40 to 50 years, that he is the dean of all elected officials in the State of California, having served for 56 years continuously, half in this body and half in the State legislature, of course.

Again, more appropriately, he is the first African-American to be elected from southern California, and this is the latest African-American to be elected from southern California. And I think it is appropriate to note in such a brief period how much history has changed in California.

Mr. Speaker, I yield to the minority leader for any introductory remarks he may wish to make.

Mr. GEPHARDT. Mr. Speaker, thanking Mr. Dean, Members of the House, I rise this morning on behalf of all of my Democratic colleagues and all of my colleagues to welcome the newest Member of the House of Representatives, JUANITA MILLENDER-MCDONALD of California.

Many of our colleagues have begun their careers in local and State, city, town government and built their understanding of their districts and their communities from the bottom up, from the grass roots. But in the gentlewoman from California [Ms. MILLENDER-MCDONALD], we have gained a colleague who has already used her talents as a State lawmaker to become a national leader.

A former school teacher, Ms. MILLENDER-MCDONALD has been an innovator on education policy, pushing for creative reforms in California's inner-city schools, such as better English instruction, tougher standards and

model school-to-work programs. That may be why she was appointed to the National Commission on Teaching in America's Future and the Education Committee of the States, where she serves as a powerful voice for California.

She has also worked to start workshops all across the country to encourage broad education reform.

But education is just one of the issues on which she has made her mark. From her seat in one of California's most diverse assembly districts, she fought for transportation improvements that are creating hundreds of new jobs, for child care, for grandparents raising their grandchildren, for the growth of high-tech business in California, for basic rights for the homeless, and for reform of California's workmen's compensation laws.

When she became chair of California assembly's insurance committee, she was the first woman and the first minority to do so.

When she became chair of the revenue and taxation committee, she was also the first woman to do that. She has blazed a trail of innovation and accomplishment on every issue that she has faced.

My colleagues, not only have we gained a tireless and effective new champion for the 37th District of California, a woman with almost unlimited interests and abilities, we have also gained a sage and experienced legislator, and in keeping with her first career I believe she can teach us a great deal.

Join me now, my colleagues, in welcoming our newest colleague, the gentlewoman from California [Ms. MILLENDER-MCDONALD].

Mr. BROWN of California. I am of course going to yield to the gentlewoman from California [Ms. MILLENDER-MCDONALD] to make a brief response immediately, but are there any other Members from California who would like to say a word? If not, then I would now at this time again present the gentlewoman to talk and invite her under my 1-minute to respond briefly to the welcome that she has just received.

Ms. MILLENDER-MCDONALD. Mr. Speaker, Members, I am honored to represent the outstanding constituents of the 37th Congressional District, a district that mirrors America because it is one of the most diverse districts in the State of California. The constituents of the 37th Congressional District are hard-working and share the same concerns with Americans about crime, jobs, security, taxes, health care, and the future.

My constituents include my family, who have traveled afar to come here today for this very historic event, and I would like to have them acknowledged in the gallery.

My campaign theme was to Choose Hope, and it drew inspiration from my grandchildren, Ayanna Demaris Thomas, and Myles Chandler McDonald. My promise to the constituents was that I would take Choose Hope to Washington because, for me, Hope represents the American agenda that speaks to opportunity to fulfill dreams, quality education, job preparation and training, but expands global work opportunities, job creation through business incentives and transportation projects while maintaining health security for seniors and protection for our children.

I am also going to foster gender equity in health research projects. So I have come today to work with you as a team so that we can all forge an American agenda for all of the people of the United States as well as California in a bipartisan effort. I do welcome your support and thank you so much.

ANNOUNCEMENT BY THE SPEAKER

Mr. SPEAKER. The Chair will take 1-minute speeches.

NO EXCUSE FOR 40-PERCENT TAX RATE ON MIDDLE-INCOME FAMILIES

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

Mr. CHABOT. Mr. Speaker, yesterday millions and millions of Americans paid their taxes all across this country. Unfortunately, most of them found that the Government was taking more and more of their hard-earned dollars, and they were keeping less and less to support their families.

The tax burden on the average American family is outrageous. The total tax bill for an average family is almost 40 percent. Most Americans will spend more on taxes than they do on food, shelter, clothing, health care combined. Think of that; it is unbelievable.

Yesterday, during debate, one of the participants on the other side noted that taxes are what we pay for civilization. Now, I am mystified as to where that bit of wisdom was gleaned. There is no excuse for a 40-percent tax rate on middle-income families. That is not civilization; that is something close to tyranny.

The American people have every right to be upset about high taxes, and we have an obligation to try and change tax and spend Washington. It is time we give tax relief to the American people, and we ought to do it right now.

CFS IS A DEVASTATING INFECTIOUS DISEASE

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

Mr. NADLER. Mr. Speaker, a recently published book, Osler's Web, by Hillary Johnson, charges with impressive evidence that the Federal Center for Disease Control has ignored substantial clinical and epidemiological evidence that chronic fatigue syndrome is a devastating infectious disease caused by a specific virus rather than a psychosomatic illness as the CDC has claimed. Miss Johnson asserts that there is impressive evidence the chronic fatigue syndrome is, in fact, an immunological disease with many of the same characteristics as AIDS, that HHV–6, a virus may be a precipitating factor or a cofactor in CFS and in other immunological diseases, including AIDS, and that distinguished scientists who have come to the same or similar conclusion have been systematically ostracized and denied funding for the research by a snall clique at the Center for Disease Control.

I have already contacted Health and Human Services Secretary Donna Shalala requesting that she investigate these disturbing allegations, and I now urge my colleagues to join me in directing the GAO to look into this matter as well.

TAX DAY IN AMERICA

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

Mr. HEFLEY. Mr. Speaker, the most dreaded day of the year arrived yesterday. It was tax day in America. The Republicans tried to make yesterday a little better by passing a constitutional amendment to require a two-thirds vote to raise taxes.

Unfortunately, the tax and spenders in Congress prevented us from doing that. The liberals praise themselves for having the courage to raise taxes. That's not courage, that's taking the easy way out. That's why we had a record tax increase in 1993. It shouldn't be that easy.

A recent survey showed that 1 percent of Americans believe taxes are too low. By preventing us from passing this tax limitation amendment, the tax lovers in this Congress have defied the will of 99 percent of America.

We could have made yesterday a little better. Instead, the liberals are trying to ensure that every day is tax day in America.

TRIBUTE TO REX CHAO

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

Ms. MOLINARI. Mr. Speaker, last week, a senseless tragedy took from us a great and giving friend. Rex Chao, a student at Johns Hopkins University and an intern in my office, was murdered in very cold blood. It is difficult to not think of Rex in the most alive of terms. He loved being here in the U.S. Capitol, immersed in Government. He was excited by the Republican revolution and he was driven by his love and confidence in our Nation.

My office and I struggled with the most fitting tribute we could give our friend and decided that it should be a 1-

minute speech. Rex would want to be in the middle of partisan debate and elevated discussions concerning the issues we face as Americans. Rex will now be recorded forever in congressional history.

Our debates, our philosophies are important to our democracy. But it is the idealism of young people like Rex that will always guarantee its future. We are grateful he came our way.

HOW ABOUT A FEW JOBS IN AMERICA?

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

Mr. TRAFICANT. Mr. Speaker, the Department of Labor continues to amaze me with these new job listings. Check this out: Box bender ball warper, fish smoker, top screw nut roaster, impregnator, worm picker blank maker, hooker laster. Does that mean there is a hooker quicker job? If that is not enough to file your chapter 7, how about a slime plant operator helper? How about a wax ball knockout worker?

Unbelievable, Mr. Speaker, when American workers become box bending, ball warping, nut roasting top screws, it is evident everybody is getting their fish smoked. How about a few jobs in America? Eight million jobs. What do they pay, Mr. Speaker? Five dollars an hour? I yield back the balance of these jobs.

GEORGE STEPHANOPOULOS HAS IT BACKWARD: FOR PRESIDENT CLINTON, ACTIONS ARE WORDS, AS EVIDENCED BY HIS VETOES

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

Mr. BALLENGER. Mr. Speaker, in the current issue of Time magazine, we have a very interesting quote from George Stephanopoulos, one of Bill Clinton's top aides. He says, ''For this President, words are actions.''

Well, let's examine the record. Here are some interesting words from one of Bill Clinton's campaign commercials: ''I've offered a plan to get the economy moving again, starting with a middle-class tax cut.'' Or, how about these words: ''I would present a 5-year plan to balance the budget.'' And let's not forget these words, again, from the President: ''I have a plan * * * to end welfare as we know it.''

Mr. Speaker, considering the fact that Bill Clinton has vetoed all of these promises, I'm left wondering, What is George Stephanopoulos talking about?

The record is clear. There is no similarity between what Bill Clinton says and what he does.

Obviously, Mr. Stephanopoulos got it backward: For this President actions are words, because his vetoes speak volumes about protecting Washington's values.

EARTH DAY

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

Ms. MCKINNEY. Mr. Speaker, Earth Day will soon be upon us, and under instructions from the Republican National Committee, members from the other side of the aisle will be planting trees in an effort to clean up their well-deserved antienvironmental image. The American people know, however, that the only thing green about the Republican Party is the color of the campaign dollars they receive from big-name polluters.

It is no coincidence, Mr. Speaker, that the Republican majority is still trying to pass legislation to allow oil and gas drilling in the Arctic National Wildlife Refuge in Alaska. GOP coffers have been pumped full of money from the oil and gas industries.

You see, the process is simple: Pump greenbacks into Republican coffers, then pump oil and gas out of fragile ecosystems.

So this coming Earth Day when you see your Republican Member of Congress planting a tree, just think of how scenic the Arctic National Wildlife Refuge will be with oil wells dotting the landscape.

WE MUST PROTECT WORKING CLASS AMERICANS FROM ROBBERY BY THE FEDERAL GOVERNMENT EVERY APRIL 15

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

Mr. SCARBOROUGH. Mr. Speaker, I like trees. I think it is a good idea that we plant more trees. But let us talk about something serious and get beyond partisan bickering. Let us talk about what happened yesterday with the tax vote.

We continue to hear that we are providing tax cuts for the rich, but I have to tell the Members, when I hold my town hall meetings, and I have held 75 over the past year, it is not people making six figures asking for tax cuts, it is working class Americans making $30,000 or less who see every 2 weeks when they are working at Wendy's and they are working at Wal-Mart and they are carrying two or three jobs, that the Federal Government is taking more and more and more of their money.

We have to do something to protect those working class Americans who continue to get robbed by the Federal Government every April 15 and every 2 weeks. That is why I was proud to vote the way I did, and that is why I was disappointed to hear the rhetoric about all these people who are so darned interested in union workers and the working class Americans who will not do what they want them to do, and that is to give them back more of their money so they can invest in their future, their children's education, and put a little bit of money to the side.

CALLING FOR RESTORATION OF SUMMER JOBS PROGRAMS FOR 615,000 DESERVING STUDENTS

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I could not help but hear my good friend, the gentleman from Florida, talk about jobs. I just wonder how many of the Republicans are supporting the increase in minimum wage that so many Americans need.

Now there are approximately 53 days left until schools in Houston and across the Nation recess for summer vacation. There will be a crisis of out-of-work young people if this Congress does not restore the Job Training Partnership Act funds for summer youth employment.

The extremist forces in the House have smeared the memory of Dr. Martin Luther King in the month of his death, as he fought for the opportunities for underprivileged young people to find summer work, by eliminating these funds altogether. Eliminated were $867 million in nationwide funding, $9.1 million from my hometown in Houston, TX, alone; in all, leaving some 615,000 underprivileged young people across America without summer jobs that they depend on to support their families and return to school. Fortunately, the Senate has restored most of the funding for this vital program. However, the uncertainty that this program faces due to temporary spending measure after temporary spending measure leaves us in jeopardy.

Mr. Speaker, I simply ask, in 53 days, let us stand for the young people of America. Let us restore the jobs, the 6,000 jobs in Houston, and the $9.1 million.

MINIMUM WAGE INCREASE IS NOT A PANACEA

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Mr. Speaker, somehow liberals in this House and the big labor union bosses here in Washington, DC, are convinced that raising the minimum wage will somehow solve the world's problems. The belief in the effectiveness of the minimum wage is a triumph of fantasy over reality, of symbolism over substance.

The proponents of an increased minimum wage argue that Americans need a raise. Well, if Members recall, Mr. Speaker, Republicans tried to give working Americans a raise by giving them a tax cut, and the President said no and vetoed it. Now liberals are falling, and, I might say, those big labor union bosses are falling all over themselves trying to portray themselves as

defenders of the poor, the economically downtrodden. But it is all an act, and Americans know it. Even President Clinton's top economic adviser, Joseph Stieglitz, wrote in an economic textbook that, ''A higher minimum wage does not seem a particularly useful way to help the poor.''

If liberals and those labor bosses were really convinced about the poor and concerned about them, they would support tax relief, that $500 per child tax credit. They would lower interest rates by supporting a balanced budget, and also they would seek economic growth.

LEGISLATION WHICH PROTECTS OUR PLANET SHOULD BE A CONGRESSIONAL PRIORITY

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

Mr. WARD. Mr. Speaker, let me say first for the record that the buying power of the minimum wage is the lowest it has been in 40 years. To deny an increase in the minimum wage is reprehensible.

Mr. Speaker, today I have risen to speak as we approach Earth Day, a day that Americans across the country come together to focus on the environment. I would like to call attention to the atrocious environmental record that the Republican majority has created. At a time when the EPA estimates that nearly 40 percent of the Nation's waters are unfit for fishing and swimming, we would think that clean water would be a priority.

However, Mr. Speaker, the so-called Clean Water Act that the Republican majority passed last year, written mostly by corporate polluters, would create waivers and exemptions from previously established basic standards for our rivers, lakes, streams, and oceans.

In short, protecting our environment means protecting our future. We have been entrusted to provide a future of clean air, lush forests, and clean water for our children and our children's children. Legislation which protects our planet should be a priority, not the Republican majority's laws that have encouraged its destruction.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1202

Mr. SHAW. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1202.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from Florida?

There was no objection.

LET US FOCUS NATIONAL EFFORTS ON WINNING THE WAR AGAINST DRUGS

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

Mr. ZELIFF. Mr. Speaker, the gentleman from Illinois, DENNY HASTERT, the gentleman from Florida, JOHN MICA, the gentleman from Indiana, MARK SOUDER, and I just returned from a counternarcotics trip to Mexico, Panama, Colombia, Bolivia, and Peru. We met with various leaders in the antidrug effort, including Peru's President Fujimori and Colombia's National Police Chief Serrano. We also met the brave Americans from several of our Government agencies in those countries, with armed patrols who went into the jungles of Bolivia and Peru where the bulk of the world's coca leaf is grown and processed in primitive drug labs.

We watched as Bolivian antidrug units destroyed a pit where cocaine was made to ship to Colombia and Mexico, and then be shipped into our country. The deadly cocaine and heroin destroying our communities starts in the jungle and ends up in the streets of New Hampshire.

We have people risking and even losing their lives on the front line. We need to get a commitment from our people and our national leaders to refocus our efforts on winning this war. Drugs and crime together are our Nation's No. 1 national security threat. We need to get everybody, from the President and Congress to teachers, parents, and media, talking about this threat to our Nation. We also need a plan that puts a priority on educating our people about the risk of narcotics, that includes treatment for those who are already addicted, as well as sufficient funds for law enforcement interdiction and eradication. We can win the war on drugs if we can put a man on the moon. We need to get moving now.

BEWARE REPUBLICAN EARTH DAY ASSAULT

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

Mr. LEWIS of Georgia. Mr. Speaker, Saturday is Earth Day, a day to celebrate our environment—our Earth—our home. We must protect it; we have no other place to go.

We have a responsibility to make our world a little greener and a little cleaner—to make it safer for our children and unborn generations.

The Republican leadership does not agree.

Republicans passed the dirty water bill. Their Superfund reform lets corporate polluters off the hook. Who benefits? Polluters. Who suffers? Each and every one of us. There is more pollution in the air we breathe, the water we drink, the food we eat.

The American people know what you are doing. They have seen the Republican assault on our environment—and they are worried. Be careful with your publicity stunts this Earth Day—the American people will not be fooled.

AMERICA'S ENVIRONMENTAL PROBLEMS CAN BE SOLVED ONLY AT THE STATE AND COMMUNITY LEVEL

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

Mr. HAYWORTH. Mr. Speaker, let me assure my good friend, the gentleman from Georgia, that after the hue and cry and the celebrations this Earth Day, many committed conservatives will stand there to clean up the mess left by so many so-called environmentalists.

It is interesting to hear the lines provided today, Mr. Speaker, from our friends on the liberal side, their carefully crafted scripts engaging in playground taunts. Let me state unequivocally and for the record that the new majority is in favor of clean air and clean water, and yes, restoring balance to our laws, recognizing that Phoenix is not the same as Philadelphia, or that Flagstaff is not the same as Fargo, ND, and relying on people on the front lines to solve their problems in the 50 States where there are departments of environmental quality, and in the communities, understanding that there are differences.

The key to solving the problem, Mr. Speaker, resides with the American people, not with the Washington bureaucrats, and no amount of name-calling can change that fact.

□ 1200

REPUBLICAN THREATS TO THE ENVIRONMENT

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

Mr. JACKSON of Illinois. Mr. Speaker, the founder of the annual April 22 Earth Day, former Senator Gaylord Nelson, said the record of the 104th Congress shows this to be the worst environmental Congress ever. The majority leadership in this body has attempted to roll back years of environmental progress to provide favors for its special interest friends.

Because of budget cuts by the majority in this Congress, the Environmental protection Agency has missed thousands of inspections and enforcement actions. This same majority has shifted costs from polluters to taxpayers, while cleanups have been slowed at 400 toxic waste sites and stopped at 60 Superfund sites. Because funds to implement six administrative rules have been cut, hundreds of millions of pounds of pollution entered our water supply that could have been prevented.

While never aggressively pursued, adequately funded or fully enforced,

our environmental laws were working. Yet, there is much to be done. It is time for the majority in the 104th Congress to clean up its environmental act.

PAYING MORE AND GETTING LESS

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

Mr. MICA. Mr. Speaker, we have heard the other side bash the Republicans about environmental policy. Unfortunately they do not want to deal with the facts.

We heard them mention 40 percent of the streams still polluted in the country, or whatever percentage. That is under current law. Let us look at Superfund, one of their great examples that they want to protect as we do now. Over 2,000 sites have been identified for hazardous waste. How many have been cleaned up? Just a handful, less than 70, at a cost of billions of dollars.

Where does 85 percent of the money go? For attorneys fees and for studies. That is what we are talking about here. We are talking about paying more and getting less.

Of the sites that were cleaned up, a GAO report last year said the sites were chosen on the basis of political pressure, those few sites that did not address public health, safety or welfare. So they want to pay more and get less. They want to protect the 6,000 bureaucrats in Washington, DC, and EPA just down the street from here, who have not cleaned up a hazardous waste site and would not recognize one if it hit them in the face.

THE EXTREME REPUBLICAN MEAN-SPIRITED AGENDA

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

Mr. ENGEL. Mr. Speaker, it has been 16 months since the Republicans have taken over Congress, and what have we gotten for it? We have gotten an extreme agenda that hurts the middle class.

The previous Speaker showed why the environment is so important and how the Republican majority is doing nothing to help the environment. We have Medicare cuts and Medicaid cuts that hurt our senior citizens. We have the largest education cuts in American history. Let me say that again, the largest education cuts in American history. As we approach Earth Day, we find cuts in the environment, cuts in environmental enforcement, allowing the polluters to continue to pollute.

They use the code word ''balance.'' That means let us let industry continue to pollute. They hurt the middle class. They want to keep corporate welfare. This is what the agenda was all about yesterday.

They talk about tax relief. We have rules in this House that we passed, much-heralded rules saying that there needs to be a supermajority in order to raise taxes, and the Republicans have waived those rules three times.

Let us stop the nonsense. Let us stop hurting the middle class with the extreme Republican mean-spirited agenda.

CALL FOR A MINIMUM WAGE BILL

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

Mr. VOLKMER. Mr. Speaker, yesterday this House spent several hours on legislation everybody knew that was not going to go anywhere, was not going to pass and even if it did, it would not have any effect on anybody in this country for years to come because it would have to be ratified by the States.

But we Democrats are asking the leadership of the Republicans, Speaker GINGRICH and the radical Republicans, to bring forward legislation that will help millions of people in this country now, and that is an increase in the minimum wage. The minimum wage today is the buying power of what it was 40 years ago. Many people out in my district work for the minimum wage. They need an increase in the minimum wage.

I ask the Speaker and his radical Republicans, let us bring forth a minimum wage bill that will be helpful to the people of this country. Let us not continue to work on legislation that will have no effect and will not help anybody. Let us do a minimum wage bill.

ENVIRONMENTAL STEWARDSHIP

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

Mr. COX of California. Mr. Speaker, Earth Day is coming, and if we are serious about protecting the planet, we are going to have to work together as Democrats and Republicans, as Americans and as citizens of this planet Earth to achieve the results that we all say that we are in favor of.

It is not going to work to say Republicans or Democrats, this and that. We have 60 Superfund sites where work has stopped. We have some 2,000 Superfund sites, 1,300 of which we have not even gotten to. If we are serious about this, we will stop spending billions of dollars, $5 billion out of the last $15 billion, on nothing but litigation and bureaucracy.

Superfund reform is bipartisan. Republicans favor it, Democrats favor it, and we need to pass it if we are serious about cleaning up toxic waste sites. If we are serious about protecting our rain forests and our savannas, then perhaps you will wish to sponsor the Rain Forest and Savanna Protection Act that I will soon be introducing, that will condition World Bank, IMF, bilateral, and multilateral foreign aid to countries that ought to be responsible for protecting our rain forests and savannas on sound environmental stewardship.

RNC GOOFS ON TAX AND SPEND WORK SHEET

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

Mr. ABERCROMBIE. Mr. Speaker, yesterday, as we know, the tax and spend work sheet went out all over the country. One was sent to my district from the National Republican Congressional Committee.

It says here, ''Neil Abercrombie's Tax and Spend Work Sheet.'' The only problem is that they forgot to white out Representative KAREN THURMAN's name at the bottom. They were using a generic one-size-fits-all work sheet for everybody in the country, and they are so stupid that they put somebody else's name on my work sheet. They do not know the difference between Hawaii and Florida.

So when they ask me about taxing and spending, I say, ''I don't know, ask the Republican National Committee. They're the ones that put out Representative KAREN THURMAN's work sheet for my work sheet.''

They say they want to represent the values of the people of the First District of Hawaii. Well, I am in good shape to do that. I do not live in Florida. Why do you not go down to Florida and check with Representative KAREN THURMAN the next time you want to do that?

They told me this campaign was going to be nasty but they did not say it was going to be foolish as well.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 789

Mr. DURBIN. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 789.

The SPEAKER pro tempore (Mr. CAMP). Is there objection to the request of the gentleman from Illinois?

There was no objection.

ENVIRONMENTAL RECORD OF 104TH CONGRESS

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

Mr. DURBIN. Mr. Speaker, with Earth Day coming up, it is time to reflect on the environmental record of the 104th Congress. Do you recall, during the heyday of the Gingrich revolution, when in one appropriation bill the Gingrich Republicans put in a 28-page amendment which eliminated 14 environmental protection laws they considered unnecessary?

Let me give some examples. The law which says the Federal Government will monitor the presence of arsenic in drinking water, the Republicans say that is unnecessary.

Another law which said that one industry, a special interest group, the cement kiln industry, would have a waiver of air pollution standards, the Republicans said, that is a good idea. Well, that amendment passed with the Gingrich Republicans' support, and after 3 separate efforts, 35 moderate Republicans finally took all the heat they could at home and decided to join the Democrats and repeal it.

Since then, the gentleman from Georgia [Mr. GINGRICH] has tried to get an awful lot greener. Every time he has come to the floor, he has talked about saving the environment, but the American people know better. You have to put money in the Environmental Protection Agency to protect the purity of the water we drink and the safety of the air that we breathe.

ENVIRONMENTAL PROTECTION

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

Mr. PALLONE. Mr. Speaker, I just wanted to comment on some of the comments that were being made on the other side of the aisle by Republicans about Earth Day and progress on the environment.

It is certainly true that a lot more needs to be done on environmental protection, whether it is cleaner air or cleaning up more of the hazardous wastesites under the Superfund Program. But to suggest that the answer to that or the way to do that is to cut back on the number of people who work for the EPA, or to cut back on the investigators and those who go out and enforce the existing environmental laws, or to weaken those laws so that they do not provide as much environmental protection, well, that makes no sense at all.

If you are concerned about the environment, you do not turn the clock back 25 years on a bipartisan basis in this House and the Senate and in the Presidency to try and improve environmental quality and to increase enforcement. That is what Speaker GINGRICH and the Republican leadership are trying to do here in this House. They are trying to turn back the clock.

They are saying we do not need the people to do the investigation, we do not need the enforcers. We are going to let industry do its own thing. The bottom line is that you are not going to improve the quality of this Nation's environment unless you do more to protect the environment, have stronger laws, and have better enforcement. That is what we need.

That is not what is happening here. Unfortunately, we are leading up to Earth Day this year with this Republican leadership working in the opposite direction.

NEW REPUBLICAN AGENDA IS SAME OLD GAME PLAN

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

Ms. DELAURO. Mr. Speaker, recently the gentleman from Texas [Mr. ARMEY], the Republican leader, unveiled what he calls a, quote, new agenda for this Congress. But in fact what we really have in this new agenda is the same old Republican game plan of hurting working families and the health and safety of working families while bailing out the special interests.

At a minimum, the hardworking families of this country should be able to count on the Congress to protect the public health, but this Congress has been a polluter's dream come true. During the 104th Congress, Republicans invited polluters to rewrite the Clean Water Act. They also proposed letting big companies off the hook for cleaning up hazardous waste that they dumped.

The House Republican leadership has insisted on deep cuts in environmental protection, halting cleanups in many areas. They have also encouraged their folks to let people know that they are environmentally conscious, and then they say, ''go plant a tree, go hug a tree, go to a zoo, that will make people think you are environmentally conscious.''

Do not be fooled by the phony agenda the Republicans have unveiled. It is a sad attempt to mask the truth. After almost a year and a half of failure, the Gingrich Congress continues to pursue an agenda that puts the needs and the health of Americans at risk.

REPUBLICAN TURNAROUND ON ENVIRONMENT COMES TOO LATE

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

Mr. MILLER of California. Mr. Speaker, after a year of the most comprehensive and concentrated attack on the basic environmental laws of this country, the Speaker of this House and the majority leader of the Republican Party believe that they can turn around a record and con the American people into believing that all of a sudden the Republican caucus in the House is in favor of environmental protection. It simply will not wash.

After a year of voting against clean air and clean water, voting against Superfund liability, voting against the Endangered Species Act, voting to eviscerate wilderness areas of this country, you will not turn around America's image of the Republican caucus in this House by recycling batteries or reauthorizing the Coastal Zone Management Act. It takes more than that to protect the environment, and it takes more than that to turn around the image the American public have of the Republicans and the environment.

They have tired to destroy the laws, and now they are trying to hide the record because they are reading the polls and the election results in November.

COMMUNICATION FROM THE HONORABLE STEVEN SCHIFF, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable STEVEN SCHIFF, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 4, 1996.

Hon. NEWT GINGRICH,
Speaker of the House, The Capitol, Washington, DC.

DEAR MR. SPEAKER: this is to formally notify you, pursuant to Rule L (50) of the Rules of the House of Representatives, that four members of my Albuquerque District Office have been served with subpoenas issued by the Second Judicial District Court (Bernalillo County, New Mexico) in the case of New Mexico v. Martin.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

STEVEN SCHIFF.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

□ 1215

TAXPAYER BILL OF RIGHTS 2

Mrs. JOHNSON of Connecticut. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2337) to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections, as amended.

The Clerk read as follows:

H.R. 2337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Taxpayer Bill of Rights 2''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—TAXPAYER ADVOCATE

Sec. 101. Establishment of position of Taxpayer Advocate within Internal Revenue Service.

Sec. 102. Expansion of authority to issue Taxpayer Assistance Orders.

TITLE II—MODIFICATIONS TO INSTALLMENT AGREEMENT PROVISIONS

Sec. 201. Notification of reasons for termination of installment agreements.
Sec. 202. Administrative review of termination of installment agreement.

TITLE III—ABATEMENT OF INTEREST AND PENALTIES

Sec. 301. Expansion of authority to abate interest.
Sec. 302. Review of IRS failure to abate interest.
Sec. 303. Extension of interest-free period for payment of tax after notice and demand.
Sec. 304. Abatement of penalty for failure to make required deposits of payroll taxes in certain cases.

TITLE IV—JOINT RETURNS

Sec. 401. Studies of joint return-related issues.
Sec. 402. Joint return may be made after separate returns without full payment of tax.
Sec. 403. Disclosure of collection activities.

TITLE V—COLLECTION ACTIVITIES

Sec. 501. Modifications to lien and levy provisions.
Sec. 502. Modifications to certain levy exemption amounts.
Sec. 503. Offers-in-compromise.

TITLE VI—INFORMATION RETURNS

Sec. 601. Civil damages for fraudulent filing of information returns.
Sec. 602. Requirement to conduct reasonable investigations of information returns.

TITLE VII—AWARDING OF COSTS AND CERTAIN FEES

Sec. 701. United States must establish that its position in proceeding was substantially justified.
Sec. 702. Increased limit on attorney fees.
Sec. 703. Failure to agree to extension not taken into account.
Sec. 704. Award of litigation costs permitted in declaratory judgment proceedings.

TITLE VIII—MODIFICATION TO RECOVERY OF CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS

Sec. 801. Increase in limit on recovery of civil damages for unauthorized collection actions.
Sec. 802. Court discretion to reduce award for litigation costs for failure to exhaust administrative remedies.

TITLE IX—MODIFICATIONS TO PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX

Sec. 901. Preliminary notice requirement.
Sec. 902. Disclosure of certain information where more than 1 person liable for penalty for failure to collect and pay over tax.
Sec. 903. Right of contribution where more than 1 person liable for penalty for failure to collect and pay over tax.
Sec. 904. Volunteer board members of tax-exempt organizations exempt from penalty for failure to collect and pay over tax.

TITLE X—MODIFICATIONS OF RULES RELATING TO SUMMONSES

Sec. 1001. Enrolled agents included as third-party recordkeepers.
Sec. 1002. Safeguards relating to designated summonses.
Sec. 1003. Annual report to Congress concerning designated summonses.

TITLE XI—RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS

Sec. 1101. Relief from retroactive application of Treasury Department regulations.

TITLE XII—MISCELLANEOUS PROVISIONS

Sec. 1201. Phone number of person providing payee statements required to be shown on such statement.
Sec. 1202. Required notice of certain payments.
Sec. 1203. Unauthorized enticement of information disclosure.
Sec. 1204. Annual reminders to taxpayers with outstanding delinquent accounts.
Sec. 1205. 5-year extension of authority for undercover operations.
Sec. 1206. Disclosure of Form 8300 information on cash transactions.
Sec. 1207. Disclosure of returns and return information to designee of taxpayer.
Sec. 1208. Study of netting of interest on overpayments and liabilities.
Sec. 1209. Expenses of detection of underpayments and fraud, etc.
Sec. 1210. Use of private delivery services for timely-mailing-as-timely-filing rule.
Sec. 1211. Reports on misconduct of IRS employees.

TITLE XIII—REVENUE OFFSETS

Subtitle A—Application of Failure-to-Pay Penalty to Substitute Returns

Sec. 1301. Application of failure-to-pay penalty to substitute returns.

Subtitle B—Excise Taxes on Amounts of Private Excess Benefits

Sec. 1311. Excise taxes for failure by certain charitable organizations to meet certain qualification requirements.
Sec. 1312. Reporting of certain excise taxes and other information.
Sec. 1313. Exempt organizations required to provide copy of return.
Sec. 1314. Increase in penalties on exempt organizations for failure to file complete and timely annual returns.

TITLE I—TAXPAYER ADVOCATE

SEC. 101. ESTABLISHMENT OF POSITION OF TAXPAYER ADVOCATE WITHIN INTERNAL REVENUE SERVICE.

(a) GENERAL RULE.—Section 7802 (relating to Commissioner of Internal Revenue; Assistant Commissioner (Employee Plans and Exempt Organizations)) is amended by adding at the end the following new subsection:

''(d) OFFICE OF TAXPAYER ADVOCATE.—

''(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the 'Office of the Taxpayer Advocate'. Such office shall be under the supervision and direction of an official to be known as the 'Taxpayer Advocate' who shall be appointed by and report directly to the Commissioner of Internal Revenue. The Taxpayer Advocate shall be entitled to compensation at the same rate as the highest level official reporting directly to the Deputy Commissioner of the Internal Revenue Service.

''(2) FUNCTIONS OF OFFICE.—

''(A) IN GENERAL.—It shall be the function of the Office of Taxpayer Advocate to—

''(i) assist taxpayers in resolving problems with the Internal Revenue Service,

''(ii) identify areas in which taxpayers have problems in dealings with the Internal Revenue Service,

''(iii) to the extent possible, propose changes in the administrative practices of the Internal Revenue Service to mitigate problems identified under clause (ii), and

''(iv) identify potential legislative changes which may be appropriate to mitigate such problems.

''(B) ANNUAL REPORTS.—

''(i) OBJECTIVES.—Not later than June 30 of each calendar year after 1995, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the objectives of the Taxpayer Advocate for the fiscal year beginning in such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information.

''(ii) ACTIVITIES.—Not later than December 31 of each calendar year after 1995, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the activities of the Taxpayer Advocate during the fiscal year ending during such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and shall—

''(I) identify the initiatives the Taxpayer Advocate has taken on improving taxpayer services and Internal Revenue Service responsiveness,

''(II) contain recommendations received from individuals with the authority to issue Taxpayer Assistance Orders under section 7811,

''(III) contain a summary of at least 20 of the most serious problems encountered by taxpayers, including a description of the nature of such problems,

''(IV) contain an inventory of the items described in subclauses (I), (II), and (III) for which action has been taken and the result of such action,

''(V) contain an inventory of the items described in subclauses (I), (II), and (III) for which action remains to be completed and the period during which each item has remained on such inventory,

''(VI) contain an inventory of the items described in subclauses (II) and (III) for which no action has been taken, the period during which each item has remained on such inventory, the reasons for the inaction, and identify any Internal Revenue Service official who is responsible for such inaction,

''(VII) identify any Taxpayer Assistance Order which was not honored by the Internal Revenue Service in a timely manner, as specified under section 7811(b),

''(VIII) contain recommendations for such administrative and legislative action as may be appropriate to resolve problems encountered by taxpayers,

''(IX) describe the extent to which regional problem resolution officers participate in the selection and evaluation of local problem resolution officers, and

''(X) include such other information as the Taxpayer Advocate may deem advisable.

''(iii) REPORT TO BE SUBMITTED DIRECTLY.—Each report required under this subparagraph shall be provided directly to the Committees referred to in clauses (i) and (ii) without any prior review or comment from the Commissioner, the Secretary of the Treasury, any other officer or employee of the Department of the Treasury, or the Office of Management and Budget.

''(3) RESPONSIBILITIES OF COMMISSIONER.—The Commissioner of Internal Revenue shall establish procedures requiring a formal response to all recommendations submitted to the Commissioner by the Taxpayer Advocate within 3 months after submission to the Commissioner.''

(b) CONFORMING AMENDMENTS.—

(1) Section 7811 (relating to Taxpayer Assistance Orders) is amended—

(A) by striking ''the Office of Ombudsman'' in subsection (a) and inserting ''the Office of the Taxpayer Advocate'', and

(B) by striking ''Ombudsman'' each place it appears (including in the headings of subsections (e) and (f)) and inserting ''Taxpayer Advocate''.

(2) The heading for section 7802 is amended to read as follows:

''SEC. 7802. COMMISSIONER OF INTERNAL REVENUE; ASSISTANT COMMISSIONERS; TAXPAYER ADVOCATE.''

(3) The table of sections for subchapter A of chapter 80 is amended by striking the item relating to section 7802 and inserting the following new item:

''Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioners; Taxpayer Advocate.''

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 102. EXPANSION OF AUTHORITY TO ISSUE TAXPAYER ASSISTANCE ORDERS.

(a) TERMS OF ORDERS.—Subsection (b) of section 7811 (relating to terms of Taxpayer Assistance Orders) is amended—

(1) by inserting ''within a specified time period'' after ''the Secretary'', and

(2) by inserting ''take any action as permitted by law,'' after ''cease any action,''.

(b) LIMITATION ON AUTHORITY TO MODIFY OR RESCIND.—Section 7811(c) (relating to authority to modify or rescind) is amended to read as follows:

''(c) AUTHORITY TO MODIFY OR RESCIND.—Any Taxpayer Assistance Order issued by the Taxpayer Advocate under this section may be modified or rescinded—

''(1) only by the Taxpayer Advocate, the Commissioner of Internal Revenue, or the Deputy Commissioner of Internal Revenue, and

''(2) only if a written explanation of the reasons for the modification or rescission is provided to the Taxpayer Advocate.''

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE II—MODIFICATIONS TO INSTALLMENT AGREEMENT PROVISIONS

SEC. 201. NOTIFICATION OF REASONS FOR TERMINATION OF INSTALLMENT AGREEMENTS.

(a) TERMINATIONS.—Subsection (b) of section 6159 (relating to extent to which agreements remain in effect) is amended by adding at the end the following new paragraph:

''(5) NOTICE REQUIREMENTS.—The Secretary may not take any action under paragraph (2), (3), or (4) unless—

''(A) a notice of such action is provided to the taxpayer not later than the day 30 days before the date of such action, and

''(B) such notice includes an explanation why the Secretary intends to take such action.

The preceding sentence shall not apply in any case in which the Secretary believes that collection of any tax to which an agreement under this section relates is in jeopardy.''

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 6159(b) is amended to read as follows:

''(3) SUBSEQUENT CHANGE IN FINANCIAL CONDITIONS.—If the Secretary makes a determination that the financial condition of a taxpayer with whom the Secretary has entered into an agreement under subsection (a) has significantly changed, the Secretary may alter, modify, or terminate such agreement.''

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date 6 months after the date of the enactment of this Act.

SEC. 202. ADMINISTRATIVE REVIEW OF TERMINATION OF INSTALLMENT AGREEMENT.

(a) GENERAL RULE.—Section 6159 (relating to agreements for payment of tax liability in installments) is amended by adding at the end the following new subsection:

''(c) ADMINISTRATIVE REVIEW.—The Secretary shall establish procedures for an independent administrative review of terminations of installment agreements under this section for taxpayers who request such a review.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

TITLE III—ABATEMENT OF INTEREST AND PENALTIES

SEC. 301. EXPANSION OF AUTHORITY TO ABATE INTEREST.

(a) GENERAL RULE.—Paragraph (1) of section 6404(e) (relating to abatement of interest in certain cases) is amended—

(1) by inserting ''unreasonable'' before ''error'' each place it appears in subparagraphs (A) and (B), and

(2) by striking ''in performing a ministerial act'' each place it appears and inserting ''in performing a ministerial or managerial act''.

(b) CLERICAL AMENDMENT.—The subsection heading for subsection (e) of section 6404 is amended—

(1) by striking ''ASSESSMENTS'' and inserting ''ABATEMENT'', and

(2) by inserting ''UNREASONABLE'' before ''ERRORS''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interest accruing with respect to deficiencies or payments for taxable years beginning after the date of the enactment of this Act.

SEC. 302. REVIEW OF IRS FAILURE TO ABATE INTEREST.

(a) IN GENERAL.—Section 6404 is amended by adding at the end the following new subsection:

''(g) REVIEW OF DENIAL OF REQUEST FOR ABATEMENT OF INTEREST.—

''(1) IN GENERAL.—The Tax Court shall have jurisdiction over any action brought by a taxpayer who meets the requirements referred to in section 7430(c)(4)(A)(iii) to determine whether the Secretary's failure to abate interest under this section was an abuse of discretion, and may order an abatement, if such action is brought within 180 days after the date of the mailing of the Secretary's final determination not to abate such interest.

''(2) SPECIAL RULES.—

''(A) DATE OF MAILING.—Rules similar to the rules of section 6213 shall apply for purposes of determining the date of the mailing referred to in paragraph (1).

''(B) RELIEF.—Rules similar to the rules of section 6512(b) shall apply for purposes of this subsection.

''(C) REVIEW.—An order of the Tax Court under this subsection shall be reviewable in the same manner as a decision of the Tax Court, but only with respect to the matters determined in such order.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests for abatement after the date of the enactment of this Act.

SEC. 303. EXTENSION OF INTEREST-FREE PERIOD FOR PAYMENT OF TAX AFTER NOTICE AND DEMAND.

(a) GENERAL RULE.—Paragraph (3) of section 6601(e) (relating to payments made within 10 days after notice and demand) is amended to read as follows:

''(3) PAYMENTS MADE WITHIN SPECIFIED PERIOD AFTER NOTICE AND DEMAND.—If notice and demand is made for payment of any amount and if such amount is paid within 21 calendar days (10 business days if the amount for which such notice and demand is made equals or exceeds $100,000) after the date of such notice and demand, interest under this section on the amount so paid shall not be imposed for the period after the date of such notice and demand.''

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 6601(e)(2) is amended by striking ''10 days from the date of notice and demand therefor'' and inserting ''21 calendar days from the date of notice and demand therefor (10 business days if the amount for which such notice and demand is made equals or exceeds $100,000)''.

(2) Paragraph (3) of section 6651(a) is amended by striking ''10 days of the date of the notice and demand therefor'' and inserting ''21 calendar days from the date of notice and demand therefor (10 business days if the amount for which such notice and demand is made equals or exceeds $100,000)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of any notice and demand given after December 31, 1996.

SEC. 304. ABATEMENT OF PENALTY FOR FAILURE TO MAKE REQUIRED DEPOSITS OF PAYROLL TAXES IN CERTAIN CASES.

(a) IN GENERAL.—Section 6656 (relating to failure to make deposit of taxes) is amended by adding at the end the following new subsections:

''(c) EXCEPTION FOR FIRST-TIME DEPOSITORS OF EMPLOYMENT TAXES.—The Secretary may waive the penalty imposed by subsection (a) on a person's inadvertent failure to deposit any employment tax if—

''(1) such person meets the requirements referred to in section 7430(c)(4)(A)(iii),

''(2) such failure occurs during the 1st quarter that such person was required to deposit any employment tax, and

''(3) the return of such tax was filed on or before the due date.

For purposes of this subsection, the term 'employment taxes' means the taxes imposed by subtitle C.

''(d) AUTHORITY TO ABATE PENALTY WHERE DEPOSIT SENT TO SECRETARY.—The Secretary may abate the penalty imposed by subsection (a) with respect to the first time a depositor is required to make a deposit if the amount required to be deposited is inadvertently sent to the Secretary instead of to the appropriate government depository.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to deposits required to be made after the date of the enactment of this Act.

TITLE IV—JOINT RETURNS

SEC. 401. STUDIES OF JOINT RETURN-RELATED ISSUES.

The Secretary of the Treasury or his delegate and the Comptroller General of the United States shall each conduct separate studies of—

(1) the effects of changing the liability for tax on a joint return from being joint and several to being proportionate to the tax attributable to each spouse,

(2) the effects of providing that, if a divorce decree allocates liability for tax on a joint return filed before the divorce, the Secretary may collect such liability only in accordance with the decree,

(3) whether those provisions of the Internal Revenue Code of 1986 intended to provide relief to innocent spouses provide meaningful relief in all cases where such relief is appropriate, and

(4) the effect of providing that community income (as defined in section 66(d) of such Code) which, in accordance with the rules contained in section 879(a) of such Code, would be treated as the income of one spouse is exempt from a levy for failure to pay any tax imposed by subtitle A by the other spouse for a taxable year ending before their marriage.

The reports of such studies shall be submitted to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate within 6 months after the date of the enactment of this Act.

SEC. 402. JOINT RETURN MAY BE MADE AFTER SEPARATE RETURNS WITHOUT FULL PAYMENT OF TAX.

(a) GENERAL RULE.—Paragraph (2) of section 6013(b) (relating to limitations on filing of joint return after filing separate returns) is amended by striking subparagraph (A) and redesignating the following subparagraphs accordingly.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 403. DISCLOSURE OF COLLECTION ACTIVITIES.

(a) IN GENERAL.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest) is amended by adding at the end the following new paragraph:

''(8) DISCLOSURE OF COLLECTION ACTIVITIES WITH RESPECT TO JOINT RETURN.—If any deficiency of tax with respect to a joint return is assessed and the individuals filing such return are no longer married or no longer reside in the same household, upon request in writing by either of such individuals, the Secretary shall disclose in writing to the individual making the request whether the Secretary has attempted to collect such deficiency from such other individual, the general nature of such collection activities, and the amount collected. The preceding

sentence shall not apply to any deficiency which may not be collected by reason of section 6502.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

TITLE V—COLLECTION ACTIVITIES

SEC. 501. MODIFICATIONS TO LIEN AND LEVY PROVISIONS.

(a) WITHDRAWAL OF CERTAIN NOTICES.—Section 6323 (relating to validity and priority against certain persons) is amended by adding at the end the following new subsection:

''(j) WITHDRAWAL OF NOTICE IN CERTAIN CIRCUMSTANCES.—

''(1) IN GENERAL.—The Secretary may withdraw a notice of a lien filed under this section and this chapter shall be applied as if the withdrawn notice had not been filed, if the Secretary determines that—

''(A) the filing of such notice was premature or otherwise not in accordance with administrative procedures of the Secretary,

''(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the lien was imposed by means of installment payments, unless such agreement provides otherwise,

''(C) the withdrawal of such notice will facilitate the collection of the tax liability, or

''(D) with the consent of the taxpayer or the Taxpayer Advocate, the withdrawal of such notice would be in the best interests of the taxpayer (as determined by the Taxpayer Advocate) and the United States.

Any such withdrawal shall be made by filing notice at the same office as the withdrawn notice. A copy of such notice of withdrawal shall be provided to the taxpayer.

''(2) NOTICE TO CREDIT AGENCIES, ETC.—Upon written request by the taxpayer with respect to whom a notice of a lien was withdrawn under paragraph (1), the Secretary shall promptly make reasonable efforts to notify credit reporting agencies, and any financial institution or creditor whose name and address is specified in such request, of the withdrawal of such notice. Any such request shall be in such form as the Secretary may prescribe.''

(b) RETURN OF LEVIED PROPERTY IN CERTAIN CASES.—Section 6343 (relating to authority to release levy and return property) is amended by adding at the end the following new subsection:

''(d) RETURN OF PROPERTY IN CERTAIN CASES.—If—

''(1) any property has been levied upon, and

''(2) the Secretary determines that—

''(A) the levy on such property was premature or otherwise not in accordance with administrative procedures of the Secretary,

''(B) the taxpayer has entered into an agreement under section 6159 to satisfy the tax liability for which the levy was imposed by means of installment payments, unless such agreement provides otherwise,

''(C) the return of such property will facilitate the collection of the tax liability, or

''(D) with the consent of the taxpayer or the Taxpayer Advocate, the return of such property would be in the best interests of the taxpayer (as determined by the Taxpayer Advocate) and the United States,

the provisions of subsection (b) shall apply in the same manner as if such property had been wrongly levied upon, except that no interest shall be allowed under subsection (c).''

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 502. MODIFICATIONS TO CERTAIN LEVY EXEMPTION AMOUNTS.

(a) FUEL, ETC.—Paragraph (2) of section 6334(a) (relating to fuel, provisions, furniture, and personal effects exempt from levy) is amended—

(1) by striking ''If the taxpayer is the head of a family, so'' and inserting ''So'',

(2) by striking ''his household'' and inserting ''the taxpayer's household'', and

(3) by striking ''$1,650 ($1,550 in the case of levies issued during 1989)'' and inserting ''$2,500''.

(b) BOOKS, ETC.—Paragraph (3) of section 6334(a) (relating to books and tools of a trade, business, or profession) is amended by striking ''$1,100 ($1,050 in the case of levies issued during 1989)'' and inserting ''$1,250''.

(c) INFLATION ADJUSTMENT.—Section 6334 (relating to property exempt from levy) is amended by adding at the end the following new subsection:

''(f) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any calendar year beginning after 1997, each dollar amount referred to in paragraphs (2) and (3) of subsection (a) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, by substituting 'calendar year 1996' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any dollar amount after being increased under paragraph (1) is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect with respect to levies issued after December 31, 1996.

SEC. 503. OFFERS-IN-COMPROMISE.

(a) REVIEW REQUIREMENTS.—Subsection (b) of section 7122 (relating to records) is amended by striking ''$500.'' and inserting ''$50,000. However, such compromise shall be subject to continuing quality review by the Secretary.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

TITLE VI—INFORMATION RETURNS

SEC. 601. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

(a) GENERAL RULE.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties) is amended by redesignating section 7434 as section 7435 and by inserting after section 7433 the following new section:

''SEC. 7434. CIVIL DAMAGES FOR FRAUDULENT FILING OF INFORMATION RETURNS.

''(a) IN GENERAL.—If any person willfully files a fraudulent information return with respect to payments purported to be made to any other person, such other person may bring a civil action for damages against the person so filing such return.

''(b) DAMAGES.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the greater of $5,000 or the sum of—

''(1) any actual damages sustained by the plaintiff as a proximate result of the filing of the fraudulent information return (including any costs attributable to resolving deficiencies asserted as a result of such filing),

''(2) the costs of the action, and

''(3) in the court's discretion, reasonable attorneys fees.

''(c) PERIOD FOR BRINGING ACTION.—Notwithstanding any other provision of law, an action to enforce the liability created under this section may be brought without regard to the amount in controversy and may be brought only within the later of—

''(1) 6 years after the date of the filing of the fraudulent information return, or

''(2) 1 year after the date such fraudulent information return would have been discovered by exercise of reasonable care.

''(d) COPY OF COMPLAINT FILED WITH IRS—Any person bringing an action under subsection (a) shall provide a copy of the complaint to the Internal Revenue Service upon the filing of such complaint with the court.

''(e) FINDING OF COURT TO INCLUDE CORRECT AMOUNT OF PAYMENT.—The decision of the court awarding damages in an action brought under subsection (a) shall include a finding of the correct amount which should have been reported in the information return.

''(f) INFORMATION RETURN.—For purposes of this section, the term 'information return' means any statement described in section 6724(d)(1)(A).''

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 76 is amended by striking the item relating to section 7434 and inserting the following:

''Sec. 7434. Civil damages for fraudulent filing of information returns.

''Sec. 7435. Cross references.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fraudulent information returns filed after the date of the enactment of this Act.

SEC. 602. REQUIREMENT TO CONDUCT REASONABLE INVESTIGATIONS OF INFORMATION RETURNS.

(a) GENERAL RULE.—Section 6201 (relating to assessment authority) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

''(d) REQUIRED REASONABLE VERIFICATION OF INFORMATION RETURNS.—In any court proceeding, if a taxpayer asserts a reasonable dispute with respect to any item of income reported on an information return filed with the Secretary under subpart B or C of part III of subchapter A of chapter 61 by a third party and the taxpayer has fully cooperated with the Secretary (including providing, within a reasonable period of time, access to and inspection of all witnesses, information, and documents within the control of the taxpayer as reasonably requested by the Secretary), the Secretary shall have the burden of producing reasonable and probative information concerning such deficiency in addition to such information return.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

TITLE VII—AWARDING OF COSTS AND CERTAIN FEES

SEC. 701. UNITED STATES MUST ESTABLISH THAT ITS POSITION IN PROCEEDING WAS SUBSTANTIALLY JUSTIFIED.

(a) GENERAL RULE.—Subparagraph (A) of section 7430(c)(4) (defining prevailing party) is amended by striking clause (i) and by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively.

(b) BURDEN OF PROOF ON UNITED STATES.—Paragraph (4) of section 7430(c) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) EXCEPTION IF UNITED STATES ESTABLISHES THAT ITS POSITION WAS SUBSTANTIALLY JUSTIFIED.—

''(i) GENERAL RULE.—A party shall not be treated as the prevailing party in a proceeding to which subsection (a) applies if the United States establishes that the position of the United States in the proceeding was substantially justified.

''(ii) PRESUMPTION OF NO JUSTIFICATION IF INTERNAL REVENUE SERVICE DID NOT FOLLOW CERTAIN PUBLISHED GUIDANCE.—For purposes of clause (i), the position of the United States shall be presumed not to be substantially justified if the Internal Revenue Service did not follow its applicable published guidance in the administrative proceeding. Such presumption may be rebutted.

''(iii) APPLICABLE PUBLISHED GUIDANCE.—For purposes of clause (ii), the term 'applicable published guidance' means—

''(I) regulations, revenue rulings, revenue procedures, information releases, notices, and announcements, and

''(II) any of the following which are issued to the taxpayer: private letter rulings, technical advice memoranda, and determination letters.''

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 7430(c)(2) is amended by striking ''paragraph (4)(B)'' and inserting ''paragraph (4)(C)''.

(2) Subparagraph (C) of section 7430(c)(4), as redesignated by subsection (b), is amended by striking ''subparagraph (A)'' and inserting ''this paragraph''.

(3) Sections 6404(g) and 6656(c)(1), as amended by this Act, are each amended by striking ''section 7430(c)(4)(A)(iii)'' and inserting ''section 7430(c)(4)(A)(ii)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of proceedings commenced after the date of the enactment of this Act.

SEC. 702. INCREASED LIMIT ON ATTORNEY FEES.

(a) IN GENERAL.—Paragraph (1) of section 7430(c) (defining reasonable litigation costs) is amended—

(1) by striking ''$75'' in clause (iii) of subparagraph (B) and inserting ''$110'',

(2) by striking ''an increase in the cost of living or'' in clause (iii) of subparagraph (B), and

(3) by adding after clause (iii) the following: ''In the case of any calendar year beginning after 1996, the dollar amount referred to in clause (iii) shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof. If any dollar amount after being increased under the preceding sentence is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply in the case of proceedings commenced after the date of the enactment of this Act.

SEC. 703. FAILURE TO AGREE TO EXTENSION NOT TAKEN INTO ACCOUNT.

(a) IN GENERAL.—Paragraph (1) of section 7430(b) (relating to requirement that administrative remedies be exhausted) is amended by adding at the end the following new sentence: ''Any failure to agree to an extension of the time for the assessment of any tax shall not be taken into account for purposes of determining whether the prevailing party meets the requirements of the preceding sentence.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply in the case of proceedings commenced after the date of the enactment of this Act.

SEC. 704. AWARD OF LITIGATION COSTS PERMITTED IN DECLARATORY JUDGMENT PROCEEDINGS.

(a) IN GENERAL.—Subsection (b) of section 7430 is amended by striking paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply in the case of proceedings commenced after the date of the enactment of this Act.

TITLE VIII—MODIFICATION TO RECOVERY OF CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS

SEC. 801. INCREASE IN LIMIT ON RECOVERY OF CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS.

(a) GENERAL RULE.—Subsection (b) of section 7433 (relating to damages) is amended by striking ''$100,000'' and inserting ''$1,000,000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to actions by officers or employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 802. COURT DISCRETION TO REDUCE AWARD FOR LITIGATION COSTS FOR FAILURE TO EXHAUST ADMINISTRATIVE REMEDIES.

(a) GENERAL RULE.—Paragraph (1) of section 7433(d) (relating to civil damages for certain unauthorized collection actions) is amended to read as follows:

''(1) AWARD FOR DAMAGES MAY BE REDUCED IF ADMINISTRATIVE REMEDIES NOT EXHAUSTED.—The amount of damages awarded under subsection (b) may be reduced if the court determines that the plaintiff has not exhausted the administrative remedies available to such plaintiff within the Internal Revenue Service.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply in the case of proceedings commenced after the date of the enactment of this Act.

TITLE IX—MODIFICATIONS TO PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX

SEC. 901. PRELIMINARY NOTICE REQUIREMENT.

(a) IN GENERAL.—Section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

''(b) PRELIMINARY NOTICE REQUIREMENT.—

''(1) IN GENERAL.—No penalty shall be imposed under subsection (a) unless the Secretary notifies the taxpayer in writing by mail to an address as determined under section 6212(b) that the taxpayer shall be subject to an assessment of such penalty.

''(2) TIMING OF NOTICE.—The mailing of the notice described in paragraph (1) shall precede any notice and demand of any penalty under subsection (a) by at least 60 days.

''(3) STATUTE OF LIMITATIONS.—If a notice described in paragraph (1) with respect to any penalty is mailed before the expiration of the period provided by section 6501 for the assessment of such penalty (determined without regard to this paragraph), the period provided by such section for the assessment of such penalty shall not expire before the later of—

''(A) the date 90 days after the date on which such notice was mailed, or

''(B) if there is a timely protest of the proposed assessment, the date 30 days after the Secretary makes a final administrative determination with respect to such protest.

''(4) EXCEPTION FOR JEOPARDY.—This subsection shall not apply if the Secretary finds that the collection of the penalty is in jeopardy.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to proposed assessments made after June 30, 1996.

SEC. 902. DISCLOSURE OF CERTAIN INFORMATION WHERE MORE THAN 1 PERSON LIABLE FOR PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX.

(a) IN GENERAL.—Subsection (e) of section 6103 (relating to disclosure to persons having material interest), as amended by section 403, is amended by adding at the end the following new paragraph:

''(9) DISCLOSURE OF CERTAIN INFORMATION WHERE MORE THAN 1 PERSON SUBJECT TO PENALTY UNDER SECTION 6672.—If the Secretary determines that a person is liable for a penalty under section 6672(a) with respect to any failure, upon request in writing of such person, the Secretary shall disclose in writing to such person—

''(A) the name of any other person whom the Secretary has determined to be liable for such penalty with respect to such failure, and

''(B) whether the Secretary has attempted to collect such penalty from such other person, the general nature of such collection activities, and the amount collected.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 903. RIGHT OF CONTRIBUTION WHERE MORE THAN 1 PERSON LIABLE FOR PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX.

(a) IN GENERAL.—Section 6672 (relating to failure to collect and pay over tax, or attempt to evade or defeat tax) is amended by adding at the end the following new subsection:

''(d) RIGHT OF CONTRIBUTION WHERE MORE THAN 1 PERSON LIABLE FOR PENALTY.—If more than 1 person is liable for the penalty under subsection (a) with respect to any tax, each person who paid such penalty shall be entitled to recover from other persons who are liable for such penalty an amount equal to the excess of the amount paid by such person over such person's proportionate share of the penalty. Any claim for such a recovery may be made only in a proceeding which is separate from, and is not joined or consolidated with—

''(1) an action for collection of such penalty brought by the United States, or

''(2) a proceeding in which the United States files a counterclaim or third-party complaint for the collection of such penalty.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to penalties assessed after the date of the enactment of this Act.

SEC. 904. VOLUNTEER BOARD MEMBERS OF TAX-EXEMPT ORGANIZATIONS EXEMPT FROM PENALTY FOR FAILURE TO COLLECT AND PAY OVER TAX.

(a) IN GENERAL.—Section 6672 is amended by adding at the end the following new subsection:

''(e) EXCEPTION FOR VOLUNTARY BOARD MEMBERS OF TAX-EXEMPT ORGANIZATIONS.—No penalty shall be imposed by subsection (a) on any unpaid, volunteer member of any board of trustees or directors of an organization exempt from tax under subtitle A if such member—

''(1) is solely serving in an honorary capacity,

''(2) does not participate in the day-to-day or financial operations of the organization, and

''(3) does not have actual knowledge of the failure on which such penalty is imposed.

The preceding sentence shall not apply if it results in no person being liable for the penalty imposed by subsection (a).''

(b) PUBLIC INFORMATION REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of the Treasury or the Secretary's delegate (hereafter in this subsection referred to as the ''Secretary'') shall take such actions as may be appropriate to ensure that employees are aware of their responsibilities under the Federal tax depository system, the circumstances under which employees may be liable for the penalty imposed by section 6672 of the Internal Revenue Code of 1986, and the responsibility to promptly report to the Internal Revenue Service any failure referred to in subsection (a) of such section 6672. Such actions shall include—

(A) printing of a warning on deposit coupon booklets and the appropriate tax returns that certain employees may be liable for the penalty imposed by such section 6672, and

(B) the development of a special information packet.

(2) DEVELOPMENT OF EXPLANATORY MATERIALS.—The Secretary shall develop materials explaining the circumstances under which board members of tax-exempt organizations (including voluntary and honorary members) may be subject to penalty under section 6672 of such Code. Such materials shall be made available to tax-exempt organizations.

(3) IRS INSTRUCTIONS.—The Secretary shall clarify the instructions to Internal Revenue Service employees on the application of the penalty under section 6672 of such Code with regard to voluntary members of boards of trustees or directors of tax-exempt organizations.

TITLE X—MODIFICATIONS OF RULES RELATING TO SUMMONSES

SEC. 1001. ENROLLED AGENTS INCLUDED AS THIRD-PARTY RECORDKEEPERS.

(a) IN GENERAL.—Paragraph (3) of section 7609(a) (relating to third-party recordkeeper defined) is amended by striking ''and'' at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ''; and'', and by adding at the end the following the subparagraph:

''(I) any enrolled agent.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to summonses issued after the date of the enactment of this Act.

SEC. 1002. SAFEGUARDS RELATING TO DESIGNATED SUMMONSES.

(a) STANDARD OF REVIEW.—Subparagraph (A) of section 6503(k)(2) (defining designated summons) is amended by redesignating clauses (i) and (ii) as clauses (ii) and (iii), respectively, and by inserting before clause (ii) (as so redesignated) the following new clause:

''(i) the issuance of such summons is preceded by a review of such issuance by the regional counsel of the Office of Chief Counsel for the region in which the examination of the corporation is being conducted,''.

(b) LIMITATION ON PERSONS TO WHOM DESIGNATED SUMMONS MAY BE ISSUED.—Paragraph (1) of section 6503(k) is amended by striking ''with respect to any return of tax by a corporation'' and inserting ''to a corporation (or to any other person to whom the corporation has transferred records) with respect to any return of tax by such corporation for a taxable year (or other period) for which such corporation is being examined under the coordinated examination program (or any successor program) of the Internal Revenue Service''.

(c) CLERICAL AMENDMENT.—Section 6503 is amended by redesignating subsections (k) and (l) (as amended by this section) as subsections (j) and (k), respectively.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to summonses issued after the date of the enactment of this Act.

SEC. 1003. ANNUAL REPORT TO CONGRESS CONCERNING DESIGNATED SUMMONSES.

Not later than December 31 of each calendar year after 1995, the Secretary of the Treasury or his delegate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the number of designated summonses (as defined in section 6503(j) of the Internal Revenue Code of 1986) which were issued during the preceding 12 months.

TITLE XI—RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS

SEC. 1101. RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS.

(a) IN GENERAL.—Subsection (b) of section 7805 (relating to rules and regulations) is amended to read as follows:

''(b) RETROACTIVITY OF REGULATIONS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, no temporary, proposed, or final regulation relating to the internal revenue laws shall apply to any taxable period ending before the earliest of the following dates:

''(A) The date on which such regulation is filed with the Federal Register.

''(B) In the case of any final regulation, the date on which any proposed or temporary regulation to which such final regulation relates was filed with the Federal Register.

''(C) The date on which any notice substantially describing the expected contents of any temporary, proposed, or final regulation is issued to the public.

''(2) EXCEPTION FOR PROMPTLY ISSUED REGULATIONS.—Paragraph (1) shall not apply to regulations filed or issued within 18 months of the date of the enactment of the statutory provision to which the regulation relates.

''(3) PREVENTION OF ABUSE.—The Secretary may provide that any regulation may take effect or apply retroactively to prevent abuse.

''(4) CORRECTION OF PROCEDURAL DEFECTS.—The Secretary may provide that any regulation may apply retroactively to correct a procedural defect in the issuance of any prior regulation.

''(5) INTERNAL REGULATIONS.—The limitation of paragraph (1) shall not apply to any regulation relating to internal Treasury Department policies, practices, or procedures.

''(6) CONGRESSIONAL AUTHORIZATION.—The limitation of paragraph (1) may be superseded by a legislative grant from Congress authorizing the Secretary to prescribe the effective date with respect to any regulation.

''(7) ELECTION TO APPLY RETROACTIVELY.—The Secretary may provide for any taxpayer to elect to apply any regulation before the dates specified in paragraph (1).

''(8) APPLICATION TO RULINGS.—The Secretary may prescribe the extent, if any, to which any ruling (including any judicial decision or any administrative determination other than by regulation) relating to the internal revenue laws shall be applied without retroactive effect.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to regulations which relate to statutory provisions enacted on or after the date of the enactment of this Act.

TITLE XII—MISCELLANEOUS PROVISIONS

SEC. 1201. PHONE NUMBER OF PERSON PROVIDING PAYEE STATEMENTS REQUIRED TO BE SHOWN ON SUCH STATEMENT.

(a) GENERAL RULE.—The following provisions are each amended by striking ''name and address'' and inserting ''name, address, and phone number of the information contact'':

(1) Section 6041(d)(1).
(2) Section 6041A(e)(1).
(3) Section 6042(c)(1).
(4) Section 6044(e)(1).
(5) Section 6045(b)(1).
(6) Section 6049(c)(1)(A).
(7) Section 6050B(b)(1).
(8) Section 6050H(d)(1).
(9) Section 6050I(e)(1).
(10) Section 6050J(e).
(11) Section 6050K(b)(1).
(12) Section 6050N(b)(1).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to statements required to be furnished after December 31, 1996 (determined without regard to any extension).

SEC. 1202. REQUIRED NOTICE OF CERTAIN PAYMENTS.

If any payment is received by the Secretary of the Treasury or his delegate from any taxpayer and the Secretary cannot associate such payment with such taxpayer, the Secretary shall make reasonable efforts to notify the taxpayer of such inability within 60 days after the receipt of such payment.

SEC. 1203. UNAUTHORIZED ENTICEMENT OF INFORMATION DISCLOSURE.

(a) IN GENERAL.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties), as amended by section 601(a), is amended by redesignating section 7435 as section 7436 and by inserting after section 7434 the following new section:

''SEC. 7435. CIVIL DAMAGES FOR UNAUTHORIZED ENTICEMENT OF INFORMATION DISCLOSURE.

''(a) IN GENERAL.—If any officer or employee of the United States intentionally compromises the determination or collection of any tax due from an attorney, certified public accountant, or enrolled agent representing a taxpayer in exchange for information conveyed by the taxpayer to the attorney, certified public accountant, or enrolled agent for purposes of obtaining advice concerning the taxpayer's tax liability, such taxpayer may bring a civil action for damages against the United States in a district court of the United States. Such civil action shall be the exclusive remedy for recovering damages resulting from such actions.

''(b) DAMAGES.—In any action brought under subsection (a), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the lesser of $500,000 or the sum of—

''(1) actual, direct economic damages sustained by the plaintiff as a proximate result of the information disclosure, and

''(2) the costs of the action.

Damages shall not include the taxpayer's liability for any civil or criminal penalties, or other losses attributable to incarceration or the imposition of other criminal sanctions.

''(c) PAYMENT AUTHORITY.—Claims pursuant to this section shall be payable out of funds appropriated under section 1304 of title 31, United States Code.

''(d) PERIOD FOR BRINGING ACTION.—Notwithstanding any other provision of law, an action to enforce liability created under this section may be brought without regard to the amount in controversy and may be brought only within 2 years after the date the actions creating such liability would have been discovered by exercise of reasonable care.

''(e) MANDATORY STAY.—Upon a certification by the Commissioner or the Commissioner's delegate that there is an ongoing investigation or prosecution of the taxpayer, the district court before which an action under this section is pending shall stay all proceedings with respect to such action pending the conclusion of the investigation or prosecution.

''(f) CRIME-FRAUD EXCEPTION.—Subsection (a) shall not apply to information conveyed to an attorney, certified public accountant, or enrolled agent for the purpose of perpetrating a fraud or crime.''

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 76, as amended by section 601(b), is amended by striking the item relating to section 7435 and by adding at the end the following new items:

''Sec. 7435. Civil damages for unauthorized enticement of information disclosure.

''Sec. 7436. Cross references.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions after the date of the enactment of this Act.

SEC. 1204. ANNUAL REMINDERS TO TAXPAYERS WITH OUTSTANDING DELINQUENT ACCOUNTS.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7524. ANNUAL NOTICE OF TAX DELINQUENCY.

''Not less often than annually, the Secretary shall send a written notice to each taxpayer who has a tax delinquent account of the amount of the tax delinquency as of the date of the notice.''

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following new item:

''Sec. 7524. Annual notice of tax delinquency.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 1996.

SEC. 1205. 5-YEAR EXTENSION OF AUTHORITY FOR UNDERCOVER OPERATIONS.

(a) IN GENERAL.—Paragraph (3) of section 7601(c) of the Anti-Drug Abuse Act of 1988 is amended by striking all that follows ''this Act'' and inserting a period.

(b) RESTORATION OF AUTHORITY FOR 5 YEARS.—Subsection (c) of section 7608 is amended by adding at the end the following new paragraph:

''(6) APPLICATION OF SECTION.—The provisions of this subsection—

''(A) shall apply after November 17, 1988, and before January 1, 1990, and

''(B) shall apply after the date of the enactment of this paragraph and before January 1, 2001.

All amounts expended pursuant to this subsection during the period described in subparagraph (B) shall be recovered to the extent possible, and deposited in the Treasury of the United States as miscellaneous receipts, before January 1, 2001.''

(c) ENHANCED OVERSIGHT.—

(1) ADDITIONAL INFORMATION REQUIRED IN REPORTS TO CONGRESS.—Subparagraph (B) of section 7608(c)(4) is amended—

(A) by striking ''preceding the period'' in clause (ii),

(B) by striking ''and'' at the end of clause (ii), and

(C) by striking clause (iii) and inserting the following:

''(iii) the number, by programs, of undercover investigative operations closed in the 1-year period for which such report is submitted, and

''(iv) the following information with respect to each undercover investigative operation pending as of the end of the 1-year period for which such report is submitted or closed during such 1-year period—

''(I) the date the operation began and the date of the certification referred to in the last sentence of paragraph (1),

''(II) the total expenditures under the operation and the amount and use of the proceeds from the operation,

''(III) a detailed description of the operation including the potential violation being investigated and whether the operation is being conducted under grand jury auspices, and

''(IV) the results of the operation including the results of criminal proceedings.''

(2) AUDITS REQUIRED WITHOUT REGARD TO AMOUNTS INVOLVED.—Subparagraph (C) of section 7608(c)(5) is amended to read as follows:

''(C) UNDERCOVER INVESTIGATIVE OPERATION.—The term 'undercover investigative operation' means any undercover investigative operation of the Service; except that, for purposes of subparagraphs (A) and (C) of paragraph (4), such term only includes an operation which is exempt from section 3302 or 9102 of title 31, United States Code.''

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 1206. DISCLOSURE OF FORM 8300 INFORMATION ON CASH TRANSACTIONS.

(a) IN GENERAL.—Subsection (l) of section 6103 (relating to disclosure of returns and return information for purposes other than tax administration) is amended by adding at the end the following new paragraph:

''(15) DISCLOSURE OF RETURNS FILED UNDER SECTION 6050I.—The Secretary may, upon written request, disclose to officers and employees of—

''(A) any Federal agency,

''(B) any agency of a State or local government, or

''(C) any agency of the government of a foreign country,

information contained on returns filed under section 6050I. Any such disclosure shall be made on the same basis, and subject to the same conditions, as apply to disclosures of information on reports filed under section 5313 of title 31, United States Code; except that no disclosure under this paragraph shall be made for purposes of the administration of any tax law.''

(b) CONFORMING AMENDMENTS.—

(1) Subsection (i) of section 6103 is amended by striking paragraph (8).

(2) Subparagraph (A) of section 6103(p)(3) is amended—

(A) by striking ''(7)(A)(ii), or (8)'' and inserting ''or (7)(A)(ii)'', and

(B) by striking ''or (14)'' and inserting ''(14), or (15)''.

(3) The material preceding subparagraph (A) of section 6103(p)(4) is amended—

(A) by striking ''(5), or (8)'' and inserting ''or (5)'',

(B) by striking ''(i)(3)(B)(i), or (8)'' and inserting ''(i)(3)(B)(i),'', and

(C) by striking ''or (12)'' and inserting ''(12), or (15)''.

(4) Clause (ii) of section 6103(p)(4)(F) is amended—

(A) by striking ''(5), or (8)'' and inserting ''or (5)'', and

(B) by striking ''or (14)'' and inserting ''(14), or (15)''.

(5) Paragraph (2) of section 7213(a) is amended by striking ''or (12)'' and inserting ''(12), or (15)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1207. DISCLOSURE OF RETURNS AND RETURN INFORMATION TO DESIGNEE OF TAXPAYER.

Subsection (c) of section 6103 (relating to disclosure of returns and return information to designee of taxpayer) is amended by striking ''written request for or consent to such disclosure'' and inserting ''request for or consent to such disclosure''.

SEC. 1208. STUDY OF NETTING OF INTEREST ON OVERPAYMENTS AND LIABILITIES.

(a) IN GENERAL.—The Secretary of the Treasury or his delegate shall—

(1) conduct a study of the manner in which the Internal Revenue Service has implemented the netting of interest on overpayments and underpayments and of the policy and administrative implications of global netting, and

(2) before submitting the report of such study, hold a public hearing to receive comments on the matters included in such study.

(b) REPORT.—The report of such study shall be submitted not later than 6 months after the date of the enactment of this Act to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

SEC. 1209. EXPENSES OF DETECTION OF UNDERPAYMENTS AND FRAUD, ETC.

(a) IN GENERAL.—Section 7623 (relating to expenses of deduction and punishment of frauds) is amended to read as follows:

''SEC. 7623. EXPENSES OF DETECTION OF UNDERPAYMENTS AND FRAUD, ETC.

''The Secretary, under regulations prescribed by the Secretary, is authorized to pay such sums as he deems necessary for—

''(1) detecting underpayments of tax, and

''(2) detecting and bringing to trial and punishment persons guilty of violating the internal revenue laws or conniving at the same,

in cases where such expenses are not otherwise provided for by law. Any amount payable under the preceding sentence shall be paid from the proceeds of amounts (other than interest) collected by reason of the information provided, and any amount so collected shall be available for such payments.''.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 78 is amended by striking the item relating to section 7623 and inserting the following new item:

''Sec. 7623. Expenses of detection of underpayments and fraud, etc.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date which is 6 months after the date of the enactment of this Act.

(d) REPORT.—The Secretary of the Treasury or his delegate shall submit an annual report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the payments under section 7623 of the Internal Revenue Code of 1986 during the year and on the amounts collected for which such payments were made.

SEC. 1210. USE OF PRIVATE DELIVERY SERVICES FOR TIMELY-MAILING-AS-TIMELY-FILING RULE.

Section 7502 (relating to timely mailing treated as timely filing and paying) is amended by adding at the end the following new subsection:

''(f) TREATMENT OF PRIVATE DELIVERY SERVICES.—

''(1) IN GENERAL.—Any reference in this section to the United States mail shall be treated as including a reference to any designated delivery service, and any reference in this section to a postmark by the United States Postal Service shall be treated as including a reference to any date recorded or marked as described in paragraph (2)(C) by any designated delivery service.

''(2) DESIGNATED DELIVERY SERVICE.—For purposes of this subsection, the term 'designated delivery service' means any delivery service provided by a trade or business if such service is designated by the Secretary for purposes of this section. The Secretary may designate a delivery service under the preceding sentence only if the Secretary determines that such service—

''(A) is available to the general public,

''(B) is at least as timely and reliable on a regular basis as the United States mail,

''(C) records electronically to its data base, kept in the regular course of its business, or marks on the cover in which any item referred to in this section is to be delivered, the date on which such item was given to such trade or business for delivery, and

''(D) meets such other criteria as the Secretary may prescribe.

''(3) EQUIVALENTS OF REGISTERED AND CERTIFIED MAIL.—The Secretary may provide a rule similar to the rule of paragraph (1) with respect to any service provided by a designated delivery service which is substantially equivalent to United States registered or certified mail.''

SEC. 1211. REPORTS ON MISCONDUCT OF IRS EMPLOYEES.

On or before June 1 of each calendar year after 1996, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on—

(1) all categories of instances involving the misconduct of employees of the Internal Revenue Service during the preceding calendar year, and

(2) the disposition during the preceding calendar year of any such instances (without regard to the year of the misconduct).

TITLE XIII—REVENUE OFFSETS

Subtitle A—Application of Failure-to-Pay Penalty to Substitute Returns

SEC. 1301. APPLICATION OF FAILURE-TO-PAY PENALTY TO SUBSTITUTE RETURNS.

(a) GENERAL RULE.—Section 6651 (relating to failure to file tax return or to pay tax) is amended by adding at the end the following new subsection:

''(g) TREATMENT OF RETURNS PREPARED BY SECRETARY UNDER SECTION 6020(b).—In the case of any return made by the Secretary under section 6020(b)—

''(1) such return shall be disregarded for purposes of determining the amount of the addition under paragraph (1) of subsection (a), but

''(2) such return shall be treated as the return filed by the taxpayer for purposes of determining the amount of the addition under paragraphs (2) and (3) of subsection (a).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply in the case of any return the due date for which (determined without regard to extensions) is after the date of the enactment of this Act.

Subtitle B—Exicse Taxes on Amounts of Private Excess Benefits

SEC. 1311. EXCISE TAXES FOR FAILURE BY CERTAIN CHARITABLE ORGANIZATIONS TO MEET CERTAIN QUALIFICATION REQUIREMENTS.

(a) IN GENERAL.—Chapter 42 (relating to private foundations and certain other tax-exempt organizations) is amended by redesignating subchapter D as subchapter E and by inserting after subchapter C the following new subchapter:

''Subchapter D—Failure by Certain Charitable Organizations To Meet Certain Qualification Requirements

''Sec. 4958. Taxes on excess benefit transactions.

''SEC. 4958. TAXES ON EXCESS BENEFIT TRANSACTIONS.

''(a) INITIAL TAXES.—

''(1) ON THE DISQUALIFIED PERSON.—There is hereby imposed on each excess benefit transaction a tax equal to 25 percent of the excess benefit. The tax imposed by this paragraph shall be paid by any disqualified person referred to in subsection (f)(1) with respect to such transaction.

''(2) ON THE MANAGEMENT.—In any case in which a tax is imposed by paragraph (1), there is hereby imposed on the participation of any organization manager in the excess benefit transaction, knowing that it is such a transaction, a tax equal to 10 percent of the excess benefit, unless such participation is not willful and is due to reasonable cause. The tax imposed by this paragraph shall be paid by any organization manager who participated in the excess benefit transaction.

''(b) ADDITIONAL TAX ON THE DISQUALIFIED PERSON.—In any case in which an initial tax is imposed by subsection (a)(1) on an excess benefit transaction and the excess benefit involved in such transaction is not corrected within the taxable period, there is hereby imposed a tax equal to 200 percent of the excess benefit involved. The tax imposed by this subsection shall be paid by any disqualified person referred to in subsection (f)(1) with respect to such transaction.

''(c) EXCESS BENEFIT TRANSACTION; EXCESS BENEFIT.—For purposes of this section—

''(1) EXCESS BENEFIT TRANSACTION.—

''(A) IN GENERAL.—The term 'excess benefit transaction' means any transaction in which an economic benefit is provided by an applicable tax-exempt organization directly or indirectly to or for the use of any disqualified person if the value of the economic benefit provided exceeds the value of the consideration (including the performance of services) received for providing such benefit. For purposes of the preceding sentence, an economic benefit shall not be treated as consideration for the performance of services unless such organization clearly indicated its intent to so treat such benefit.

''(B) EXCESS BENEFIT.—The term 'excess benefit' means the excess referred to in subparagraph (A).

''(2) AUTHORITY TO INCLUDE CERTAIN OTHER PRIVATE INUREMENT.—To the extent provided in regulations prescribed by the Secretary, the term 'excess benefit transaction' includes any transaction in which the amount of any economic benefit provided to or for the use of a disqualified person is determined in whole or in part by the revenues of 1 or more activities of the organization but only if such transaction results in inurement not permitted under paragraph (3) or (4) of section 501(c), as the case may be. In the case of any such transaction, the excess benefit shall be the amount of the inurement not so permitted.

''(d) SPECIAL RULES.—For purposes of this section—

''(1) JOINT AND SEVERAL LIABILITY.—If more than 1 person is liable for any tax imposed by subsection (a) or subsection (b), all such persons shall be jointly and severally liable for such tax.

''(2) LIMIT FOR MANAGEMENT.—With respect to any 1 excess benefit transaction, the maximum amount of the tax imposed by subsection (a)(2) shall not exceed $10,000.

''(e) APPLICABLE TAX-EXEMPT ORGANIZATION.—For purposes of this subchapter, the term 'applicable tax-exempt organization' means—

''(1) any organization which (without regard to any excess benefit) would be described in paragraph (3) or (4) of section 501(c) and exempt from tax under section 501(a), and

''(2) any organization which was described in paragraph (1) at any time during the 5-year period ending on the date of the transaction.

Such term shall not include a private foundation (as defined in section 509(a)).

''(f) OTHER DEFINITIONS.—For purposes of this section—

''(1) DISQUALIFIED PERSON.—The term 'disqualified person' means, with respect to any transaction—

''(A) any person who was, at any time during the 5-year period ending on the date of such transaction, in a position to exercise substantial influence over the affairs of the organization,

''(B) a member of the family of an individual described in subparagraph (A), and

''(C) a 35-percent controlled entity.

''(2) ORGANIZATION MANAGER.—The term 'organization manager' means, with respect to any applicable tax-exempt organization, any officer, director, or trustee of such organization (or any individual having powers or responsibilities similar to those of officers, directors, or trustees of the organization).

''(3) 35-PERCENT CONTROLLED ENTITY.—

''(A) IN GENERAL.—The term '35-percent controlled entity' means—

''(i) a corporation in which persons described in subparagraph (A) or (B) of paragraph (1) own more than 35 percent of the total combined voting power,

''(ii) a partnership in which such persons own more than 35 percent of the profits interest, and

''(iii) a trust or estate in which such persons own more than 35 percent of the beneficial interest.

''(B) CONSTRUCTIVE OWNERSHIP RULES.—Rules similar to the rules of paragraphs (3) and (4) of section 4946(a) shall apply for purposes of this paragraph.

''(4) FAMILY MEMBERS.—The members of an individual's family shall be determined under section 4946(d); except that such members also shall include the brothers and sisters (whether by the whole or half blood) of the individual and their spouses.

''(5) TAXABLE PERIOD.—The term 'taxable period' means, with respect to any excess benefit transaction, the period beginning with the date on which the transaction occurs and ending on the earliest of—

''(A) the date of mailing a notice of deficiency under section 6212 with respect to the tax imposed by subsection (a)(1), or

''(B) the date on which the tax imposed by subsection (a)(1) is assessed.

''(6) CORRECTION.—The terms 'correction' and 'correct' mean, with respect to any excess benefit transaction, undoing the excess benefit to the extent possible, and taking any additional measures necessary to place the organization in a financial position not worse than that in which it would be if the disqualified person were dealing under the highest fiduciary standards.''

(b) APPLICATION OF PRIVATE INUREMENT RULE TO TAX-EXEMPT ORGANIZATIONS DESCRIBED IN SECTION 501(c)(4).—

(1) IN GENERAL.—Paragraph (4) of section 501(c) is amended by inserting ''(A)'' after ''(4)'' and by adding at the end the following:

''(B) Subparagraph (A) shall not apply to an entity unless no part of the net earnings of such entity inures to the benefit of any private shareholder or individual.''

(2) SPECIAL RULE FOR CERTAIN COOPERATIVES.—In the case of an organization operating on a cooperative basis which, before the date of the enactment of this Act, was determined by the Secretary of the Treasury or his delegate, to be described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code, the allocation or return of net margins or capital to the members of such organization in accordance with its incorporating statute and bylaws shall not be treated for purposes of such Code as the inurement of the net earnings of such organization to the benefit of any private shareholder or individual. The preceding sentence shall apply only if such statute and bylaws are substantially as such statute and bylaws were in existence on the date of the enactment of this Act.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (e) of section 4955 is amended—

(A) by striking ''SECTION 4945'' in the heading and inserting ''SECTIONS 4945 AND 4958'', and

(B) by inserting before the period ''or an excess benefit for purposes of section 4958''.

(2) Subsections (a), (b), and (c) of section 4963 are each amended by inserting ''4958,'' after ''4955,''.

(3) Subsection (e) of section 6213 is amended by inserting ''4958 (relating to private excess benefit),'' before ''4971''.

(4) Paragraphs (2) and (3) of section 7422(g) are each amended by inserting ''4958,'' after ''4955,''.

(5) Subsection (b) of section 7454 is amended by inserting ''or whether an organization manager (as defined in section 4958(f)(2)) has 'knowingly' participated in an excess benefit transaction (as defined in section 4958(c)),'' after ''section 4912(b),''.

(6) The table of subchapters for chapter 42 is amended by striking the last item and inserting the following:

''SUBCHAPTER D. Failure by certain charitable organizations to meet certain qualification requirements.

''SUBCHAPTER E. Abatement of first and second tier taxes in certain cases.''

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section (other than subsection (b)) shall apply to excess benefit transactions occurring on or after September 14, 1995.

(2) BINDING CONTRACTS.—The amendments referred to in paragraph (1) shall not apply to any benefit arising from a transaction pursuant to any written contract which was binding on September 13, 1995, and at all times thereafter before such transaction occurred.

(3) APPLICATION OF PRIVATE INUREMENT RULE TO TAX-EXEMPT ORGANIZATIONS DESCRIBED IN SECTION 501(c)(4).—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to inurement occurring on or after September 14, 1995.

(B) BINDING CONTRACTS.—The amendment made by subsection (b) shall not apply to any inurement occurring before January 1, 1997, pursuant to a written contract which was binding on September 13, 1995, and at all times thereafter before such inurement occurred.

SEC. 1312. REPORTING OF CERTAIN EXCISE TAXES AND OTHER INFORMATION.

(a) REPORTING BY ORGANIZATIONS DESCRIBED IN SECTION 501(c)(3).—Subsection (b) of section 6033 (relating to certain organizations described in section 501(c)(3)) is amended by striking ''and'' at the end of paragraph (9), by redesignating paragraph (10) as paragraph (14), and by inserting after paragraph (9) the following new paragraphs:

''(10) the respective amounts (if any) of the taxes paid by the organization during the taxable year under the following provisions:

''(A) section 4911 (relating to tax on excess expenditures to influence legislation),

''(B) section 4912 (relating to tax on disqualifying lobbying expenditures of certain organizations), and

''(C) section 4955 (relating to taxes on political expenditures of section 501(c)(3) organizations),

''(11) the respective amounts (if any) of the taxes paid by the organization, or any disqualified person with respect to such organization, during the taxable year under section 4958 (relating to taxes on private excess benefit from certain charitable organizations),

''(12) such information as the Secretary may require with respect to any excess benefit transaction (as defined in section 4958),

''(13) such information with respect to disqualified persons as the Secretary may prescribe, and''.

(b) ORGANIZATIONS DESCRIBED IN SECTION 501(c)(4).—Section 6033 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) CERTAIN ORGANIZATIONS DESCRIBED IN SECTION 501(c)(4).—Every organization described in section 501(c)(4) which is subject to

the requirements of subsection (a) shall include on the return required under subsection (a) the information referred to in paragraphs (11), (12) and (13) of subsection (b) with respect to such organization.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years beginning after the date of the enactment of this Act.

SEC. 1313. EXEMPT ORGANIZATIONS REQUIRED TO PROVIDE COPY OF RETURN.

(a) REQUIREMENT TO PROVIDE COPY.—

(1) Subparagraph (A) of section 6104(e)(1) (relating to public inspection of annual returns) is amended to read as follows:

''(A) IN GENERAL.—During the 3-year period beginning on the filing date—

''(i) a copy of the annual return filed under section 6033 (relating to returns by exempt organizations) by any organization to which this paragraph applies shall be made available by such organization for inspection during regular business hours by any individual at the principal office of such organization and, if such organization regularly maintains 1 or more regional or district offices having 3 or more employees, at each such regional or district office, and

''(ii) upon request of an individual made at such principal office or such a regional or district office, a copy of such annual return shall be provided to such individual without charge other than a reasonable fee for any reproduction and mailing costs.

The request described in clause (ii) must be made in person or in writing. If the request under clause (ii) is made in person, such copy shall be provided immediately and, if made in writing, shall be provided within 30 days.''

(2) Clause (ii) of section 6104(e)(2)(A) is amended by inserting before the period at the end the following: ''(and, upon request of an individual made at such principal office or such a regional or district office, a copy of the material requested to be available for inspection under this subparagraph shall be provided (in accordance with the last sentence of paragraph (1)(A)) to such individual without charge other than reasonable fee for any reproduction and mailing costs)''.

(3) Subsection (e) of section 6104 is amended by adding at the end the following new paragraph:

''(3) LIMITATION.—Paragraph (1)(A)(ii) (and the corresponding provision of paragraph (2)) shall not apply to any request if, in accordance with regulations promulgated by the Secretary, the organization has made the requested documents widely available, or, the Secretary determines, upon application by an organization, that such request is part of a harassment campaign and that compliance with such request is not in the public interest.''

(b) INCREASE IN PENALTY FOR WILLFUL FAILURE TO ALLOW PUBLIC INSPECTION OF CERTAIN RETURNS, ETC.—Section 6685 is amended by striking ''$1,000'' and inserting ''$5,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made on or after the 60th day after the Secretary of the Treasury first issues the regulations referred to section 6104(e)(3) of the Internal Revenue Code of 1986 (as added by subsection (a)(3)).

SEC. 1314. INCREASE IN PENALTIES ON EXEMPT ORGANIZATIONS FOR FAILURE TO FILE COMPLETE AND TIMELY ANNUAL RETURNS.

(a) IN GENERAL.—Subparagraph (A) of section 6652(c)(1) (relating to annual returns under section 6033) is amended by striking ''$10'' and inserting ''$20'' and by striking ''$5,000'' and inserting ''$10,000''.

(b) LARGER PENALTY ON ORGANIZATIONS HAVING GROSS RECEIPTS IN EXCESS OF $1,000,000.—Subparagraph (A) of section 6652(c)(1) is amended by adding at the end the following new sentence: ''In the case of an organization having gross receipts exceeding $1,000,000 for any year, with respect to the return required under section 6033 for such year, the first sentence of this subparagraph shall be applied by substituting '$100' for '$20' and, in lieu of applying the second sentence of this subparagraph, the maximum penalty under this subparagraph shall not exceed $50,000.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years ending on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Connecticut [Mrs. JOHNSON] and the gentleman from California [Mr. MATSUI] will each be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Connecticut [Mrs. JOHNSON].

GENERAL LEAVE

Mrs. JOHNSON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous remarks on H.R. 2337.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House already has acted favorably on the contents of H.R. 2337 when it passed the 7-year Balanced Budget Act on October 26, 1995. The Taxpayer Bill of Rights II was part of the Committee on Ways and Means title of H.R. 2491.

The freestanding bill which the Committee on Ways and Means approved on March 21, 1996, is substantially the same as the provisions which passed the House last October as part of the 7-year Balanced Budget Act, with only minor technical changes and adjustments to some of the bill's effective dates. Upon the President's veto of that bill, Mr. Speaker, Commissioner Richardson implemented a number of our recommendations by administrative action, and for that I thank her.

I commend her as well and appreciate her concern with our point of view by enclosing my remarks in which I expressed great concern for the IRS's use of economic reality audits with the distribution of her guidance to her staff in the use of these extensive audits for the purpose of assuring that people do pay their fair share.

I have enjoyed working with Commissioner Richardson and her staff, and my colleague the gentleman from California [Mr. MATSUI] and I believe that the bill we bring before you today will move us forward in assuring taxpayers' rights in dealing with the IRS, but also will do so in a way that is harmonious with our underlying law and the responsibilities of the IRS.

Yesterday was April 15, the deadline for American citizens to file their income tax returns for 1995. Most citizens filed their tax returns, will receive their refunds, and never hear from the IRS again. They are the lucky ones.

The Taxpayer Bill of Rights aims to expand the protections for the unlucky taxpayers who become involved in a tax dispute with the IRS. These taxpayers often feel as if they are engaged in a David versus Goliath contest.

H.R. 2337 gives taxpayers some important procedural tools in defending themselves in controversies with the Goliath of the IRS. While procedural tax rules may not seem glamorous, they can be extremely important in deciding the outcome of a tax dispute.

For example, TV viewers who followed the O.J. Simpson trial last year learned that procedural rules can have a major impact on the outcome of a legal controversy. In a similar way, the procedural tax rule changes and the Taxpayer Bill of Rights II will have a significant effect on the outcome of tax disputes with the IRS.

For example, the committee learned of cases where the IRS began auditing a taxpayer's return, and then the IRS employee conducting the audit was transferred to a new division and the return sat for another year or two before the audit was completed. Under current law, the IRS has no authority to abate the interest which ran up during this period. H.R. 2337 addresses this problem by giving the IRS expanded authority to abate interest charges that occur as a result of unreasonable delays caused by the IRS's own process.

The bill will also make it easier for taxpayers who win their cases against the IRS in Tax Court to collect attorneys' fees. Under current law, not only does a taxpayer have to prevail on the merits against the IRS to collect attorneys fees, he must also prove that the IRS was not justified in pressing the case against him. H.R. 2337 would switch the burden to the IRS of proving that its position was substantially justified. This is consistent with the judicial principle that the party in control of the facts should bear the burden of proof.

Another provision would help taxpayers who enter into installment payment agreements with the IRS. Under current law the IRS does not have to give notice to the taxpayer before it revokes an installment payment plan. This can result in a hardship when the IRS revokes an installment agreement based on faulty information. H.R. 2337 would require the IRS to give 30 days advance notice before it revokes an installment agreement in order to give the affected taxpayer an opportunity to challenge this action.

Further, in the extreme cases where the IRS damages the taxpayer because its employees act recklessly in collecting taxes, the bill would raise the ceiling for damage claims by taxpayers against the IRS to $1 million. The current ceiling is $100,000.

Finally, for the first time, the experience of the IRS ombudsman as to the most common problems experienced by taxpayers will be relayed directly to the Committee on Ways and Means,

without passing through the many layers of administrative filters of the IRS and then the Department of the Treasury.

This will enable us here in Congress to respond in a far more timely fashion to the problems, indeed the snares, taxpayers get caught in as they deal with the IRS. That will allow us to deal with the legitimate problems, while assuring that the IRS can collect the legitimately owed taxes.

Mr. Speaker, the Nation's taxpayers probably will never enjoy paying taxes, but they should not feel powerless in their dealings with the IRS. The Taxpayer Bill of Rights II will establish many new procedural protections for taxpayers. Like the David in Biblical history, the average taxpayer may be smaller than the rival IRS, but we are giving him some significant weapons with which to defend himself.

I support the passage of H.R. 2337, urge my colleagues to do likewise, and I thank the gentleman from California [Mr. MATSUI], and his able staff, for their work with us on this matter over the last many months.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also rise in strong support of H.R. 2337. This legislation has been adopted numerous times by the Committee on Ways and Means on a bipartisan basis, and certainly on the floor of the House it has been adopted as well, and the enactment is certainly long overdue. This legislation is supported by the administration and will result in a much needed protection for taxpayers in their dealings with the Internal Revenue Service.

Mr. Speaker, I would like to first of all take this opportunity to commend the gentlewoman from Connecticut, Chairwoman NANCY JOHNSON, who has done a tremendous job on making sure that we have a bipartisan approach to this piece of legislation. All through the drafting and the putting together of this legislation, we have worked very cooperatively, and she and her staff have kept us informed, and I just want to take this opportunity to personally thank her for her efforts.

Certainly it goes also to the majority's fine staff, Donna Steele, and the members of our staff, Beth Vance, as well; all have played a significant role in making sure this legislation is in the form that it is today.

I want to also thank Secretary Rubin, and particularly Les Samuels, the assistant to Mr. Rubin, who has been very helpful with his input in the drafting of this legislation. Of course, the Internal Revenue Commissioner, Margaret Richardson, who has made, as Chairwoman JOHNSON stated in her opening statement, numerous reforms in this particular area.

This legislation, Mr. Speaker, is the second comprehensive taxpayers' bill of rights that have been adopted by the Congress and signed, hopefully signed, by the President. this bill will establish, as the gentlewoman from Connecticut [Mrs. JOHNSON] has said, a taxpayer advocate which will replace the ombudsman.

The advocate will have four main responsibilities. One to assist the taxpayer in resolving problems with the Internal Revenue Service; two, to identify problem areas within the Internal Revenue Service; three, a proposed change in the practice of the Internal Revenue Service to solve these problems; and, four, identify legislative solutions to these problems as well.

The second area in this bill in terms of making major changes, it will switch the burden of proof in cases in which attorneys' fees will be awarded. Currently taxpayers must show that the position of the IRS was not substantially justified in order to recover his or her attorney fees. Under the bill, a taxpayer who wins a suit can recover his or her fees unless the Internal Revenue Service can show that it was substantially justified in pursuing the action against the taxpayer in the first instance.

Three, the bill includes a number of provisions in which the IRS has greater flexibility in waiving certain penalties and will require that the Internal Revenue Service notify taxpayers before taking actions that would adversely affect them.

Fourth, the bill does address a problem that has been in the news over the last few years, and this deals with divorced spouses. There have been several cases where divorced spouses have signed returns not knowing what is in these returns, and before collection will occur now the Internal Revenue Service must give advance notice to the former spouse before any collection efforts will be taken.

In addition, the Service will do a study that will be due back in 6 months on how to deal with the issue of joint and several liability, undoubtedly which will affect many people in the middle of a divorce or are divorced when the filing occurs.

Again, I would like to thank the gentlewoman from Connecticut [Mrs. JOHNSON] and members of the majority staff for all their help in this effort. I know that this is only the second step. We intend I believe to have a taxpayers' bill of rights III during the next Congress, and I look forward to working with the members of this committee and certainly the Members of the House and the administration.

Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARCHER], the chairman of the Committee on Ways and Means, and I thank him for his participation.

Mr. ARCHER. Mr. Speaker, I thank the gentlewoman for yielding me time, and also commend her on the outstanding work she has done on this bill.

Mr. Speaker, I rise in strong support of the Taxpayer Bill of Rights II, which will establish many new protections for the Nation's taxpayers in their dealings with the IRS. The campaign to safeguard taxpayer rights has a long history. The original Taxpayer Bill of Rights was enacted in 1988. While this legislation was a good first step, the continuing course of constituent complaints against the IRS has convinced us of the need to enact additional taxpayer protections.

Under this bill, taxpayers who are involved in a dispute with the IRS will be armed with additional rights and protections. In the David against Goliath fight between the taxpayer and the IRS, this bill is the slingshot the taxpayer can now use to win his or her fight.

I compliment the gentlewoman from Connecticut, [Mrs. JOHNSON], chairwoman of the Subcommittee on Oversight, and the gentleman from California [Mr. MATSUI], the ranking Democrat, for their dedication to championing the cause of the Nation's taxpayers.

Mr. Speaker, the IRS is the agency tasked with the responsibility of enforcing our Nation's tax laws and collecting the taxes that are legally due. It is an important job, because the functioning of the Federal Government depends on the public's willingness to voluntarily pay the taxes they owe. However, it is also a very difficult responsibility because the complicated structure of our current income tax system necessarily interjects the IRS into the private lives of the American people.

There is no question the IRS has grown too powerful and too intrusive. However, this has come in direct response to the growing complexity of our current tax system. The ultimate solution to this problem is to tear the income tax out by its roots and eliminate the need for an agency which must delve into our private lives in order to enforce the tax system. But until Congress fundamentally reforms the tax laws, the next best approach is to make the current tax system operate in a way which treats taxpayers more fairly.

□ 1230

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, too often the taxpayer is at the mercy of the IRS, and the whole purpose of this bill is to try to set that right, at least a little bit.

Included in this Taxpayer Bill of Rights II is the Fast and Efficient Tax Filing Act, and I want to thank the Members that worked on Ways and Means, in particular my colleague the gentlewoman from Connecticut, NANCY JOHNSON, and my colleague from California for including this in the legislation, so thank you, Mr. MATSUI, as well.

The Fast and Efficient Tax Filing Act is going to make at least one area of the Internal Revenue Code a little more user friendly. Many of you may have at one time in your lives stood in line for an IRS Postal Service postmark to mail your tax return on April 15.

Turns out that in order to use this rule, the Postal Service must be the form of delivery. If on the morning of April 15 you send it Federal Express, UPS, or some overnight delivery, and it gets there the next day, that is not good enough. If you put it in the mailbox and it gets postmarked, or if you stand in line and get that receipt from the Postal Service, even though the IRS does not get it for a week, then you can use the rule.

Both taxpayers and the IRS are being cheated under the current system. As a result of the Fast and Efficient Tax Filing Act, no more midnight waits at the post office; send it Fed Ex, call 1–800 pickup or DHL, or any of the competitors that we have that operate in America to deliver things efficiently throughout the rest of our economy. Next year you will be able to do that as a result of the passage of this bill.

So I want to congratulate once again my colleagues, the gentleman from California [Mr. MATSUI] and the gentlewoman from Connecticut [Mrs. JOHNSON], for including this in a wonderful bill. The IRS is going to get returns faster. Our constituents will not stand in line. At least this one area of our onerous Tax Code will have a modicum of common sense.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from California for his good work. He did contribute to this bill very substantially, and I thank him for his comments today.

Mr. Speaker, I would now like to recognize the gentleman from Ohio [Mr. TRAFICANT], and in so doing I want to recognize his tireless efforts to promote the rights of taxpayers in their dealings with the IRS. He has long been one of this body's most steadfast champions for the Nation's taxpayers, and he deserves much of the credit for provision in this bill relating to burden-of-proof issues, including the provision relating to the award of attorneys fees and costs, which shifts the burden to the IRS to prove that it was justified in bringing its case against the taxpayer.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I appreciate that from the distinguished chairwoman, and I think the gentlewoman from Connecticut, Mrs. JOHNSON was tired of having me run her down on the floor, and the gentleman from Texas, BILL ARCHER. I want to thank Speaker GINGRICH, the gentleman from Texas, DICK ARMEY, the gentlewoman from Connecticut, NANCY JOHNSON, the gentleman from Texas, BILL ARCHER, the gentleman from Florida, SAM GIBBONS, and the gentleman from California, BOB MATSUI.

Yes, I have been aggressive on some of these issues, and the gentlewoman from Connecticut has accommodated me under a powerful strain of opposition at times from the Internal Revenue Service.

Two provisions I worked hard for, as cited by the gentlewoman from Connecticut [Mrs. JOHNSON]. No. 1, after a matter has been adjudicated, a taxpayer can in fact go after those attorney fees and costs and, in fact the burden of proof after adjudication is thus switched to the IRS to justify and maintain their position for going after the taxpayer in the first place.

That is a good first step, my colleagues. I have no complaints with that, and I commend you and thank you for doing something I could not get a Congress to do over the last four terms.

The second one says that right now there is a cap of $100,000 when an IRS agent violates the rights of a taxpayer. In my provision in here it increases that cap to $1 million, and I think $1 million will get their attention.

This is a great first step, but I want to just make a few points today, and I want to ask the Committee on Ways and Means to consider what I say very seriously. More than 97 percent of the American people support the change in the burden of proof in a civil tax case. No one has helped me more than the gentlewoman from Connecticut [Mrs. JOHNSON] and the gentleman from Texas [Mr. ARCHER]. As a Democrat, I want to commend the Republican leadership for giving me an opportunity on this.

Right now, under current existing law, in a civil tax case a taxpayer goes into court with the burden of proof. They have to prove they are innocent. There is no other provision in law. I do not know how this evolution has come about, where all of a sudden we have a law that places an American guilty in the eyes of the court and under the statutory law and they must prove themselves innocent.

Some of the arguments we are getting from the IRS are that deadbeats might get over. I do not believe that. I think the IRS is now saying that this would be a big revenue loser. I would say to all leaders, if we scored the Bill of Rights and let the IRS score the Bill of Rights, would we enjoy the freedoms of the Bill of Rights? Money is not an argument here.

I think when the IRS says, ''Look, Mr. TRAFICANT, don't confuse us with the Constitution,'' I cannot buy the argument.

I am asking the Committee on Ways and Means to look at offsets. My new bill, H.R. 2450, handles this matter differently. It breaks it down to administrative and judicial.

When a taxpayer gets notice of an administrative audit, in that administrative procedure they have the burden of proof. They must substantiate those representations they make on their tax forms. But in good faith, having made those representations and the IRS then choosing to take the matter to court, the Traficant bill says at that point the burden of proof shifts to the IRS and the IRS shall be able to justify their case, prove evidence, submit evidence, and prove that matter.

Let me say this. That is something that we here in Congress should do. I would even be willing to have a provision in that bill that says that in the administrative procedure where the burden of proof is on the taxpayer, they must comply, if they are not compliant and deemed to have not complied in the eyes of the court, that the court can maintain the burden of proof on the taxpayer.

It would force the administrative process to be up front. We could expedite these cases. I do not think we would have as big a revenue problem as we have, and I would urge the committee to look at the scoring of it, but not only look at the scoring but to look at the offsets for funds to right this wrong.

But for me to stand up here today and to say because this total burden of proof is not enacted makes this bill weaker would not be fair. The gentlewoman from Connecticut [Mrs. JOHNSON] has done a fine job. I thank her for putting up with me.

The gentleman from California [Mr. MATSUI] and the gentleman from Texas [Mr. ARCHER] are going to have to put up more with me, and their staff, because I will not be satisfied until we right the wrong. A taxpayer in America pays the freight on this train coming down the track and, by God, they should at least be considered like everyone else in a court of law, innocent until proven guilty.

I am asking for their help, and I appreciate the time the gentlewoman has given me.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

First, I want to commend the gentleman from Ohio [Mr. TRAFICANT]. As the gentlewoman from Connecticut [Mrs. JOHNSON] has said, he really has been very helpful providing information to us, both in terms of the burden of proof issue and, second, in terms of lifting the $100,000 cap to $1 million in terms of the damage issue. We want to thank him very, very much for that.

We both look forward to working with the gentleman in the future on the third tax bill of rights legislation when we bring it before the House. Again, we thank him.

Second, I would like to just thank the gentleman from California [Mr. COX] for his very helpful information and piece of legislation, as well, in terms of the alternative uses besides the Postal Service in terms of filing returns.

I might also add the name of this legislation is the Pickle-Johnson legislation, and that is not two Texans, that

is not President Johnson, but that is the gentlewoman from Connecticut, NANCY JOHNSON, and of course Jake Pickle, who was really one of the leaders for the last 10 years working on the tax bill of rights. This is the Pickle-Johnson legislation.

Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I would like to comment that my colleague, the gentleman from California [Mr. MATSUI], and I and our staff have worked very hard, not only together and with Members and with constituents who have testified, but also with the IRS. These provisions are going to front-load those defenses that taxpayers need so that we should not be getting into the kinds of problems that the gentleman from Ohio [Mr. TRAFICANT] describes.

By assuring taxpayers better information, more open communication and better procedures, we believe their rights will be defended long before they get into the level of controversy that has concerned the gentleman, and rightly so.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I too would like to commend the gentlewoman from Connecticut, NANCY JOHNSON, and the gentleman from California, Mr. MATSUI, for doing a good job and for getting this bill back to the floor, this bill of rights back to the floor for a second time.

As you know, the President vetoed it back in December, along with a bunch of other stuff. But this bill is important because the powers of the IRS to investigate and examine taxpayers are greater than any other Government agency. They are intrusive. They are into our lives, and it seems that the constitutional rights of taxpayers are always trampled upon but nothing is ever done.

This bill makes important commonsense changes to current law that will strengthen the rights of American taxpayers. It establishes a taxpayer advocate to prevent the IRS from treating taxpayers like second class citizens. It increases the amount people may sue the IRS from $100,000 to $1 million. And for the first time, it allows the Federal courts to determined IRS failure and abuse of discretion.

While this bill makes important progress to rein in the IRS and its 115,000 IRS agents, I believe America is demanding that the entire system should be replaced, and I think we must insist that any new system must empower individuals and not the Government; provide opportunities, not dead ends, and, most importantly, it must offer the hard-working people of this country the freedom to achieve the American dream.

I commend the gentlewoman again for bringing this bill to the floor again, and I hope we can get it through in good shape this time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I thank the gentlewoman for yielding this time to me, and I stand up in vigorous support of a commonsense change in the law as it affects the taxpayers' rights in balancing it out with the rights and duties of the Internal Revenue Service.

The Internal Revenue Service is a needed agency which looks over the collection of taxes in this country. There is no question about it. But there are some things that need to be balanced out which this legislation does.

To give just a few examples of what is in this bill that needs to be done: One of the provisions in here would allow the IRS to release property on which there are liens when it is to the advantage of the Government to do so. Right now they cannot do that.

You have situations where businesses are closed down, where if the IRS would simply allow them to continue to exist for a short period of time, the Federal Government could make up some of the dollars that it is losing. And, of course, also, there is a question of jobs being lost. This is just plain common sense.

When we have a situation where a spouse is charged with liability because of signing a joint return and the secrecy law comes into play, it is only common sense, if we are going to go after using the female spouse, that we would be able to share certain information, which now the IRS is prohibited from doing.

These are just a couple of examples of just pure common sense that we are putting into the law.

I compliment my fellow Members of the Committee on Ways and Means. It was a good meeting, and I think it shows that we have great bipartisan support, and I am sure that each Member of the Congress, every Member of the Congress is going to be proud to vote for and support this legislation.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume to say that I do not believe we have any further speakers.

I might just add, in closing on my side, that we hope that the Members support this bill. I urge support of this legislation. The President supports this legislation and will sign this bill and, again, I look forward to continuing working with the gentlewoman from Connecticut.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The gentlewoman from Connecticut has three-fourth of a minute remaining.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield the balance of my time to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, I rise today in support of the Taxpayer Bill of Rights. I think it is a step we need to take.

There are a couple of things I wish had been in it that are not there. One of them, the item that the gentleman from Ohio [Mr. TRAFICANT] has worked so hard on, and some of the rest of us, and that is to change the burden of proof. The other is that the IRS should pay back at the same interest rate that we have to pay if they overcharge us.

□ 1245

But Congress, I think, has finally realized what taxpayers have known for years, that the IRS has too much power over the lives of ordinary citizens. This bill contains some much-needed reforms which make so much sense. I have to shake my head and wonder that these protections do not already exist.

This bill creates the position of taxpayer advocate. It expands the authority of the IRS to abate interest and penalties, extend the length of time which the taxpayer may fulfill his obligation to the IRS without accrual of excessive penalties and interest. It allows the taxpayer, when they are right, to collect the money in fees and costs from the IRS. I hope we can pass this bill.

Mr. NEAL. Mr. Speaker, yesterday the House was involved in a publicity stunt because of it being tax day. Today, we are debating tax legislation that will truly help the American people. Before us today is the Taxpayer Bill of Rights. The purpose of this legislation is to help those taxpayers who find themselves in dispute with the Internal Revenue Service [IRS].

This legislation will reduce the anxiety that surrounds April 15 each year. Taxpayers will have some extra assistance when they are faced with the IRS. This legislation is based on an extensive bipartisan effort of the Ways and Means Committee to assist the taxpayer. Mr. Pickle, the former chairman of the Subcommittee on Oversight, worked long and hard on this issue. The legislation before us today is substantially the same as legislation developed by Mr. Pickle. Also, Senator PRYOR has spent many years working on this legislation.

One of the key provisions of this legislation is the creation of an independent taxpayer advocate. The taxpayer advocate will work to improve taxpayer services and IRS responsiveness. The taxpayer advocate will report to the tax writing committees of Congress on the progress in this area. Another key provision requires the IRS to report to the tax writing committees on the misconduct of IRS employees. This report will give Congress the chance to study the misconduct of IRS employees and the punishment for misconduct.

Taxpayers will receive assistance for taxpayers who experienced difficulty with the IRS. This legislation would allow taxpayers who have been the victim of reckless collection actions by the IRS to sue the Government for $1 million up from the current cap of $100,000.

The bottom line is this legislation will make it easier for taxpayers to work with the IRS. Currently, the United States has an 86-percent rate of compliance for Federal taxes. Hopefully, this legislation will help improve compliance which is already the envy of other countries. This legislation will improve the working relationship between taxpayers and the IRS.

I am pleased this legislation is before us today. This legislation is a concrete way to help make April 15 a less stressful day for all Americans.

Mr. PORTMAN. Mr. Speaker, first of all, I would like to thank Chairman JOHNSON for her excellent leadership in crafting this bill. She and her Oversight Subcommittee staff have worked tirelessly on behalf of the American taxpayer.

Mr. Speaker, yesterday's deadline to file income tax returns reminds us of how much power the Internal Revenue Service has over the honest taxpayers of this country. We must ensure that the IRS isn't heavy-handed in enforcing regulations and that the taxpayer has adequate protections.

One of my constituents learned the hard way about how the IRS sometimes does business. While she was married, she and her self-employed husband filed a joint tax return. But after her divorce was finalized, the IRS determined that she was responsible for paying off almost all of the $30,000 in taxes her ex-husband owed the Federal Government.

The IRS rejected her plea for relief under the innocent spouse provision in the Tax Code because she had signed the joint tax returns. Her ex-husband is now off the hook, having settled with the IRS for about $5,000. Meanwhile, this divorcee currently owes the IRS $20,000, a burden that could affect her for the rest of her life. She says she feels like she's being punished for being a good citizen and for working hard. It certainly looks that way to me, too.

We owe it to the hardworking citizens of our country to prevent the IRS from unfairly pushing them around. Most people come away from a confrontation with the IRS feeling bruised and battered. This legislation at least will give them a fighting chance—it includes more than 30 items that give the taxpayers rights and powers in dealing with the IRS. Some of these provisions will help ensure that divorced filers are not victimized.

I urge my colleagues in the House to vote in favor of passage of this Taxpayer Bill of Rights—it will guard against unreasonable IRS positions and protect the rights of taxpayers.

Mr. PACKARD. Mr. Speaker, few things are scarier than getting into a dispute with the IRS. They truly believe that they are above the law and all too often taxpayers have no recourse.

During April, working Americans struggle to fill out complicated U.S. tax forms, enduring great anxiety and paying out large sums of money to accountants, just to guarantee that they are giving Uncle Sam the appropriate and expected amount. And when there is a dispute or audit, taxpayers—right or wrong—always end up paying the price. Ironically the IRS' own annual reports admit a high rate of errors and the IRS telephone information service gives out wrong answers as much as one-third of the time.

My Republican colleagues and I are committed to changing that. The taxpayer bill of rights that we consider today makes it harder for the IRS to demand America's hard-working families pay for the IRS' own mistakes. The more than 30 protections in this bill will waive interest charges when the IRS is at fault for tax underpayment. It extends time for taxpayers to pay delinquent taxes without being subject to interest and penalties. It allows taxpayers to sue the IRS for reckless collection actions and there are dozens of other taxpayer protections included in this measure.

Mr. Speaker, our tax system has veered out of control. My Republican colleagues and I know America needs tax reform and the debate will begin in earnest this week. Because, it will not happen overnight, we must provide tax relief now to America's families. The taxpayer bill of rights does that and more. It proves to our taxpayers that the Republican-led Congress is committed to returning fiscal responsibility to Washington.

Mrs. MINK of Hawaii. Mr. Speaker, I rise in support of H.R. 2337, the Taxpayer Bill of Rights Act, which represents significant advancement toward fair treatment of taxpayers under the Internal Revenue Code by the Internal Revenue Service.

I am particularly in favor of a section that embodies the intent of a bill that I introduced last year, H.R. 331, which would require the Federal Government to consider as having arrived on time any sealed bid for the procurement of goods or services, if the bid was sent by an overnight message delivery service at least 2 business days before the date specified for receipt of bids.

Current procurement law states that late bids cannot be considered for awards unless they were one, sent by registered or certified mail no later than 5 days before the bids receipt deadline, two, proven to have been delivered late due to mishandling by the receiving Government agency, or three, sent by U.S. Postal Service Express Mail Next Day Service no later than 2 business days prior to bid receipt deadline. This provision excludes from this portion of the procurement process the use of private delivery services, such as United Postal Service and Federal Express, despite the fact that these companies have proven trustworthy and reliable in overnight package delivery, not only meeting but in many cases exceeding the abilities of the U.S. Postal Service.

Similarly, Internal Revenue Code § 7502 was recently interpreted by the Ninth Circuit U.S. Court of Appeals (*V.L. Correia,* 58 F.3d 468 (1995)) that only the date of actual delivery to the IRS or Tax Court by private delivery service is applicable, rather than the date of mailing as in cases of delivery by the U.S. Postal Service. Section 1210 of the bill before us would allow the Secretary of the Treasury to expand this timely mailing as timely-filing section to the use of private delivery companies that meet specified criteria. A significant number of American taxpayers every year attempt to submit their income tax returns to the IRS through a private delivery service, only to find this inadequate to demonstrate timely filing of their returns.

I urge my colleagues full support of this provision, as well as my bill, H.R. 331.

Mr. KLECZKA. Mr. Speaker, 8 years ago, the first ''Taxpayer Bill of Rights'' passed which created a more level playing field between citizens and the IRS with safeguards to protect taxpayers. The legislation gave taxpayers the right to sue the IRS for actions taken by its agents, provided financially troubled taxpayers the right to seek an installment tax payment plan, and enabled taxpayers who prevail over the IRS in court to seek reimbursement for part of their attorney fees in some circumstances.

Although this 1988 legislation was a step in the right direction, more can be done to help taxpayers. The ''Taxpayer Bill of Rights II,'' which I strongly supported in the Ways and Means Committee, contains over two dozen provisions to give taxpayers further protection. This bill will expand the power of the IRS Taxpayer Ombudsman to issue protective orders to help taxpayers, mandate that the IRS take reasonable steps to corroborate third-party information disputed by a taxpayer, and give the IRS the authority to waive the interest on late tax payments in cases where there is a valid reason for such payment. Additionally, the bill would increase to $1 million the civil damages for which a taxpayer could sue the IRS in cases of unauthorized collections.

The vast majority of citizens are responsible taxpayers who deserve the additional rights and safeguards that the Taxpayer Bill of Rights II will provide. I hope that Congress will quickly pass, and the President sign this meaningful bill. I urge a ''yea'' vote.

Ms. DUNN of Washington. Mr. Speaker, I rise in strong support of H.R. 2337, the Taxpayer Bill of Rights II and urge its adoption.

All too often ''tax fairness'' usually refers almost solely to whether Government is seizing the right amount of money from different economic classes—not how the tax collectors are treating the individual citizen.

Under U.S. law, Americans are innocent until proven guilty. Yet, when an individual taxpayer deals with the IRS, the taxpayer is guilty until he or she proves their innocence.

Over the past few months, I have heard from literally hundreds of constituents who have described to me numerous problems they see with our system of taxation. A common theme has been the intrusive nature of the Internal Revenue Service [IRS] and the enormous compliance burdens imposed on individuals.

This measure gives taxpayers a helping hand if they find themselves at odds with the IRS. The American taxpayer will be empowered with more than 30 protections in dealing with the IRS.

In addition to these protections, I will continue to work for the inclusion of an additional provision in the final version of this legislation that I have been working on within the Ways and Means Committee.

Specifically, the bipartisan provision, which I am sponsoring along with my colleague, Mr. MATSUI, would permit ''equitable tolling'' application in tax refund cases.

My interest in this area was precipitated by a highly publicized court case in which a 93-year-old senile man, Stanley McGill, overpaid his taxes in 1984. After Mr. McGill's death in 1988, Marian Brockamp found her late father's canceled check to the IRS in a pile of receipts. In fact, Mr. McGill owed the IRS $700—not $7,000. Mrs. Brockamp asked the IRS for a refund.

Although the agency acknowledged the mistake, it refused to return the money, claiming the 3-year statue of limitations on refund claims had expired.

But Brockamp's attorney argued that the time set aside for suing the Government should be extended under the legal doctrine known as equitable tolling—which is invoked in cases where a taxpayer is disabled.

A Federal judge in Los Angeles rejected that argument in 1993, but the 9th U.S. Circuit Court of Appeals overruled the lower court in June 1995, calling the IRS refusal unconscionable.

The Justice Department has appealed the decision to the Supreme Court.

This is just one example of an outrageous injustice that my commonsense change of law is intended to end.

H.R. 2337, the Taxpayer Bill of Rights II, will help the average American, who might have made an honest mistake in underestimating his taxes due by providing him a little more time to prove it was an honest mistake.

The new majority in this Congress is working on commonsense ways to give taxpayers a break. In fact, the Taxpayers Bill of Rights II itself is simply a long overdue exercise in common sense. Will Rogers once said, ''Common sense ain't that common.'' Well, like everything else, common sense is making a comeback.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentlewoman from Connecticut [Mrs. JOHNSON] that the House suspend the rules and pass the bill, H.R. 2337, as amended.

The question was taken.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

EXTENSION OF FREE TRADE BENEFITS TO WEST BANK AND GAZA STRIP

Mr. SHAW. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3074) to amend the United States-Israel Free Trade Area Implementation Act of 1985 to provide the President with additional proclamation authority with respect to articles of the West Bank or Gaza Strip or a qualifying industrial zone.

The Clerk read as follows:

H.R. 3074

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL PROCLAMATION AUTHORITY.

The United States-Israel Free Trade Area Implementation Act of 1985 (19 U.S.C. 2112 note) is amended by adding at the end the following new section:

''SEC. 9. ADDITIONAL PROCLAMATION AUTHORITY.

''(a) ELIMINATION OR MODIFICATIONS OF DUTIES.—The President is authorized to proclaim elimination or modification of any existing duty as the President determines is necessary to exempt any article from duty if—

''(1) that article is wholly the growth, product, or manufacture of the West Bank, the Gaza Strip, or a qualifying industrial zone or is a new or different article of commerce that has been grown, produced, or manufactured in the West Bank, the Gaza Strip, or a qualifying industrial zone;

''(2) that article is imported directly from the West Bank, the Gaza Strip, Israel, or a qualifying industrial zone; and

''(3) the sum of—

''(A) the cost or value of the materials produced in the West Bank, the Gaza Strip, Israel, or a qualifying industrial zone, plus

''(B) the direct costs of processing operations performed in the West Bank, the Gaza Strip, Israel, or a qualifying industrial zone, is not less than 35 percent of the appraised value of the product at the time it is entered into the United States.

For purposes of determining the 35 percent content requirement contained in paragraph (3), the cost or value of materials which are used in the production of an article in the West Bank, the Gaza Strip, or a qualifying industrial zone, and are the products of the United States, may be counted in an amount up to 15 percent of the appraised value of the article.

''(b) APPLICABILITY OF CERTAIN PROVISIONS OF THE AGREEMENT.—

''(1) NONQUALIFYING OPERATIONS.—No article shall be considered a new or different article of commerce under this section, and no material shall be included for purposes of determining the 35 percent requirement of subsection (a)(3), by virtue of having merely undergone—

''(A) simple combining or packaging operations, or

''(B) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

''(2) REQUIREMENTS FOR NEW OR DIFFERENT ARTICLE OF COMMERCE.—For purposes of subsection (a)(1), an article is a 'new or different article of commerce' if it is substantially transformed into an article having a new name, character, or use.

''(3) COST OR VALUE OF MATERIALS.—(A) For purposes of this section, the cost or value of materials produced in the West Bank, the Gaza Strip, or a qualifying industrial zone includes—

''(i) the manufacturer's actual cost for the materials;

''(ii) when not included in the manufacturer's actual cost for the materials, the freight, insurance, packing, and all other costs incurred in transporting the materials to the manufacturer's plant;

''(iii) the actual cost of waste or spoilage, less the value of recoverable scrap; and

''(iv) taxes or duties imposed on the materials by the West Bank, the Gaza Strip, or a qualifying industrial zone, if such taxes or duties are not remitted on exportation.

''(B) If a material is provided to the manufacturer without charge, or at less than fair market value, its cost or value shall be determined by computing the sum of—

''(i) all expenses incurred in the growth, production, or manufacture of the material, including general expenses;

''(ii) an amount for profit; and

''(iii) freight, insurance, packing, and all other costs incurred in transporting the material to the manufacturer's plant.

If the information necessary to compute the cost or value of a material is not available, the Customs Service may ascertain or estimate the value thereof using all reasonable methods.

''(4) DIRECT COSTS OF PROCESSING OPERATIONS.—(A) For purposes of this section, the 'direct costs of processing operations performed in the West Bank, Gaza Strip, or a qualifying industrial zone' with respect to an article are those costs either directly incurred in, or which can be reasonably allocated to, the growth, production, manufacture, or assembly, of that article. Such costs include, but are not limited to, the following to the extent that they are includible in the appraised value of articles imported into the United States:

''(i) All actual labor costs involved in the growth, production, manufacture, or assembly of the article, including fringe benefits, on-the-job training, and costs of engineering, supervisory, quality control, and similar personnel.

''(ii) Dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the article.

''(iii) Research, development, design, engineering, and blueprint costs insofar as they are allocable to the article.

''(iv) Costs of inspecting and testing the article.

''(B) Those items that are not included as direct costs of processing operations with respect to an article are those which are not directly attributable to the article or are not costs of manufacturing the article. Such items include, but are not limited to—

''(i) profit; and

''(ii) general expenses of doing business which are either not allocable to the article or are not related to the growth, production, manufacture, or assembly of the article, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions, or expenses.

''(5) IMPORTED DIRECTLY.—For purposes of this section—

''(A) articles are 'imported directly' if—

''(i) the articles are shipped directly from the West Bank, the Gaza Strip, a qualifying industrial zone, or Israel into the United States without passing through the territory of any intermediate country; or

''(ii) if shipment is through the territory of an intermediate country, the articles in the shipment do not enter into the commerce of any intermediate country and the invoices, bills of lading, and other shipping documents specify the United States as the final destination; or

''(B) if articles are shipped through an intermediate country and the invoices and other documents do not specify the United States as the final destination, then the articles in the shipment, upon arrival in the United States, are imported directly only if they—

''(i) remain under the control of the customs authority in an intermediate country;

''(ii) do not enter into the commerce of an intermediate country except for the purpose of a sale other than at retail, but only if the articles are imported as a result of the original commercial transactions between the importer and the producer or the producer's sales agent; and

''(iii) have not been subjected to operations other than loading, unloading, or other activities necessary to preserve the article in good condition.

''(6) DOCUMENTATION REQUIRED.—An article is eligible for the duty exemption under this section only if—

''(A) the importer certifies that the article meets the conditions for the duty exemption; and

''(B) when requested by the Customs Service, the importer, manufacturer, or exporter submits a declaration setting forth all pertinent information with respect to the article, including the following:

''(i) A description of the article, quantity, numbers, and marks of packages, invoice numbers, and bills of lading.

''(ii) A description of the operations performed in the production of the article in the West Bank, the Gaza Strip, a qualifying industrial zone, or Israel and identification of the direct costs of processing operations.

''(iii) A description of any materials used in production of the article which are wholly the growth, product, or manufacture of the West Bank, the Gaza Strip, a qualifying industrial zone, Israel or United States, and a statement as to the cost or value of such materials.

''(iv) A description of the operations performed on, and a statement as to the origin and cost or value of, any foreign materials used in the article which are claimed to have been sufficiently processed in the West Bank, the Gaza Strip, a qualifying industrial zone, or Israel so as to be materials produced in the West Bank, the Gaza Strip, a qualifying industrial zone, or Israel.

''(v) A description of the origin and cost or value of any foreign materials used in the article which have not been substantially transformed in the West Bank, the Gaza Strip, or a qualifying industrial zone.

''(c) SHIPMENT OF ARTICLES OF ISRAEL THROUGH WEST BANK OR GAZA STRIP.—The President is authorized to proclaim that articles of Israel may be treated as though they were articles directly shipped from Israel for the purposes of the Agreement even if shipped to the United States from the West Bank, the Gaza Strip, or a qualifying industrial zone, if the articles otherwise meet the requirements of the Agreement.

''(d) TREATMENT OF COST OR VALUE OF MATERIALS.—The President is authorized to proclaim that the cost or value of materials produced in the West Bank, the Gaza Strip, or a qualifying industrial zone may be included in the cost or value of materials produced in Israel under section 1(c)(i) of Annex 3 of the Agreement, and the direct costs of processing operations performed in the West Bank, the Gaza Strip, or a qualifying industrial zone may be included in the direct costs of processing operations performed in Israel under section 1(c)(ii) of Annex 3 of the Agreement.

''(e) QUALIFYING INDUSTRIAL ZONE DEFINED.—For purposes of this section, a 'qualifying industrial zone' means any area that—

''(1) encompasses portions of the territory of Israel and Jordan or Israel and Egypt;

''(2) has been designated by local authorities as an enclave where merchandise may enter without payment of duty or excise taxes; and

''(3) has been specified by the President as a qualifying industrial zone.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. SHAW] and the gentleman from New York [Mr. RANGEL] each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. SHAW].

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include therein extraneous material on the bill, H.R. 3074.

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

There was no objection.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to introduce, along with the gentleman from Illinois [Mr. CRANE], the Gaza Strip-West Bank bill. This is a noncontroversial bill that received great bipartisan support when we marked it up previously in the Ways and Means Committee. It is also supported by the administration. The provisions of this bill will permit the President to eliminate or modify any existing duty on products that are produced in the Gaza Strip-West Bank area.

In light of the recent occurrences in Israel, this bill is most timely and will aid in the peace process. Since February 25, suicide bombers have killed five innocent civilians. The Israelis and Palestinians want peace for their people, security for every citizen and hope that they can peacefully coexist. It is very important for the United States and this Congress to show their collective will that they will do all they can do to further the peace process. The passage of this bill will send a very clear signal to the international community that we support normalized relations between the Israelis and the Palestinians.

The provisions of this bill will strengthen the Israeli and Palestinian relation by providing economic and employment relief to that area and it will help the establishment of a Palestinian State. I urge all of my colleagues to support this most important piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise as an original cosponsor in strong support of H.R. 3074. This legislation would authorize the President to proclaim duty-free treatment for products of the West Bank, the Gaza Strip, and industrial zones that may be created in the region. Similar treatment is granted products of Israel under the United States-Israel free-trade agreement implemented in 1985. In return, the Palestinians have agreed to provide duty-free access to United States products, to prevent illegal transshipments, and to support an end to the Arab boycott of Israel.

This legislation is supported by the Israeli Government. The administration supports extension of duty-free treatment as part of the Mideast peace process to promote investment and economic development in the region.

I am not aware of any opposition to this bill, and urge its passage.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank my good friend from New York for yielding time to me.

Mr. Speaker, I support this legislation and will support this legislation, but I really feel that this ought to be used as an explanation to what has been happening in the Middle East. Everyone supports investment and economic development in the West Bank and Gaza Strip. We know ultimately that that is really the only way that peace is going to survive in the Middle East.

However, Chairman Yasser Arafat and the PLO have promised repeatedly to amend the covenants of the PLO charter which call for the destruction of Israel. And in the recently concluded agreement to which they signed, they agreed that 2 months after the Palestinian elections were held that the Palestine National Council would meet and would amend the covenants, would take out the part that calls for Israel's destruction. That date is fast approaching. That date will come on May 7, and, much to my chagrin, I have not yet heard the positive signs that I would like to hear that that May 7 deadline will be kept.

Several weeks ago, Mr. Speaker, I circulated a letter along with my colleague, the gentleman from New Jersey [Mr. SAXTON], which was signed by over 100 Members of the House, bipartisan Members of the House. It was a letter to Yasser Arafat telling him that according to the law of which we provide aid to the Palestinian entity that all aid must cease unless those covenants are amended and that the May 7 deadline is fast approaching.

We implored, we pleaded with Chairman Arafat to give us a commitment that that deadline would be met. Last week, I received a replay from Chairman Arafat and, much to my chagrin, he did not even mention the covenants in his reply to our letter, although our letter specifically was about amending those covenants. He talked about the peace process. he talked about normalization, but he did not address the issue of the covenants.

Now, the gentleman from New Jersey [Mr. SAXTON] and I are sending another letter to him, asking him to please address the issue of the covenants and to please give us assurances that he will keep his word. I must say, Mr. Speaker, that, if May 7 comes and goes and those covenants are not amended, it will be very difficult for me to continue to support continued aid to the Palestinian entity, to the Palestinian authority.

I believe that peace agreements are good, but I believe that both sides must keep their agreement. And as cochair of the peace monitoring accord group along with the gentleman from New Jersey [Mr. SAXTON], we intend to make sure that all parties comply with the agreement that they signed.

We are not telling the parties what to sign. We are not telling the parties what to do. All we are saying is that the parties need to keep their word. They need to adhere to the agreement that they signed. And I think the issue of the covenants are a very, very important issue.

Mr. Speaker, it is very, very difficult to believe that somebody really wants peace if they habitually refuse or ignore calls to amend the covenant calling for the destruction of one side, in this case the destruction of the State of Israel. So I think the time has long past. It has now been several years. And those covenants really, really need to be amended. And again according to United States law, no aid can continue to the Palestinians unless those covenants are changed.

Let me finally say about this that it is not enough, I think, to just pass something and say well, this supersedes. We want those covenants abrogated. We want them eliminated. We do not want some whitewashing of them and somehow trying to fudge the issue or to allow Mr. Arafat to speak out of both sides of their mouth.

Mr. Speaker, I support the peace process fully. I think the suicide bombings have brought a sense of reality to the peace process, but peace must continue and must go on. I think what is going on in Lebanon today and for the past several days also is a sobering realization that there are many, many people that want to destroy the peace process. The Hezbollah are guerrillas, the so-called Party of God, the people who are rejecting it on the Palestinian side.

We need to persevere. But in order to have a real peace, Mr. Speaker, I believe that both sides must keep their agreement. And I say it again and I say it for all to hear, to Mr. Arafat, you must abrogate those covenants calling for Israel's destruction or American aid will cease. Now, I support this because again I think free-trade benefits to the West Bank and Gaza Strip are important. But again, these benefits and all benefits will stop if those covenants are not abrogated.

Mr. SHAW. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. CRANE], chairman of the Subcommittee on Trade of the Committee on Ways and Means.

Mr. CRANE. Mr. Speaker, I am pleased to rise today in support of H.R. 3074, legislation that would provide the President proclamation authority to modify tariffs on products from the West Bank, Gaza Strip, and qualifying industrial zones. I introduced this bill, together with my colleagues Mr. SHAW and Mr. RANGEL, because I believe it will go a long way to improve the tense situation in the Middle East. This bipartisan bill was reported favorably out of the Ways and Means Committee by voice vote without amendment on March 14 and enjoys the full support of the administration.

Specifically, the effect of the provision is to offer to goods from the West Bank, Gaza Strip, and qualifying industrial zones the same tariff treatment as is offered to Israel under the United States-Israel Free-Trade Agreement. In exchange for this preferential tariff treatment, the Palestinian Authority has agreed to accord United States products duty-free access to the West Bank and Gaza Strip, to prevent illegal transshipment of goods not qualifying for duty-free access, and to support all efforts to end the Arab economic boycott of Israel.

I believe that granting duty-free treatment for goods produced in these zones in exchange for the commitment by the Palestinian Authority is important to the Middle East peace process. In addition, it will increase employment and will stimulate the economy of the region. Therefore, I encourage my colleagues to give their full support to this bill.

Mr. RANGEL. Mr. Speaker, I just want to urge the adoption of this legislation. As I said earlier, it is supported by both sides of the aisle and the President.

Mr. Speaker, I yield back the balance of my time.

Mr. ARCHER. Mr. Speaker, I am very pleased today to support H.R. 3074. I congratulate my colleagues, Chairman CRANE and Mr. SHAW, in working hard to bring this important piece of legislation before the House today. This bill enjoys bipartisan support and is noncontroversial.

H.R. 3074 would permit the expansion of preferential tariff treatment in the Middle East, specifically to goods from the West Bank, Gaza Strip, and qualifying industrial zones in the area. This provision would implement an agreement with the Palestinian authority that would benefit United States interests because United States products would also be accorded duty free access to these areas and steps would be taken to end illegal transshipment of goods not qualifying for such treatment. In addition, the Palentinian authority has agreed to support all efforts to end the Arab economic boycott of Israel.

Although the impact of this legislation will not cover a large dollar amount of trade, I believe that it sends an important signal to encourage the Middle East peace process. I have always said that free trade is the most effective public policy tool that we possess to increase peace and prosperity in our society. This legislation is part of that process. I urge my colleagues to vote for H.R. 3074.

Mr. SHAW. Mr. Speaker, I join with my colleague and good friend, the gentleman from New York [Mr. RANGEL], and ask for a ''yes'' vote on this important piece of legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. SHAW] that the House suspend the rules and pass the bill, H.R. 3074.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PRIVILEGES OF THE HOUSE—RETURNING TO THE SENATE S. 1463

Mr. SHAW. Mr. Speaker, I rise to a question on the privileges of the House and I offer a resolution (H. Res. 402) returning to the Senate the bill S. 1463.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 402

Resolved, That the bill of the Senate (S. 1463) to amend the Trade Act of 1974 to clarify the definitions of domestic industry and like articles in certain investigations involving perishable agricultural products, and for other purposes, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House.

Under the rule, the gentleman from Florida [Mr. SHAW] will be recognized for 30 minutes, and the gentleman from New York [Mr. RANGEL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. SHAW].

□ 1300

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution is necessary to return to the Senate the bill S. 1463, because it contravenes the constitutional requirement that revenue measures shall originate in the House of Representatives. S. 1463 would create a new basis for applying import restrictions, and therefore contravenes this constitutional requirement.

S. 1463 proposes to amend title II of the Trade Act of 1974, which sets forth the authority and procedures for the President to provide temporary import relief to a domestic industry which has been seriously injured by imports. Under the so-called ''safeguard'' statute, the International Trade Commission conducts an investigation upon request, and, if appropriate, makes a recommendation to the President regarding what action would address the injury to the industry. This action may include a tariff, tariff-rate quota, quantitative restriction, or adjustment measures. The President then must determine what action, if any, is appropriate. The actions authorized to be taken by the President include a duty, tariff-rate quota, quantitative restriction, adjustment measure, or negotiation of trade agreements limiting imports into the United States.

S. 1463 changes this authority and procedure by authorizing the ITC to limit its investigation with respect to a domestic agricultural product produced within a particular growing season. As a result, S. 1463 changes the predicate necessary for achieving access to the desired trade remedy, which takes for form of an import restriction. As a result, the proposed change would allow products which do not currently qualify for import relief to be able to qualify in the future. This would have the effect of creating a new basis and mechanism for applying import restrictions under authority granted to the President, which is not currently available.

Import relief granted under this new authority would have a direct effect on customs revenues. The proposed change in our tariff laws is a ''revenue affecting'' infringement in the House's prerogatives, which constitutes a revenue measure in the constitutional sense. Therefore, I am asking that the House insist on its constitutional prerogatives.

There are numerous precedents for the action I am requesting. For example, on March 21, 1996, the House returned to the Senate S. 1518, repealing an existing import restriction in the Tea Importation Act of 1897. On July 21, 1994, the House returned to the Senate S. 729, prohibiting the import of specific products which contain more than specified quantities of lead.

On February 25, 1992, the House returned to the Senate S. 884, requiring the President to impose sanctions, including import restrictions, against countries that fail to eliminate large-scale driftnet fishing. On October 31, 1991, the House returned to the Senate S. 320, including provisions imposing, or authorizing the imposition of a ban on imports in connection with export administration. On September 23, 1988, the House returned to the Senate S. 2662, imposing import quotas on textiles and footwear products.

I want to emphasize that this action does not constitute a rejection of the Senate bill on its merits. Adoption of this privileged resolution to return the bill to the Senate should in no way prejudice its consideration in a constitutionally acceptable manner.

In fact, I introduced companion legislation, H.R. 2795, on December 15, 1995, in order to address the identical issues by S. 1463. In addition, at my request, the Ways and Means Subcommittee on Trade will be holding a hearing on H.R. 2795 on April 25.

Accordingly, the proposed action today is purely procedural in nature, and is necessary to preserve the prerogatives of the House to originate revenue matters. It makes it clear to the Senate that the Appropriate procedure for dealing with revenue measures is for the House to act first on a revenue bill, and for the Senate to accept it or amend it as it sees fit.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS].

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I thank the gentleman from Florida [Mr. SHAW] for yielding this time to me.

I rise in strong support of what the gentleman from Florida is trying to do primarily because of the casualties. We are suffering unnecessary casualties. There are things we can do to repair that damage, and the gentleman from Florida [Mr. SHAW] has the right answer.

Mr. Speaker, Florida winter fruit and vegetable growers are being drowned in a flood of cheap Mexican produce. While current U.S. laws allow other industries in this position to seek relief under a GATT and NAFTA legal escape clause, this option is not really open to our growers because of the seasonal nature of their industry. In January, the Florida delegation made a bipartisan push to attach language to the continuing resolution to correct this technical, definitional problem in section 202 of the 1974 Trade Act. While these efforts hit a snag in the House, Florida's Senators were able to join forces to pass a stand-alone measure in the Senate.

Today, S. 1463 is being blue-slipped on procedural grounds because it is the prerogative of the House to originate revenue measures. The members of the Florida delegation respect the need to proceed under the regular rules of the House, but believe that this measure must be moved forward. For this reason, we are pleased to see that the House Ways and Means Subcommittee on Trade will be holding hearings on Representative SHAW's section 202 fix next week. From there, we hope to see the measure return quickly to this floor for full consideration. We hope that when this measure emerges from committee for a vote, you will join us in giving fair treatment to American farmers.

Florida growers perform a unique function for this country by competing head-to-head—not with other American producers, but with foreign producers—to provide winter fruits and vegetables for Americans. They deserve our support.

Mr. SHAW. Mr. Speaker, at this time I have no additional speakers. I compliment the Senators and the Senate for the passage of this bill, and hopefully they can expeditiously pass it in the final analysis.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECT IN KENTUCKY

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2501) To extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Kentucky, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 10228, the Commission shall, at the request of the licensee for the project and after reasonable notice, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project, under the extension described in subsection (b), for not more than 3 consecutive 2-year periods.

(b) EFFECTIVE DATE.—This section shall take effect on the date of the expiration of the extension of the period required for commencement of construction of the project described in subsection (a) that the Commission issued, prior to the date of enactment of this Act, under section 13 of the Federal Power Act (16 U.S.C. 806).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2501, as amended.

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

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, these bills extend the deadline for construction of hydroelectric projects in the States of Illinois, Kentucky, North Carolina, Ohio, and Pennsylvania. Under section 13 of the Federal Power Act, project construction must begin within 4 years of the issuance of the license. If the licensee has not begun construction by that time, the Federal Energy Regulatory Commission cannot extend the deadline and must terminate the license.

These types of bills have not been controversial in the past, and the bills we are considering today were reported out of the Commerce Committee by unanimous voice vote. The bills do not alter the license requirements in any way and do not change environmental standards, but merely extend the Federal Power Act deadline for construction.

There is a need to act, since the construction deadlines for some of the projects have already expired. If Congress does not act, the Commission will terminate the licenses, the project sponsors will lose millions of dollars they have invested in the projects, and communities will lose the prospect of significant job creation and added revenues.

The principal reason construction of these projects has not commenced is the lack of a power sales contract. In order to finance a hydroelectric project, a sponsor typically requires a power sales contract to obtain financing necessary to begin construction. However, due to the sweeping changes in the electric industry today, many utilities are reluctant to sign the long-term purchase contracts. These bills give licensees additional time to obtain financing.

I should also note that the bills incorporate the views of the Federal Energy Regulatory Commission. The Energy and Power Subcommittee solicited the views of FERC, and amended the legislation to limit extensions to 10 years, as recommended by the Commission.

I would like to briefly describe the first of the bills, H.R. 2501, a bill to extend the deadline for commencement of construction of a hydroelectric project in Kentucky. This 80-megawatt project would be located at an existing Army Corps of Engineers dam on the Ohio River in Hancock County, KY. The construction deadline expired on June 20, 1995, and if we do not act the Commission will terminate the license. According to the project sponsor, the lack of

a power sales contract has prevented construction. FERC has not expressed opposition to H.R. 2501, since it includes limitations on the extension. The legislation was introduced by our colleague, Representative RON LEWIS of Kentucky.

I urge my colleagues to support H.R. 2501.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Colorado went into the details of why these bills have been brought to the floor today and why it is important that we move on them. In each case they are supported on a bipartisan basis, and I certainly support them because of the limitations set in the Federal Power Act. We basically have a tradition in this House on a bipartisan basis of moving these noncontroversial license extensions, and I am pleased that we are continuing that tradition today by taking up these bills. They were reported out without dissent, and I do support each of them.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2501, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR A PROJECT IN ILLINOIS

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2630) to extend the deadline for commencement of construction of a hydroelectric project in the State of Illinois, as amended.

The Clerk read as follows:

H.R. 2630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF COMMENCEMENT OF CONSTRUCTION DEADLINE FOR HYDROELECTRIC PROJECT IN THE STATE OF ILLINOIS.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project unnumbered 3246, the Commission shall, at the request of the licensee for the project, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend until October 15, 1997, the time period during which the licensee is required to commence construction of the project.

(b) APPLICABILITY.—Subsection (a) shall take effect on the expiration of the extension, issued by the Commission under section 13 of the Federal Power Act (16 U.S.C. 806), of the period required for commencement of construction of the project described in subsection (a).

(c) REINSTATEMENT OF LICENSE.—The Commission is authorized to reinstate the license for the project referred to in section (a), effective as of the date of its expiration or termination.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2630, as amended.

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

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, H.R. 2630 as amended directs the Federal Energy Regulatory Commission to extend the deadline for construction of a hydroelectric project in Illinois. This 78-megawatt project would be located at an existing Corps of Engineers dam on the Mississippi River, in St. Charles County, MO, and Madison County, IL. There was a previous legislative extension of the construction period for this project in the 1991 highway bill. There is good reason to act on H.R. 2630 in a timely manner, since the construction deadline expired on October 15, 1995, and FERC has issued a notice of probable termination. This bill was introduced by our colleague, Representative JERRY COSTELLO of Illinois.

I urge my colleagues to support H.R. 2630.

□ 1315

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would indicate support on our side of the aisle for the bill. The gentleman from Illinois [Mr. COSTELLO] was here before and asked, of course, that it be moved.

Mr. COSTELLO. Mr. Speaker, I rise today in support of H.R. 2630, legislation to extend the deadline for beginning construction on a hydroelectric project in southwestern Illinois. The Federal Power Act requires construction of a hydroelectric project to begin within 2 years after the Federal Energy Regulatory Commission [FERC] issues a license. FERC can grant one additional extension, which it has already done. This bill will extend the time period in which construction must begin by 2 years.

This project is important to meet the energy and economic needs of southwestern Illinois. This region of my district has seen tremendous job loss and a shrinking tax base due to reduced job opportunities in manufacturing. Royalties from power sales will provide revenue to the local city for capital improvements and other projects which will positively impact area employment.

The project has been planned in a way that addresses potential environmental concerns. The current proposal utilizes a turbine design, which will reduce the plant's impact on fish and other aquatic life. In fact, the fishways to be constructed upstream and downstream from the plant will actually improve fishing access for anglers.

I urge my colleagues to support this extension of time allowed to construct a hydroelectric power facility in southwestern Illinois.

Mr. PALLONE. Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2630, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECTS IN PENNSYLVANIA

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2695) to extend the deadline under the Federal Power Act applicable to the construction of certain hydroelectric projects in the State of Pennsylvania, as amended.

The Clerk read as follows:

H.R. 2695

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE.

(a) EXTENSION.—Notwithstanding the time limitations of section 13 of the Federal Power Act (16 U.S.C. 806), upon the request of the licensee for the project concerned, and after reasonable notice, the Federal Energy Regulatory Commission shall, in accordance with the good faith, due diligence, and public interest requirements of such section 13 and the Commission's procedures under such section, extend the time required for commencement of construction of each of the following projects until September 26, 1999:

(1) FERC Project No. 4474.

(2) FERC Project No. 7041.

(b) EFFECTIVE DATE.—This section shall take effect for the project upon the expiration of the extension (issued by the Commission under section 13 of the Federal Power Act (16 U.S.C. 806)) of the period required for commencement of construction of the project concerned.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days within which to revise and extend their remarks on H.R. 2695, as amended.

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

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2695, as amended, directs the Federal Energy Regulatory Commission to extend the deadline for commencement of construction of two hydro projects in Pennsylvania. These projects would be constructed at existing Army Corps of Engineer dams on the Allegheny and Ohio Rivers, and would have capacities of 12 and 20 megawatts. There is a need to act on this legislation, since the construction deadline for both projects expired on April 15, 1995. According to the project sponsors, construction has not commenced for lack of a power purchase agreement. H.R. 2695 was introduced by our colleague, Representative RON KLINK of Pennsylvania.

I urge my colleagues to support H.R. 2695.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to thank the gentleman for moving H.R. 2695, which deals with the two hydroelectric projects in the State of Pennsylvania. This bill is sponsored by the gentleman from Pennsylvania [Mr. KLINK] who is a member of our committee. It passed unanimously, and I would urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2695, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECTS IN NORTH CAROLINA

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2773) to extend the deadline under the Federal Power Act applicable to the construction of 2 hydroelectric projects in North Carolina, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE.

(a) PROJECT NUMBERED 10812.—

(1) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 10812, the Commission shall, at the request of the licensee for the project, and after reasonable notice, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project, under the extension described in paragraph (2), for not more than 3 consecutive 2-year periods.

(2) EFFECTIVE DATE.—This subsection shall take effect on the date of the expiration of the extension of the period required for commencement of construction of the project described in paragraph (1) that the Commission issued, prior to the date of enactment of this Act, under section 13 of the Federal Power Act (16 U.S.C. 806).

(b) PROJECT NUMBERED 6879.—

(1) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 6879, the Commission may, at the request of the licensee for the project, and after reasonable notice, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project for not more than 3 consecutive 2-year periods.

(2) EFFECTIVE DATE.—This subsection shall take effect on the date of the expiration of the period required for commencement of construction of the project under the license for the project.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2773, as amended.

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

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2773, as amended, directs the Federal Energy Regulatory Commission to extend the deadline for construction of two projects in North Carolina. The first project is a 4.8-megawatt project to be located at an existing Army Corps of Engineers dam on the Yadkin River in Wilkes County, NC. The second project is an 815-kilowatt project to be located at an existing private dam on the Second Broad River in Rutherford County, NC. There is a need to act on this legislation, since the deadline for commencement of construction of the two projects expired on October 28, 1994, and March 20, 1995. Moreover, the Commission has issued a notice of probable termination for one of the projects. This legislation is not opposed by FERC, since it includes limitations on the extensions. The measure was introduced by our colleague, Representative SUE MYRICK of North Carolina.

I urge my colleagues to support H.R. 2773.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we also support this bill on our side of the aisle, and urge its adoption.

Mrs. MYRICK. Mr. Speaker, I proposed H.R. 2773 as a regulatory relief bill for two of America's many entrepreneurs.

H.R. 2773 extends the construction license for two hydroelectric plants in North Carolina. Extending these deadlines allows these two individuals to participate in the fastest growing sector of our economy, small business. For example, Mr. Daniel Evans of Kings Mountain, N.C., a constituent of mine, has successfully worked to raise the capital on his own—no government handouts—and line up the purchasing of the land for this noteworthy project.

This example of self-initiative shows that the entrepreneurial spirit is alive and well in America. I thank my colleagues in the House for voting for H.R. 2773 and showing their support for the small businessmen and businesswomen of this country.

I also want to thank House Commerce Committee Chairman THOMAS BLILEY, Commerce Energy and Power Subcommittee Chairman DAN SCHAEFER, and Representative RICHARD BURR of North Carolina for all of their assistance in bringing H.R. 2773 to the House floor. Their tireless efforts are greatly appreciated by myself and all of the citizens of North Carolina who will benefit by having this added source of hydroelectric energy for their use.

Mr. PALLONE. Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2773, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECT IN OHIO

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2816) to reinstate the license for, and extend the deadline under the Federal Power Act applicable to the construction of, a hydroelectric project in Ohio, and for other purposes.

H.R. 2816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REINSTATEMENT OF LICENSE AND EXTENSION DEADLINE.

Notwithstanding the expiration of the license and notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 3218, the Commission shall, at the request of the licensee for the project, reinstate the license effective September 25, 1993, and extend the time period during which the licensee is required to commence the construction of the project so as to terminate on September 24, 1999.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2816.

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

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2816 directs the Federal Energy Regulatory Commission to reinstate the license and extend the deadline for construction of a hydroelectric project in Ohio. This 49-megawatt project is located at an existing Army Corps of Engineers dam on the Ohio River, at Tiltonsville, OH. The deadline for commencement of construction expired on April 15, 1993, and the Federal Energy Regulatory Commission accepted surrender of the license. H.R. 2816 would reinstate the license and extend the construction deadline until September 24, 1999. FERC does not oppose the bill since it limits the extension. This legislation was introduced by our colleague, Representative BOB NEY of Ohio.

I urge my colleagues to support H.R. 2186.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we also support the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. NEY].

Mr. NEY. Mr. Speaker, I want to thank my colleague, the gentleman from Colorado, for yielding time to me.

Mr. Speaker, I wanted to point out the importance of H.R. 2816. Of course, as has been stated, it is a bill to extend the deadline for construction of a hydroelectric project in Ohio. It is in Belmont County. It is located at the Pike Island Locks and Dam in our county in Ohio. It will have a very positive impact on the local economy, Mr. Speaker, in this area. The anticipated cost is estimated between $106 million and $130 million, with a cost of approximately $85 million for civic, electrical, and mechanical construction. The Pike Island project would provide between 84 and 139 construction jobs over a 3-year period with a payroll between $10.8 million and $18.6 million.

This project, Mr. Speaker, was brought to our attention by Yorkville, OH in the district of the gentleman from Ohio [Mr. REGULA]. I want to thank him for being a cosponsor.

I also want to point out that this is also an environmentally friendly project. The development of the Pike Island project can satisfy part of the supply-side electrical generating capacity that the region will need to meet its growth. The project will also generate approximately 49.5 megawatts and provide important reductions in the emissions of sulfur dioxide and other airborne pollutants. More importantly for our area, I want to point out that clean air credits will also be generated, which is important in helping to ensure we can burn our region's high-sulfur coal and we can continue to burn the coal that is important for our jobs.

The Pike Island project will also create and preserve local employment, enhance recreational and sporting opportunities for local residents, and will pay considerable taxes and fees. That is for the entire region of Belmont County in Ohio.

Mr. Speaker, also I want to say in closing, I want to thank the county commissioners in Belmont County, Commissioners Beaning, Coyne, and Pollak, and also Don Myers, our director of development, who worked with us on this project. It is a good bill, and I urge support.

Mr. SCHAEFER. Mr. Speaker, I thank my good friend, the gentleman from Ohio [Mr. NEY], for his remarks, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2816.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECT IN KENTUCKY

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2869) to extend the deadline for commencement of construction of a hydroelectric project in the State of Kentucky, as amended.

The Clerk read as follows:

H.R. 2869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF COMMENCEMENT OF CONSTRUCTION DEADLINE FOR HYDROELECTRIC PROJECT IN KENTUCKY.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 6641, the Commission shall at the request of the licensee for the project, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend until June 15, 1998, the time period during which the licensee is required to commence construction of the project.

(b) APPLICABILITY.—Subsection (a) shall take effect on the expiration of the extension, issued by the Commission under section 13 of the Federal Power Act (16 U.S.C. 806), of the period required for commencement of construction of the project described in subsection (a).

(c) REINSTATEMENT OF LICENSE.—The Commission is authorized to reinstate the license for the project referred to in subsection (a), effective as of the date of its expiration or termination.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2869.

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

There was no objection.

Mr. SHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2869 directs the Federal Energy Regulatory Commission to extend the license for an 80-megawatt hydroelectric project in Kentucky by 2 years. This project is located at an existing Army Corps of Engineers dam on the Ohio River in Livingston County, KY. There was a previous legislative extension of the construction period for this project in the Energy Policy Act of 1992, which extended the period until June 29, 1996. FERC does not oppose H.R. 2869, because it does not extend the construction period beyond 10 years. The bill was introduced by a member of the Subcommittee on Energy and Power, Representative ED WHITFIELD of Kentucky.

I urge my colleagues to support H.R. 2869.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, this is a noncontroversial bill, and I would urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 2869, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DEPLORING INDIVIDUALS WHO DENY HISTORICAL REALITY OF HOLOCAUST AND COMMENDING WORK OF U.S. HOLOCAUST MEMORIAL MUSEUM

Mr. ENSIGN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 316) deploring individuals who deny the historical reality of the Holocaust and commending the vital, ongoing work of the U.S. Holocaust Memorial Museum.

The Clerk read as follows:

H. RES. 316

Whereas the Holocaust is a basic fact of history, the denial of which is no less absurd than the denial of the occurrence of the Second World War;

Whereas the Holocaust—the systematic, state-sponsored mass murders by Nazi Germany of 6,000,000 Jews, alongside millions of others, in the name of a perverse racial theory—stands as one of the most ferociously heinous state acts the world has ever known; and

Whereas those who promote the denial of the Holocaust do so out of profound ignorance or for the purpose of furthering anti-Semitism and racism: Now, therefore, be it

Resolved, That the House of Representatives—

(1) deplores the persistent, ongoing and malicious efforts by some persons in this country and abroad to deny the historical reality of the Holocaust; and

(2) commends the vital, ongoing work of the United States Holocaust Memorial Museum, which memorializes the victims of the Holocaust and teaches all who are willing to learn profoundly compelling and universally resonant moral lessons.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nevada [Mr. ENSIGN] and the gentleman from California [Mr. LANTOS]. each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Nevada [Mr. ENSIGN].

(Mr. ENSIGN asked and was given permission to revise and extend his remarks.)

Mr. ENSIGN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Resolution 316, deploring individuals who deny the historical reality of the Holocaust and commending the ongoing work of the U.S. Holocaust Museum.

I am honored to lead the fight for this important legislation. We must never forget nor allow the fog of passing years to diminish the memories of those who died in the concentration camps. It is the blessed burden of each generation that follows, be they Jew or Gentile, to honor them by remembering and acknowledging their sacrifice.

It has been nearly 60 years since the beginning of the Holocaust, when Nazis killed over 6 million Jews and millions of Poles, gypsies, Jehovah's Witnesses, and others. The Nazi Holocaust demonstrated an aspect of human nature which many people find hard to believe.

Much has happened since the closure of Auschwitz, and today we find the lands where this terrible act occurred, as well as lands which were once behind the Iron Curtain are now free.

We are fortunate that we live in this free and democratic society here in America; a place where people can espouse whatever their views may be, even if they are factually incorrect or hurtful to others. However, freedom of expression cannot be allowed to drown out the truth. Flasehoods must be answered.

It is my hope that this vote will send a strong signal to the families of those who died that the United States stands with you in remembrance. We will not allow others with their doubts and questions to lessen the tragedy of what happened.

Therefore, I commend this legislation to my colleagues, and encourage the good work of the Holocaust Museum which is helping to educate over 2 million people per year so that the atrocities which occurred nearly 60 years ago may never be repeated again.

□ 1330

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we consider this resolution, a few feet from this Chamber in the presence of members of the Supreme Court, our colleagues and a vast number of individuals who are either survivors of the Holocaust or children of survivors, we are commemorating the day that has been set aside for remembering this most heinous of all crimes.

It is a sad commentary on the absurdity of our times that an event as profoundly documented as the Holocaust would need to be reemphasized as a reality. One and a half million innocent children were among the 6 million men, women, and little ones who were consumed in the flames of hatred that represented the Holocaust. Learned and simple, rich and poor, young and old, religious and nonbeliever, they were all consumed by the flames of the Holocaust. As the only Member of Congress who is a survivor of the Holocaust, I am calling on all of my colleagues every year to remember this event, not only for its historic significance but so that similar events, comparable events, events of mass destruction of human beings, such as the ones we have seen lately in both Africa and the former Yugoslavia, should not take place.

As we remember the Holocaust, we also must pay tribute to the greatest pedagogic institution on the face of this planet, the Holocaust Memorial Museum. This museum, in our Nation's Capital, is the most effective instrument of teaching generations yet unborn that we are in fact our brother's and sister's keeper and fanatic hatreds, bigotries, and discrimination have no place in a civilized society.

I suspect this particular year, which is the 50th year of terminating the Nuremberg trials which brought to justice the leaders of this monstrosity, the people who demanded this mass murder, it is appropriate for all of us to pause and to rededicate ourselves to recognizing the beauty of our different approaches to religion and life. That our variety is not a problem but a thing to be celebrated and honored.

I call on all of my colleagues to remember the Holocaust and to pay tribute to the Holocaust Memorial Museum as a primary instrument of teaching about our common humanity.

Mr. Speaker, I reserve the balance of my time.

Mr. ENSIGN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong support of legislation the House is considering today. House Resolution 316, which I introduced on behalf of myself and my colleagues on the Holocaust Memorial Council, deplores the persistent, ongoing, and malicious efforts by some persons in this country and abroad to deny the historical reality of the Holocaust. This legislation also commends the vital, ongoing work of the U.S. Holocaust Memorial Museum in speaking the truth against those who would deny that the Holocaust ever took place or who attempt to negate that the Holocaust specifically targeted Jews for extinction.

I wish to especially thank the chairman of the Resources Committee, Mr. YOUNG, and the chairman of the Subcommittee on National Parks, Mr. HANSEN, for their great support in expediting consideration of House Resolution 316. It is exceedingly timely that today's consideration takes place, since today is also Holocaust Memorial Day, and many of us have attended the remembrance day ceremony that the Museum sponsored at noon in our Capitol rotunda.

One of the major reasons for the Museum's very existence is to counter Holocaust deniers. Those who foster the denial of the Holocaust do so either out of profound ignorance or for the purpose of furthering anti-Semitism, bigotry, and racism. The Holocaust Memorial Museum, through its permanent exhibitions, traveling programs, and educational outreach efforts, both memorialize the victims of the Holocaust, and counters those accusers through

its honest and sensitive approach to one of the most ferociously heinous state acts the world has ever known.

Accordingly, Mr. Speaker, I urge all my colleagues to express their support for the work of the Holocaust Memorial Museum by adopting House Resolution 316 and by participating in the Days of Remembrance ceremonies throughout our Nation.

Mr. LANTOS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. SCHUMER], who in his own work here in the Congress has done so much to preserve a society under laws.

Mr. SCHUMER. Mr. Speaker, I want to congratulate both the gentleman from New York [Mr. GILMAN] and the gentleman from California [Mr. LANTOS] for this timely resolution.

I need not add any more words in praise of the Holocaust Museum and the Holocaust Memorial. It is a tribute to America that when you go there, you see people from every corner of America visiting and learning and remembering.

I look at the museum as a great tribute to those who conceived it and put it together but also as a great tribute to this country. I do not think such a museum would have been built in any other country.

But I would like to talk for the remainder of my time on the part of the bill dealing with revisionism.

I represent a large number of Holocaust survivors. When they hear and read these ads denying that the Holocaust existed, when just about every one of them lost members of their immediate family, their parents, their brothers and sisters, their children, and yet they suffer the indignity of people for their own vicious, vitriolic, and usually anti-Semitic purposes to deny that the Holocaust existed, it is an indignity that the people who have gone through such great indignities should not have to suffer. That is why this resolution is so appropriate. It is appropriate because this Congress, with all the divisions we have, can come and unite and say, ''You can't change history,'' and we realize the pain people went through, and we also remember, being the great country that we are, that unless we learn from history, we are going to repeat it.

I would say to my colleagues, the fact that a few people with vicious intent can get such attention and do so much to try and deny the Holocaust is a sad commentary on our times as the gentleman from California mentioned. It deals with an issue which I would call moral relativism. These days no matter how absurd, no matter how outrageous something someone says is, the general view is, ''Well, let's debate it.'' There are some absolutes. There is truth. There is history. And the idea that no matter what anyone says, we should put it on the table as equal to the refutation of what has been said is something that we have to deal with. Obviously there are differing views on so many issues. But there is not a differing view on this one. The Holocaust existed. We know it. I have talked myself to thousands who survived it. They did not all get in a room and make this up. They suffered. Every family.

I was just looking at a picture at my home that I pointed out to my daughters was a picture of a family of six, my grandmother who lived in this country to over 90, her parents, her brother who I knew, and her two sisters. Her parents and her two sisters were killed in the Holocaust, and I pointed this out to my 11-year-old and 7-year-old, and someone who has no knowledge of this comes in and says, ''No, it didn't exist.'' That is awful. That is degrading. And this body by taking a stand and saying that it did exist is doing not just the survivors a service and not just the people who have relatives who died a service, it is doing the world a service. I thank the gentlemen, both of them, for introducing this resolution.

Mr. ENSIGN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FOX], a fellow visitor to Yad Vashem, which is the Holocaust Museum in Israel.

(Mr. FOX of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman from Nevada [Mr. ENSIGN] for yielding me the time. I would like to thank the gentleman from New York [Mr. GILMAN] and the gentleman from California [Mr. LANTOS] for their leadership in introducing this legislation. One of the most solemn obligations we bear as legislators in our great democracy is to study the past and learn from it and to educate our fellow citizens.

As the American theologian Reinhold Niebuhr wrote, ''Human capacity for justice makes democracy possible, but our inclination to injustice makes democracy necessary.'' The revolting evidence of man's capacity for injustice lies close by in the U.S. Holocaust Memorial Museum and also in the memory of some of our distinguished colleagues. The inhumane events of the Holocaust were far beyond description. The collapse of a democracy and the rise of an evil regime must never be forgotten or denied for fear that they will be repeated. The horrors which followed were incomprehensible.

Because of my religious upbringing and roots, the Holocaust Remembrance Day, Yom HaShoah, has a personal significance for me. But far more importantly this day and its memories hold valuable lessons for all of us as Members of the U.S. Congress. We must never forget the bitter consequences of tyranny. These preserved memories are important but they must be strengthened by education and a willingness to act. This willingness of each of us to not be a bystander is the key to protecting our democracy. In the report to the President, the Holocaust Commission members, led by Elie Wiesel, summed up the reasons for and role of an American memorial and museum to the Holocaust:

> In reflecting on the Holocaust we confront not only a collapse in human civilization but also the causes, processes and consequences of that collapse. As we analyze the American record, we can study our triumphs, as well as our failures, so as to defeat radical evil and strengthen our democracy.

□ 1345

My colleagues, let us be ever vigilant in working for the people, pursuing the will of the majority, while ensuring the rights of the minority. Let us, as Elie Wiesel asks, never be silent when human lives are in danger and human dignity is in jeopardy. Let us follow his charge to stand together, to ''defeat radical evil and strengthen our democracy'' and ensure that there are no more holocausts in the future.

Those that would deny the Holocaust not only dishonor the memory of the martyrs who lost their lives in this tragedy, but also rejects the ideas and values on which our great country is based.

Thank you all for standing as one against those who would deny the Holocaust and for standing up for all America represents to the people who call our great Nation home and to those across the globe that look to us as a beacon of freedom and hope.

I would also like to thank my freshmen colleagues who joined the gentleman from Rhode Island [Mr. KENNEDY] and myself at the Holocaust Museum this past summer. One of our most weighty responsibilities is to bear witness, to tell and retell the facts of the Holocaust so that its lessons will never be forgotten. It is my sincere hope that all future freshman classes will visit the Holocaust Museum and reflect on its lessons as they apply to our work.

Mr. LANTOS. Mr. Speaker, I am particularly pleased to yield such time as he may consume to the gentleman from Rhode Island [Mr. KENNEDY], my dear friend and colleague whose family has done so much to carry forward the principles of freedom and justice and decency among human beings in this country and across the globe.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I want to commend the chairman for writing this resolution, along with the gentleman from California [Mr. LANTOS], and the only Holocaust survivor in this Congress, for yielding me this time.

Mr. Speaker, as Congressman LANTOS said, who would have thought it necessary to affirm that the Holocaust has happened? Who would have thought it was necessary to affirm what was the worst crime against humanity the world has ever seen? Tragically, it is necessary. As we all know, the historical record of the Holocaust faces challenges on many fronts. These must be fought in every instance. Revisionism and denial threaten more than just the understanding of an unfathomable event. They threaten the future as

well, for the energy which animates the Holocaust denier and the revisionist is the same hatred which propelled the Holocaust into being in the first place.

Today, one of the most offensive challenges to the historical record of the Holocaust is set to take place in Croatia, where President Franjo Tudjman has announced plans to rebury the remains of the Croatian fascists, the Yastashi regime, that was in complicity with Hitler and the Nazis. He has announced a plan to rebury these SS officers, if you will, alongside the remains of the victims of the Holocaust in the death camp Yasenovech, which is also in Croatia.

This proposal is a moral affront to those who suffered the Holocaust, and it sends a dangerous message. No, it sends a lie to future generations about what happened at the death camp Yasenovech. It muddles the history.

Here, on what should be sacred ground, perpetrators of the Holocaust and victims of the Holocaust would now be lying side-by-side for an eternity. For those who endured a living hell, this is the ultimate injustice.

President Tudjman and other Holocaust revisionists should not derive false comfort from a deliberate distortion of their past. His proposal, in the words of Dr. Walter Reich, head of the Holocaust Memorial Museum here in Washington, DC, is ''nothing more than an attempt to rewrite history with a shovel.'' This should not be allowed to happen. I know this House will speak out strongly on this issue, as will the Senate when it comes to the floor.

I want to commend my colleagues, when it comes to this resolution, for including this proposal in today's Yom HASHOAH recognition. As well, I want to commend the Holocaust Museum for the support they have offered in this fight and for the invaluable education they provide to thousands who visit the Holocaust Memorial Museum in Washington, DC every day. The mission of this museum has never been more important, and it is something that everyone should visit if they have not visited already.

Mr. ENSIGN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it is a great honor to join my colleagues on this day of Yom HaShoah to offer a resolution reaffirming the truth of the Holocaust and commending the work and mission of the U.S. Holocaust Memorial Museum.

I hope my colleagues also will join me in supporting legislation I am introducing today directing the U.S. Holocaust Memorial Council to draft model curricula that schools can use to ensure that the truth and accuracy of the Holocaust is taught to, and remembered by, the generations to come.

A half century ago, more than 8 million people were deliberately, brutally, and systematically murdered in a state-sponsored effort to annihilate their ethnic and religious existence. Of those, fully 6 million were Jewish. Many others from across Europe died risking their lives for simply being compassionate and trying to intervene.

All of their deaths are fact, not fiction. And those who deny that reality not only further the pain and delay the healing but perpetuate a crime on history and humanity.

Their motives for doing this are varied. But we should be as one in our response.

We should condemn those who deny the Holocaust for trying to rob us of the understanding of the evil that humanity is capable of.

That knowledge itself is the most powerful protection we have against such horror occurring again. It is a lesson about what can happen when the soul becomes desensitized and corrupted.

Holocaust survivor and Nobel Laureate Elie Wiesel, the Holocaust Council's first honorary chairman, reminded people last night—and I quote—''Don't allow anyone or anything to deprive you of the great, great miracle which renders a human being sensitive to others.''

I commend the U.S. Holocaust Memorial Museum and the council for making sure that we never forget.

Mr. LANTOS. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from New York [Mr. ENGEL], my friend and distinguished colleague, an indefatigable fighter for human rights and decency.

Mr. ENGEL. Mr. Speaker, I thank my friend from California for yielding me time. Let me say we are all inspired by his story and his efforts.

Mr. Speaker, just a brief while ago many of us attended a Yom HaShoah remembrance, Days of Remembrance, 1996, U.S. Holocaust Memorial Museum, and they passed out this program. On the program it says, ''For the dead and the living, we must bear witness.''

Certainly nothing is more obscene than those Holocaust revisionists who try to claim that it did not happen or that it did not happen to the magnitude that we know it happened. They include, unfortunately, leaders of countries. Even a candidate for President of this country has from time to time made such ridiculous allegations.

When you go to the Holocaust Memorial Museum on the fourth floor and you first walk in, there is a quote from President Eisenhower, then General Eisenhower, who said he wanted to witness what went on after the camps were liberated. he wanted to be there himself so that if, generations later on, if there would be those people who would deny that such horrendous things ever happened, he would be able to bear witness that he say it with his own two eyes.

Mr. Speaker, the unspeakable atrocities that went on in trying to annihilate the Jews of Europe is something that must never be forgotten, and it is certainly something that must never be repeated. Those of us who have witnessed the events, tragic events, over the past several years in Bosnia, while not of the magnitude of the Holocaust, certainly touched a responsive chord in us to know that we cannot ever again sit idly by and watch ethnic cleansing or Holocaust to rear its ugly head again.

One would think the world would learn, the world would know, the world would not want to repeat what went on. Yet we see again and again genocide rearing its ugly head.

So I think it is very, very fitting, Mr. Speaker, that this body pause to honor the people who perished in the Holocaust, the memory of the people who perished in the Holocaust, and to redouble our efforts to make sure that in the future, holocausts never happen again.

On this day of Yom HaShoah, we bear witness to what happened, and we honor those people who perished in the Holocaust.

Mr. ENSIGN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. PAXON].

Mr. PAXON. Mr. Speaker, never again. That is the cry of those who must keep the memory of the Holocaust and its victims alive forever. We must keep this memory in mind so that there will never again in history be a repeat of this worst of human tragedies.

Today, April 16, is the Day of Remembrance, a day on which we should reflect as a nation on the monumental tragedy of the Holocaust directed at the Jewish population of Europe by Adolf Hitler and the Nazi regime.

Unfortunately, there are too many individuals, both in our Nation and in the world, who would twist and distort the historical facts, in their sickening attempts to claim that the Holocaust never existed, or to minimize its scope.

By voting in support of this resolution, I hope that Congress will send a message, a clear message, against these purveyors of anti-Semitism and hatred, who seek to erase this tragedy from human memory.

The U.S. Holocaust Memorial Museum in this Nation's Capital serves to educate and inform Americans about the reality of the Holocaust through its many displays, its films, and interviews. But in my opinion, Mr. Speaker, the most moving part of the museum is the testimony of Holocaust survivors and eyewitnesses. These touching accounts are a bridge between the past and the present. They serve as a stark reminder of the depths of inhumanity to which the human race can sink, and they keep the memory of the Holocaust victims and survivors alive in our minds, so we can make certain that tragedies of this proportion never again can occur on the face of the Earth.

In conclusion, I urge my colleagues to vote in support of House Resolution

316, and I end my statement as I began, be repeating the words that should be always remembered, and those words are, ''never again.''

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is important in discussing this issue that we understand that the Holocaust did not begin with gas chambers. The Holocaust began with words of hate, with words of bigotry, with words of intolerance. And every time in our own time when we are confronted with words of bigotry and hate and intolerance, it is important that we nip those manifestations of inhumanity in the bud, because, if allowed to flourish, they will lead to unspeakable acts of horror, such as the ones we have witnessed in the Holocaust.

Mr. Speaker, I reserve the balance of my time.

Mr. ENSIGN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

□ 1400

Mr. TORKILDSEN. Mr. Speaker, I rise in strong support of House Resolution 316, a resolution deploring individuals who deny the historical reality of the Holocaust and also commending the work of the U.S. Holocaust Memorial Museum. Each year we observe Yom HaShoah to say for the dead and the living, we must bear witness. For the dead and the living, we must bear witness that, in the darkest chapter in human history, 6 million lives were stolen from us forever, as was part of the human spirit.

This year's remembrance sadly is crystallized by recent tragedies and actions of terrorism in Israel, reminding all of us that hatred still lives and breathes in the midst of all attempts to forge peace.

The senseless assassination of Prime Minister Rabin and the terrorist bombings that claimed innocent lives only 6 weeks ago must serve as a source of strength and solidarity for all of us, and renew our commitment to just and lasting peace. The cowardly perpetrators of these acts must not succeed in their aim to divide us and in their attempts to assassinate peace as well as people.

Tragically, there are other present day reminders of the Holocaust. Ethnic cleansing and the slaughter in Rwanda continue to serve as proof that we must never forget.

The beauty of Yom HaShoah is that it is universal. The lessons of the Holocaust are for all of us in the human family to learn, to understand, and to instill in others, for us to earnestly say ''never again.'' We must every day continue to remember. For the dead and the living, we must bear witness.

Shalom.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ENSIGN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what we are talking about today, if you go back in history, people did not believe that stories coming out of the death camps, stories that were just almost too unspeakable to even think of and, therefore, people in Europe chose to ignore them.

Mr. Speaker, let us today, as we remember the Holocaust and we celebrate the Holocaust Museum and the work that it is doing, let us never forget those stories that came out of those death camps. Let us never forget the faces of the men and women and children that were tortured and brutally murdered, many in those death camps. Let us not let people rewrite history, because if we allow them to rewrite history, history will indeed repeat itself.

Mr. LATOURETTE. Mr. Speaker, today on the House floor we are considering House Resolution 316—a measure deploring individuals who deny the historical significance of the Holocaust and commending the fine work of the U.S. Holocaust Memorial Museum.

I rise in strong support of this measure, as it is important that we never forget or attempt to diminish the historical significance of one of the most heinous chapters in history—the Holocaust. There are some who seek to revise history, to alter it in such a way as to deny the Holocaust. This is insulting to the memory of the 6 million Jews who died in the Holocaust, and this type of destructive, divisive thinking should not be given credence.

In the 104th Congress I have had the honor of serving on the council of the U.S. Holocaust Memorial Museum. I would like to take this opportunity to praise the fine work of the museum staff, from its director, Walter Reich, to its chairman, Miles Lerman, to Stan Turesky, Director of Congressional Relations.

The museum truly is an American and international treasure and goes far beyond the traditional purpose of a museum, which is to preserve and record history. This museum compels its visitors to consider the moral and spiritual consequences of the Holocaust. It accomplishes this by exposing the visitor to stark and unsettling examples of hatred, heartbreak, and heroism. The stories of perpetrators, victims, bystanders, rescuers and liberators confront the visitor and demand attention. By doing so, the museum forces us to learn important lessons about the Holocaust and our everyday lives.

On this Day of Remembrance of the Holocaust—Yom HaShoah—we as a nation should rededicate ourselves and our commitment to overcoming bigotry, hatred, and intolerance. We should condemn those who want to dismiss the Holocaust, and embrace the efforts of those who rightly believe that we as a nation can learn from the Holocaust experience and ensure that it will never again be repeated.

Mr. MANZULLO. Mr. Speaker, I am honored to have this opportunity to rise in support of House Resolution 316, a bill that deplores individuals in the United States and abroad who deny the historical reality of the Holocaust, and commends the crucial, ongoing work of the U.S. Holocaust Memorial Museum. This important piece of legislation coincides with the 1996 Days of Remembrance which will be held in the Capitol rotunda today.

In 1980, Congress established the U.S. Holocaust Museum to serve as a memorial to the 6 million victims of the Holocaust and as a center for the study, interpretation and presentation of Holocaust history. The museum uses the historical record in its exhibits and outreach programs to counter the outrageous charges by revisionist historians who attempt to deny the occurrence of the Holocaust. The Holocaust Museum leads the charge in fighting against ignorance, racism and anti-Semitism.

Every year, more than 2 million people travel to Washington to visit the Holocaust Museum. An overwhelming majority of these visitors travel more than 100 miles to do so. Tens of thousands of survivors, scholars, students, members of the media and Government officials utilize the museum as a center for scholarship and learning about the Holocaust and genocide.

The U.S. Holocaust Museum is truly a national treasure. I am deeply honored to have this opportunity to highlight its outstanding work.

Mr. MARTINI. Mr. Speaker, I rise today to honor Yom HaShoah and remember the 6 million Jewish people who were killed in the Holocaust. I also rise today to pledge my full support for House Resolution 316, a resolution deploring individuals in the United States and abroad who deny the historical reality of the Holocaust and commending the work of the Holocaust Museum.

Last summer, I was fortunate to have been afforded the opportunity to visit Israel as a member of a congressional delegation researching the tangible effects of the peace process. My visit taught me a tremendous amount. Fortunately, we were given the opportunity to visit many historical landmarks in Israel that are of particular importance to understanding the history of Judaism. This history could not be holistically understood without a visit to Yad Vasheem. This memorial museum to the victims of the Holocaust was both horrifying and beautiful in an enlightening way. Horrifying in its intensity and in its truth and beautiful in its message. The message of remembrance is immortalized. My visit to Yad Vasheem still haunts me.

The Holocaust Memorial Museum in Washington, DC, is an equally monumental achievement made possible by the spirit of hope and remembrance. Similarly, this museum painfully humanizes and chronicles the most cataclysmic event in Jewish history, as well as human history.

The Shoah—Holocaust—was a genocide acted out on the international stage in the face of apathy and often complicity. Six million Jewish people were killed. European Jewry ceased to exist on much of the Continent, and wounds have been left around the world that will never heal.

It is my hope that today the world will remember the suffering of so many innocent people. Further, it is my hope that the perpetrators of evil and the proponents of ethnic purity achieved through genocide will look to the lessons that history has taught us and realize that their goal will not be looked upon with complicity and their efforts will be futile. The history of the Holocaust is not a lie.

The message that we must impart on our children and ourselves is one of tolerance and remembrance. We must teach our children of the past and assure that such a heinous act never occurs on this Earth again. And in the end, let us remember death but focus our vision on life and the growth of Jewish culture.

Mr. ENSIGN. Mr. Speaker, I urge the adoption of this resolution, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentleman from Nevada [Mr. ENSIGN] that the House suspend the rules and agree to the resolution, House Resolution 316.

The question was taken.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT AMENDMENTS

Mr. ENSIGN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3034), to amend the Indian Self-Determination and Education Assistance Act to extend for 2 months the authority for promulgating regulations under the act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the consideration of the gentleman from Nevada?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORITY TO PROMULGATE REGULATIONS.

Section 107(a)(2)(B) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450k(a)(2)(B)) is amended by striking ''18 months'' and inserting ''20 months''.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ENSIGN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Resolution 316.

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

There was no objection.

AMENDING FOREIGN ASSISTANCE ACT OF 1961 AND ARMS EXPORT CONTROL ACT

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3121) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Table of contents.

TITLE I—DEFENSE AND SECURITY ASSISTANCE

CHAPTER 1—MILITARY AND RELATED ASSISTANCE

Sec. 101. Terms of loans under the Foreign Military Financing program.
Sec. 102. Additional requirements under the Foreign Military Financing program.
Sec. 103. Drawdown special authorities.
Sec. 104. Transfer of excess defense articles.
Sec. 105. Excess defense articles for certain European countries.

CHAPTER 2—INTERNATIONAL MILITARY EDUCATION AND TRAINING

Sec. 111. Assistance for Indonesia.
Sec. 112. Additional requirements.

CHAPTER 3—ANTITERRORISM ASSISTANCE

Sec. 121. Antiterrorism training assistance.
Sec. 122. Research and development expenses.

CHAPTER 4—NARCOTICS CONTROL ASSISTANCE

Sec. 131. Additional requirements.
Sec. 132. Notification requirement.
Sec. 133. Waiver of restrictions for narcotics-related economic assistance.

CHAPTER 5—OTHER PROVISIONS

Sec. 141. Standardization of congressional review procedures for arms transfers.
Sec. 142. Standardization of third country transfers of defense articles.
Sec. 143. Increased standardization, rationalization, and interoperability of assistance and sales programs.
Sec. 144. Definition of significant military equipment.
Sec. 145. Elimination of annual reporting requirement relating to the Special Defense Acquisition Fund.
Sec. 146. Cost of leased defense articles that have been lost or destroyed.
Sec. 147. Designation of major non-NATO allies.
Sec. 148. Certification thresholds.
Sec. 149. Depleted uranium ammunition.
Sec. 150. End-use monitoring of defense articles and defense services.
Sec. 151. Brokering activities relating to commercial sales of defense articles and services.
Sec. 152. Return and exchanges of defense articles previously transferred pursuant to the arms export control act.
Sec. 153. National security interest determination to waive reimbursement of depreciation for leased defense articles.
Sec. 154. Eligibility of Panama under Arms Export Control Act.

TITLE II—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

Sec. 201. Authority to transfer naval vessels.
Sec. 202. Costs of transfers.
Sec. 203. Expiration of authority.
Sec. 204. Repair and refurbishment of vessels in United States shipyards.

TITLE I—DEFENSE AND SECURITY ASSISTANCE

CHAPTER 1—MILITARY AND RELATED ASSISTANCE

SEC. 101. TERMS OF LOANS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

Section 31(c) of the Arms Export Control Act (22 U.S.C. 2771(c)) is amended to read as follows:

''(c) Loans available under section 23 shall be provided at rates of interest that are not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities.''.

SEC. 102. ADDITIONAL REQUIREMENTS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

(a) AUDIT OF CERTAIN PRIVATE FIRMS.—Section 23 of the Arms Export Control Act (22 U.S.C. 2763) is amended by adding at the end the following new subsection:

''(f) For each fiscal year, the Secretary of Defense, as requested by the Director of the Defense Security Assistance Agency, shall conduct audits on a nonreimbursable basis of private firms that have entered into contracts with foreign governments under which defense articles, defense services, or design and construction services are to be procured by such firms for such governments from financing under this section.''.

(b) NOTIFICATION REQUIREMENT WITH RESPECT TO CASH FLOW FINANCING.—Section 23 of such Act (22 U.S.C. 2763), as amended by this Act, is further amended by adding at the end the following new subsection:

''(g)(1) For each country and international organization that has been approved for cash flow financing under this section, any letter of offer and acceptance or other purchase agreement, or any amendment thereto, for a procurement of defense articles, defense services, or design and construction services in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act or the Foreign Assistance Act of 1961 shall be submitted to the congressional committees specified in section 634A(a) of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

''(2) For purposes of this subsection, the term 'cash flow financing' has the meaning given such term in the second subsection (d) of section 25.''.

(c) LIMITATIONS ON USE OF FUNDS FOR DIRECT COMMERCIAL CONTRACTS.—Section 23 of such Act (22 U.S.C. 2763), as amended by this Act, is further amended by adding at the end the following new subsection:

''(h) Of the amounts made available for a fiscal year to carry out this section, not more than $100,000,000 for such fiscal year may be made available for countries other than Israel and Egypt for the purpose of financing the procurement of defense articles, defense services, and design and construction services that are not sold by the United States Government under this Act.''.

(d) ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.—Section 25(a) of such Act (22 U.S.C. 2765(a)) is amended—

(1) by striking the ''and'' at the end of paragraph (11);

(2) by redesignating paragraph (12) as paragraph (13); and

(3) by inserting after paragraph (11) the following new paragraph:

''(12)(A) a detailed accounting of all articles, services, credits, guarantees, or any other form of assistance furnished by the United States to each country and international organization, including payments to the United Nations, during the preceding fiscal year for the detection and clearance of

landmines, including activities relating to the furnishing of education, training, and technical assistance for the detection and clearance of landmines; and

''(B) for each provision of law making funds available or authorizing appropriations for demining activities described in subparagraph (A), an analysis and description of the objectives and activities undertaken during the preceding fiscal year, including the number of personnel involved in performing such activities; and''.

SEC. 103. DRAWDOWN SPECIAL AUTHORITIES.

(a) UNFORESEEN EMERGENCY DRAWDOWN.—Section 506(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(a)(1)) is amended by striking ''$75,000,000'' and inserting ''$100,000,000''.

(b) ADDITIONAL DRAWDOWN.—Section 506 of such Act (22 U.S.C. 2318) is amended—

(1) in subsection (a)(2)(A), by striking ''defense articles from the stocks'' and all that follows and inserting the following: ''articles and services from the inventory and resources of any agency of the United States Government and military education and training from the Department of Defense, the President may direct the drawdown of such articles, services, and military education and training—

''(i) for the purposes and under the authorities of—

''(I) chapter 8 of part I (relating to international narcotics control assistance);

''(II) chapter 9 of part I (relating to international disaster assistance); or

''(III) the Migration and Refugee Assistance Act of 1962; or

''(ii) for the purpose of providing such articles, services, and military education and training to Vietnam, Cambodia, and Laos as the President determines are necessary—

''(I) to support cooperative efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War; and

''(II) to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support Department of Defense-sponsored humanitarian projects associated with such efforts.'';

(2) in subsection (a)(2)(B), by striking ''$75,000,000'' and all that follows and inserting ''$150,000,000 in any fiscal year of such articles, services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph—

''(i) not more than $75,000,000 of which may be provided from the drawdown from the inventory and resources of the Department of Defense;

''(ii) not more than $75,000,000 of which may be provided pursuant to clause (i)(I) of such subparagraph; and

''(iii) not more than $15,000,000 of which may be provided to Vietnam, Cambodia, and Laos pursuant to clause (ii) of such subparagraph.''; and

(3) in subsection (b)(1), by adding at the end the following: ''In the case of drawdowns authorized by subclauses (I) and (III) of subsection (a)(2)(A)(i), notifications shall be provided to those committees at least 15 days in advance of the drawdowns in accordance with the procedures applicable to reprogramming notifications under section 634A.''.

(c) NOTICE TO CONGRESS OF EXERCISE OF SPECIAL AUTHORITIES.—Section 652 of such Act (22 U.S.C. 2411) is amended by striking ''prior to the date'' and inserting ''before''.

SEC. 104. TRANSFER OF EXCESS DEFENSE ARTICLES.

(a) IN GENERAL.—Section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) is amended to read as follows:

''SEC. 516. AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.

''(a) AUTHORIZATION.—The President is authorized to transfer excess defense articles under this section to countries for which receipt of such articles was justified pursuant to the annual congressional presentation documents for military assistance programs, or for programs under chapter 8 of part I of this Act, submitted under section 634 of this Act, or for which receipt of such articles was separately justified to the Congress, for the fiscal year in which the transfer is authorized.

''(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

''(1) such articles are drawn from existing stocks of the Department of Defense;

''(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

''(3) the transfer of such articles will not have an adverse impact on the military readiness of the United States;

''(4) with respect to a proposed transfer of such articles on a grant basis, such a transfer is preferable to a transfer on a sales basis, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of a transfer on either a grant or sales basis;

''(5) the President determines that the transfer of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred; and

''(6) the transfer of such articles is consistent with the policy framework for the Eastern Mediterranean established under section 620C of this Act.

''(c) TERMS OF TRANSFERS.—

''(1) NO COST TO RECIPIENT COUNTRY.—Excess defense articles may be transferred under this section without cost to the recipient country.

''(2) PRIORITY.—Notwithstanding any other provision of law, the delivery of excess defense articles under this section to member countries of the North Atlantic Treaty Organization (NATO) on the southern and southeastern flank of NATO and to major non-NATO allies on such southern and southeastern flank shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

''(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DEPARTMENT OF DEFENSE EXPENSES.—Section 632(d) shall not apply with respect to transfers of excess defense articles (including transportation and related costs) under this section.

''(e) TRANSPORTATION AND RELATED COSTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), funds available to the Department of Defense may not be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of this section.

''(2) EXCEPTION.—The President may provide for the transportation of excess defense articles without charge to a country for the costs of such transportation if—

''(A) it is determined that it is in the national interest of the United States to do so;

''(B) the recipient is a developing country receiving less than $10,000,000 of assistance under chapter 5 of part II of this Act (relating to international military education and training) or section 23 of the Arms Export Control Act (22 U.S.C. 2763; relating to the Foreign Military Financing program) in the fiscal year in which the transportation is provided;

''(C) the total weight of the transfer does not exceed 25,000 pounds; and

''(D) such transportation is accomplished on a space available basis.

''(f) ADVANCE NOTIFICATION TO CONGRESS FOR TRANSFER OF CERTAIN EXCESS DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may not transfer excess defense articles that are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or excess defense articles valued (in terms of original acquisition cost) at $7,000,000 or more, under this section or under the Arms Export Control Act (22 U.S.C. 2751 et seq.) until 15 days after the date on which the President has provided notice of the proposed transfer to the congressional committees specified in section 634A(a) in accordance with procedures applicable to reprogramming notifications under that section.

''(2) CONTENTS.—Such notification shall include—

''(A) a statement outlining the purposes for which the article is being provided to the country, including whether such article has been previously provided to such country;

''(B) an assessment of the impact of the transfer on the military readiness of the United States;

''(C) an assessment of the impact of the transfer on the national technology and industrial base and, particularly, the impact on opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are to be transferred; and

''(D) a statement describing the current value of such article and the value of such article at acquisition.

''(g) AGGREGATE ANNUAL LIMITATION.—

''(1) IN GENERAL.—The aggregate value of excess defense articles transferred to countries under this section in any fiscal year may not exceed $350,000,000.

''(2) EFFECTIVE DATE.—The limitation contained in paragraph (1) shall apply only with respect to fiscal years beginning after fiscal year 1996.

''(h) CONGRESSIONAL PRESENTATION DOCUMENTS.—Documents described in subsection (a) justifying the transfer of excess defense articles shall include an explanation of the general purposes of providing excess defense articles as well as a table which provides an aggregate annual total of transfers of excess defense articles in the preceding year by country in terms of offers and actual deliveries and in terms of acquisition cost and current value. Such table shall indicate whether such excess defense articles were provided on a grant or sale basis.

''(i) EXCESS COAST GUARD PROPERTY.—For purposes of this section, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard, and the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.''.

(b) CONFORMING AMENDMENTS.—

(1) ARMS EXPORT CONTROL ACT.—Section 21(k) of the Arms Export Control Act (22 U.S.C. 2761(k)) is amended by striking ''the President shall'' and all that follows and inserting the following: ''the President shall determine that the sale of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred.''.

(2) REPEALS.—The following provisions of law are hereby repealed:

(A) Section 502A of the Foreign Assistance Act of 1961 (22 U.S.C. 2303).

(B) Sections 517 through 520 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321k through 2321n).

(C) Section 31(d) of the Arms Export Control Act (22 U.S.C. 2771(d)).

SEC. 105. EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES.

Notwithstanding section 516(e) of the Foreign Assistance Act of 1961, during each of the fiscal years 1996 and 1997, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to countries that are eligible to participate in the Partnership for Peace and that are eligible for assistance under the Support for East European Democracy (SEED) Act of 1989.

CHAPTER 2—INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 111. ASSISTANCE FOR INDONESIA.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.) may be obligated for Indonesia only for expanded military and education training that meets the requirements of clauses (i) through (iv) of the second sentence of section 541 of such Act (22 U.S.C. 2347).

SEC. 112. ADDITIONAL REQUIREMENTS.

(a) GENERAL AUTHORITY.—Section 541 of the Foreign Assistance Act of 1961 (22 U.S.C. 2347) is amended in the second sentence in the matter preceding clause (i) by inserting ''and individuals who are not members of the government'' after ''legislators''.

(b) EXCHANGE TRAINING.—Section 544 of such Act (22 U.S.C. 2347c) is amended—

(1) by striking ''In carrying out this chapter'' and inserting ''(a) In carrying out this chapter''; and

(2) by adding at the end the following new subsection:

''(b) The President may provide for the attendance of foreign military and civilian defense personnel at flight training schools and programs (including test pilot schools) in the United States without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d) of this Act), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one basis each fiscal year between those United States flight training schools and programs (including test pilot schools) and comparable flight training schools and programs of foreign countries.''.

(c) ASSISTANCE FOR CERTAIN HIGH-INCOME FOREIGN COUNTRIES.—

(1) AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 5 of part II of such Act (22 U.S.C. 2347 et seq.) is amended by adding at the end the following new section:

''SEC. 546. PROHIBITION ON GRANT ASSISTANCE FOR CERTAIN HIGH INCOME FOREIGN COUNTRIES.

''(a) IN GENERAL.—None of the funds made available for a fiscal year for assistance under this chapter may be made available for assistance on a grant basis for any of the high-income foreign countries described in subsection (b) for military education and training of military and related civilian personnel of such country.

''(b) HIGH-INCOME FOREIGN COUNTRIES DESCRIBED.—The high-income foreign countries described in this subsection are Austria, Finland, the Republic of Korea, Singapore, and Spain.''.

(2) AMENDMENT TO THE ARMS EXPORT CONTROL ACT.—Section 21(a)(1)(C) of the Arms Export Control Act (22 U.S.C. 2761) is amended by inserting ''or to any high-income foreign country (as described in that chapter)'' after ''Foreign Assistance Act of 1961''.

CHAPTER 3—ANTITERRORISM ASSISTANCE

SEC. 121. ANTITERRORISM TRAINING ASSISTANCE.

(a) IN GENERAL.—Section 571 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa) is amended by striking ''Subject to the provisions of this chapter'' and inserting ''Notwithstanding any other provision of law that restricts assistance to foreign countries (other than sections 502B and 620A of this Act)''.

(b) LIMITATIONS.—Section 573 of such Act (22 U.S.C. 2349aa–2) is amended—

(1) in the heading, by striking ''SPECIFIC AUTHORITIES AND'';

(2) by striking subsection (a);

(3) by redesignating subsections (b) through (f) as subsections (a) through (e), respectively; and

(4) in subsection (c) (as redesignated)—

(A) by striking paragraphs (1) and (2);

(B) by redesignating paragraphs (3) through (5) as paragraphs (1) through (3), respectively; and

(C) by amending paragraph (2) (as redesignated) to read as follows:

''(2)(A) Except as provided in subparagraph (B), funds made available to carry out this chapter shall not be made available for the procurement of weapons and ammunition.

''(B) Subparagraph (A) shall not apply to small arms and ammunition in categories I and III of the United States Munitions List that are integrally and directly related to antiterrorism training provided under this chapter if, at least 15 days before obligating those funds, the President notifies the appropriate congressional committees specified in section 634A of this Act in accordance with the procedures applicable to reprogramming notifications under such section.

''(C) The value (in terms of original acquisition cost) of all equipment and commodities provided under this chapter in any fiscal year may not exceed 25 percent of the funds made available to carry out this chapter for that fiscal year.''.

(c) ANNUAL REPORT.—Section 574 of such Act (22 U.S.C. 2349aa–3) is hereby repealed.

(d) TECHNICAL CORRECTIONS.—Section 575 (22 U.S.C. 2349aa–4) and section 576 (22 U.S.C. 2349aa–5) of such Act are redesignated as sections 574 and 575, respectively.

SEC. 122. RESEARCH AND DEVELOPMENT EXPENSES.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 8 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa et seq.; relating to antiterrorism assistance) may be made available to the Technical Support Working Group of the Department of State for research and development expenses related to contraband detection technologies or for field demonstrations of such technologies (whether such field demonstrations take place in the United States or outside the United States).

CHAPTER 4—NARCOTICS CONTROL ASSISTANCE

SEC. 131. ADDITIONAL REQUIREMENTS.

(a) POLICY AND GENERAL AUTHORITIES.—Section 481(a) of the Foreign Assistance Act (22 U.S.C. 2291(a)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(B) by inserting after subparagraph (C) the following new subparagraph:

''(D) International criminal activities, particularly international narcotics trafficking, money laundering, and corruption, endanger political and economic stability and democratic development, and assistance for the prevention and suppression of international criminal activities should be a priority for the United States.''; and

(2) in paragraph (4), by adding before the period at the end the following: '', or for other anticrime purposes''.

(b) CONTRIBUTIONS AND REIMBURSEMENT.—Section 482(c) of that Act (22 U.S.C. 2291a(c)) is amended—

(1) by striking ''CONTRIBUTION BY RECIPIENT COUNTRY.—To'' and inserting ''CONTRIBUTIONS AND REIMBURSEMENT.—(1) To''; and

(2) by adding at the end the following new paragraphs:

''(2)(A) The President is authorized to accept contributions from foreign governments to carry out the purposes of this chapter. Such contributions shall be deposited as an offsetting collection to the applicable appropriation account and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.

''(B) At the time of submission of the annual congressional presentation documents required by section 634(a), the President shall provide a detailed report on any contributions received in the preceding fiscal year, the amount of such contributions, and the purposes for which such contributions were used.

''(3) The President is authorized to provide assistance under this chapter on a reimbursable basis. Such reimbursements shall be deposited as an offsetting collection to the applicable appropriation and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.''.

(c) IMPLEMENTATION OF LAW ENFORCEMENT ASSISTANCE.—Section 482 of such Act (22 U.S.C. 2291a) is amended by adding at the end the following new subsections:

''(f) TREATMENT OF FUNDS.—Funds transferred to and consolidated with funds appropriated pursuant to this chapter may be made available on such terms and conditions as are applicable to funds appropriated pursuant to this chapter. Funds so transferred or consolidated shall be apportioned directly to the bureau within the Department of State responsible for administering this chapter.

''(g) EXCESS PROPERTY.—For purposes of this chapter, the Secretary of State may use the authority of section 608, without regard to the restrictions of such section, to receive nonlethal excess property from any agency of the United States Government for the purpose of providing such property to a foreign government under the same terms and conditions as funds authorized to be appropriated for the purposes of this chapter.''.

SEC. 132. NOTIFICATION REQUIREMENT.

(a) IN GENERAL.—The authority of section 1003(d) of the National Narcotics Control Leadership Act of 1988 (21 U.S.C. 1502(d)) may be exercised with respect to funds authorized to be appropriated pursuant to the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and with respect to the personnel of the Department of State only to the extent that the appropriate congressional committees have been notified 15 days in advance in accordance with the reprogramming procedures applicable under section 634A of that Act (22 U.S.C. 2394).

(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 133. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE.

For each of the fiscal years 1996 and 1997, narcotics-related assistance under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) may be provided notwithstanding any other provision of law that restricts assistance to foreign countries (other than section 490(e) or section 502B of that Act (22 U.S.C. 2291j(e) and 2304)) if, at least 15 days before obligating funds for such assistance, the President notifies the appropriate congressional committees (as defined in section 481(e) of that Act (22 U.S.C. 2291(e))) in accordance with the procedures applicable to reprogramming notifications under section 634A of that Act (22 U.S.C. 2394).

CHAPTER 5—OTHER PROVISIONS

SEC. 141. STANDARDIZATION OF CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS.

(a) THIRD COUNTRY TRANSFERS UNDER FMS SALES.—Section 3(d)(2) of the Arms Export Control Act (22 U.S.C. 2753(d)(2)) is amended—

(1) in subparagraph (A), by striking '', as provided for in sections 36(b)(2) and 36(b)(3) of this Act'';

(2) in subparagraph (B), by striking ''law'' and inserting ''joint resolution''; and

(3) by adding at the end the following:

''(C) If the President states in his certification under subparagraph (A) or (B) that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States, thus waiving the requirements of that subparagraph, the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate immediate consent to the transfer and a discussion of the national security interests involved.

''(D)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(b) THIRD COUNTRY TRANSFERS UNDER COMMERCIAL SALES.—Section 3(d)(3) of such Act (22 U.S.C. 2753(d)(3)) is amended—

(1) by inserting ''(A)'' after ''(3)'';

(2) in the first sentence—

(A) by striking ''at least 30 calendar days''; and

(B) by striking ''report'' and inserting ''certification''; and

(3) by striking the last sentence and inserting the following: ''Such certification shall be submitted—

''(i) at least 15 calendar days before such consent is given in the case of a transfer to a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

''(ii) at least 30 calendar days before such consent is given in the case of a transfer to any other country,

unless the President states in his certification that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States. If the President states in his certification that such an emergency exists (thus waiving the requirements of clause (i) or (ii), as the case may be, and of subparagraph (B)) the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that consent to the proposed transfer become effective immediately and a discussion of the national security interests involved.

''(B) Consent to a transfer subject to subparagraph (A) shall become effective after the end of the 15-day or 30-day period specified in subparagraph (A)(i) or (ii), as the case may be, only if the Congress does not enact, within that period, a joint resolution prohibiting the proposed transfer.

''(C)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(c) COMMERCIAL SALES.—Section 36(c)(2) of such Act (22 U.S.C. 2776(c)(2)) is amended by amending subparagraphs (A) and (B) to read as follows:

''(A) in the case of a license for an export to the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand, shall not be issued until at least 15 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 15-day period, enacts a joint resolution prohibiting the proposed export; and

''(B) in the case of any other license, shall not be issued until at least 30 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 30-day period, enacts a joint resolution prohibiting the proposed export.''.

(d) COMMERCIAL MANUFACTURING AGREEMENTS.—Section 36(d) of such Act (22 U.S.C. 2776(d)) is amended—

(1) by inserting ''(1)'' after ''(d)'';

(2) by striking ''for or in a country not a member of the North Atlantic Treaty Organization''; and

(3) by adding at the end the following:

''(2) A certification under this subsection shall be submitted—

''(A) at least 15 days before approval is given in the case of an agreement for or in a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

''(B) at least 30 days before approval is given in the case of an agreement for or in any other country;

unless the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States.

''(3) If the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States, thus waiving the requirements of paragraph (4), he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate approval of the agreement and a discussion of the national security interests involved.

''(4) Approval for an agreement subject to paragraph (1) may not be given under section 38 if the Congress, within the 15-day or 30-day period specified in paragraph (2)(A) or (B), as the case may be, enacts a joint resolution prohibiting such approval.

''(5)(A) Any joint resolution under paragraph (4) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(B) For the purpose of expediting the consideration and enactment of joint resolutions under paragraph (4), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(e) GOVERNMENT-TO-GOVERNMENT LEASES.—

(1) CONGRESSIONAL REVIEW PERIOD.—Section 62 of such Act (22 U.S.C. 2796a) is amended—

(A) in subsection (a), by striking ''Not less than 30 days before'' and inserting ''Before'';

(B) in subsection (b)—

(i) by striking ''determines, and immediately reports to the Congress'' and inserting ''states in his certification''; and

(ii) by adding at the end of the subsection the following: ''If the President states in his certification that such an emergency exists, he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that the lease be entered into immediately and a discussion of the national security interests involved.''; and

(C) by adding at the end of the section the following:

''(c) The certification required by subsection (a) shall be transmitted—

''(1) not less than 15 calendar days before the agreement is entered into or renewed in the case of an agreement with the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand; and

''(2) not less than 30 calendar days before the agreement is entered into or renewed in the case of an agreement with any other organization or country.''.

(2) CONGRESSIONAL DISAPPROVAL.—Section 63(a) of such Act (22 U.S.C. 2796b(a)) is amended—

(A) by striking ''(a)(1)'' and inserting ''(a)'';

(B) by striking out the ''30 calendar days after receiving the certification with respect to that proposed agreement pursuant to section 62(a),'' and inserting in lieu thereof ''the 15-day or 30-day period specified in section 62(c) (1) or (2), as the case may be,''; and

(C) by striking paragraph (2).

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to certifications required to be submitted on or after the date of the enactment of this Act.

SEC. 142. STANDARDIZATION OF THIRD COUNTRY TRANSFERS OF DEFENSE ARTICLES.

Section 3 of the Arms Export Control Act (22 U.S.C. 2753) is amended by inserting after subsection (a) the following new subsection:

''(b) The consent of the President under paragraph (2) of subsection (a) or under paragraph (1) of section 505(a) of the Foreign Assistance Act of 1961 (as it relates to subparagraph (B) of such paragraph) shall not be required for the transfer by a foreign country or international organization of defense articles sold by the United States under this Act if—

''(1) such articles constitute components incorporated into foreign defense articles;

''(2) the recipient is the government of a member country of the North Atlantic Treaty Organization, the Government of Australia, the Government of Japan, or the Government of New Zealand;

''(3) the recipient is not a country designated under section 620A of the Foreign Assistance Act of 1961;

''(4) the United States-origin components are not—

''(A) significant military equipment (as defined in section 47(9));

''(B) defense articles for which notification to Congress is required under section 36(b); and

''(C) identified by regulation as Missile Technology Control Regime items; and

''(5) the foreign country or international organization provides notification of the transfer of the defense articles to the United States Government not later than 30 days after the date of such transfer.''.

SEC. 143. INCREASED STANDARDIZATION, RATIONALIZATION, AND INTEROPERABILITY OF ASSISTANCE AND SALES PROGRAMS.

Paragraph (6) of section 515(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i(a)(6)) is amended by striking ''among members of the North Atlantic Treaty Organization and with the Armed Forces of Japan, Australia, and New Zealand''.

SEC. 144. DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.

Section 47 of the Arms Export Control Act (22 U.S.C. 2794) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(9) 'significant military equipment' means articles—

''(A) for which special export controls are warranted because of the capacity of such articles for substantial military utility or capability; and

''(B) identified on the United States Munitions List.''.

SEC. 145. ELIMINATION OF ANNUAL REPORTING REQUIREMENT RELATING TO THE SPECIAL DEFENSE ACQUISITION FUND.

(a) IN GENERAL.—Section 53 of the Arms Export Control Act (22 U.S.C. 2795b) is hereby repealed.

(b) CONFORMING AMENDMENT.—Section 51(a)(4) of such Act (22 U.S.C. 2795(a)(4)) is amended—

(1) by striking ''(a)''; and

(2) by striking subparagraph (B).

SEC. 146. COST OF LEASED DEFENSE ARTICLES THAT HAVE BEEN LOST OR DESTROYED.

Section 61(a)(4) of the Arms Export Control Act (22 U.S.C. 2796(a)(4)) is amended by striking ''and the replacement cost'' and all that follows and inserting the following: ''and, if the articles are lost or destroyed while leased—

''(A) in the event the United States intends to replace the articles

lost or destroyed, the replacement cost (less any depreciation in the value) of the articles; or

''(B) in the event the United States does not intend to replace the articles lost or destroyed, an amount not less than the actual value (less any depreciation in the value) specified in the lease agreement.''.

SEC. 147. DESIGNATION OF MAJOR NON-NATO ALLIES.

(a) DESIGNATION.—

(1) NOTICE TO CONGRESS.—Chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.), as amended by this Act, is further amended by adding at the end the following new section:

''SEC. 517. DESIGNATION OF MAJOR NON-NATO ALLIES.

''(a) NOTICE TO CONGRESS.—The President shall notify the Congress in writing at least 30 days before—

''(1) designating a country as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.); or

''(2) terminating such a designation.

''(b) INITIAL DESIGNATIONS.—Australia, Egypt, Israel, Japan, the Republic of Korea, and New Zealand shall be deemed to have been so designated by the President as of the effective date of this section, and the President is not required to notify the Congress of such designation of those countries.''.

(2) DEFINITION.—Section 644 of such Act (22 U.S.C. 2403) is amended by adding at the end the following:

''(q) 'Major non-NATO ally' means a country which is designated in accordance with section 517 as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.).''.

(3) EXISTING DEFINITIONS.—(A) The last sentence of section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is repealed.

(B) Section 65(d) of such Act (22 U.S.C. 2796d(d)) is amended—

(i) by striking ''or major non-NATO''; and

(ii) by striking out ''or a'' and all that follows through ''Code''.

(b) COOPERATIVE TRAINING AGREEMENTS.—Section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is amended in the first sentence by striking ''similar agreements'' and all that follows through ''other countries'' and inserting ''similar agreements with countries''.

SEC. 148. CERTIFICATION THRESHOLDS.

(a) INCREASE IN DOLLAR THRESHOLDS.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

(1) in section 3(d) (22 U.S.C. 2753(d))—

(A) in paragraphs (1) and (3), by striking ''$14,000,000'' each place it appears and inserting ''$25,000,000''; and

(B) in paragraphs (1) and (3), by striking ''$50,000,000'' each place it appears and inserting ''$75,000,000'';

(2) in section 36 (22 U.S.C. 2776)—

(A) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking ''$14,000,000'' each place it appears and inserting ''$25,000,000'';

(B) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking ''$50,000,000'' each place it appears and inserting ''$75,000,000''; and

(C) in subsections (b)(1) and (b)(5)(C), by striking ''$200,000,000'' each place it appears and inserting ''$300,000,000''; and

(3) in section 63(a) (22 U.S.C. 2796b(a))—

(A) by striking ''$14,000,000'' and inserting ''$25,000,000''; and

(B) by striking ''$50,000,000'' and inserting ''$75,000,000''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to certifications submitted on or after the date of the enactment of this Act.

SEC. 149. DEPLETED URANIUM AMMUNITION.

Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2370 et seq.), as amended by this Act, is further amended by adding at the end the following new section:

''SEC. 620G. DEPLETED URANIUM AMMUNITION.

''(a) PROHIBITION.—Except as provided in subsection (b), none of the funds made available to carry out this Act or any other Act may be made available to facilitate in any way the sale of M–833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than—

''(1) a country that is a member of the North Atlantic Treaty Organization;

''(2) a country that has been designated as a major non-NATO ally (as defined in section 644(q)); or

''(3) Taiwan.

''(b) EXCEPTION.—The prohibition contained in subsection (a) shall not apply with respect to the use of funds to facilitate the sale of antitank shells to a country if the President determines that to do so is in the national security interest of the United States.''.

SEC. 150. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

(a) IN GENERAL.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended by inserting after chapter 3 the following new chapter:

''CHAPTER 3A—END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES

''SEC. 40A. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

''(a) ESTABLISHMENT OF MONITORING PROGRAM.—

''(1) IN GENERAL.—In order to improve accountability with respect to defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the President shall establish a program which provides for the end-use monitoring of such articles and services.

''(2) REQUIREMENTS OF PROGRAM.—To the extent practicable, such program—

''(A) shall provide for the end-use monitoring of defense articles and defense services in accordance with the standards that apply for identifying high-risk exports for regular end-use verification developed under section 38(g)(7) of this Act (commonly referred to as the 'Blue Lantern' program); and

''(B) shall be designed to provide reasonable assurance that—

''(i) the recipient is complying with the requirements imposed by the United States Government with respect to use, transfers, and security of defense articles and defense services; and

''(ii) such articles and services are being used for the purposes for which they are provided.

''(b) CONDUCT OF PROGRAM.—In carrying out the program established under subsection (a), the President shall ensure that the program—

''(1) provides for the end-use verification of defense articles and defense services that incorporate sensitive technology, defense articles and defense services that are particularly vulnerable to diversion or other misuse, or defense articles or defense services whose diversion or other misuse could have significant consequences; and

''(2) prevents the diversion (through reverse engineering or other means) of technology incorporated in defense articles.

''(c) REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of this section, and annually thereafter as a part of the annual congressional presentation documents submitted under section 634 of the Foreign Assistance Act of 1961, the President shall transmit to the Congress a report describing the actions taken to implement this section, including a detailed accounting of the costs and number of personnel associated with the monitoring program.

''(d) THIRD COUNTRY TRANSFERS.—For purposes of this section, defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) includes defense articles and defense services that are transferred to a third country or other third party.''.

(b) EFFECTIVE DATE.—Section 40A of the Arms Export Control Act, as added by subsection (a), applies with respect to defense articles and defense services provided before or after the date of the enactment of this Act.

SEC. 151. BROKERING ACTIVITIES RELATING TO COMMERCIAL SALES OF DEFENSE ARTICLES AND SERVICES.

(a) IN GENERAL.—Section 38(b)(1)(A) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)(A)) is amended—

(1) in the first sentence, by striking ''As prescribed in regulations'' and inserting ''(i) As prescribed in regulations''; and

(2) by adding at the end the following new clause:

''(ii)(I) As prescribed in regulations issued under this section, every person (other than an officer or employee of the United States Government acting in official capacity) who engages in the business of brokering activities with respect to the manufacture, export, import, or transfer of any defense article or defense service designated by the President under subsection (a)(1), or in the business of brokering activities with respect to the manufacture, export, import, or transfer of any foreign defense article or defense service (as defined in subclause (IV)), shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations.

''(II) Such brokering activities shall include the financing, transportation, freight forwarding, or taking of any other action that facilitates the manufacture, export, or import of a defense article or defense service.

''(III) No person may engage in the business of brokering activities described in subclause (I) without a license, issued in accordance with this Act, except that no license shall be required for such activities undertaken by or for an agency of the United States Government—

''(aa) for use by an agency of the United States Government; or

''(bb) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

''(IV) For purposes of this clause, the term 'foreign defense article or defense service' includes any non-United States defense article or defense service of a nature described on the United States Munitions List regardless of whether such article or service is of United States origin or whether such article or service contains United States origin components.''.

(b) EFFECTIVE DATE.—Section 38(b)(1)(A)(ii) of the Arms Export Control Act, as added by subsection (a), shall apply with respect to brokering activities engaged in beginning on or after 120 days after the enactment of this Act.

SEC. 152. RETURN AND EXCHANGES OF DEFENSE ARTICLES PREVIOUSLY TRANSFERRED PURSUANT TO THE ARMS EXPORT CONTROL ACT.

(a) REPAIR OF DEFENSE ARTICLES.—Section 21 of the Arms Export Control Act (22 U.S.C. 2761) is amended by adding at the end the following new subsection:

''(l) REPAIR OF DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may acquire a repairable defense article from a foreign country or international organization if such defense article—

''(A) previously was transferred to such country or organization under this Act;

''(B) is not an end item; and

''(C) will be exchanged for a defense article of the same type that is in the stocks of the Department of Defense.

''(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

''(A)(i) has a requirement for the defense article being returned; and

''(ii) has available sufficient funds authorized and appropriated for such purpose; or

''(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

''(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

''(3) REQUIREMENT.—(A) The foreign government or international organization receiving a new or repaired defense article in exchange for a repairable defense article pursuant to paragraph (1) shall, upon the acceptance by the United States Government of the repairable defense article being returned, be charged the total cost associated with the repair and replacement transaction.

''(B) The total cost charged pursuant to subparagraph (A) shall be the same as that charged the United States Armed Forces for a similar repair and replacement transaction, plus an administrative surcharge in accordance with subsection (e)(1)(A) of this section.

''(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a repairable defense article as provided in subsection (a) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.''.

(b) RETURN OF DEFENSE ARTICLES.—Section 21 of such Act (22 U.S.C. 2761), as amended by this Act, is further amended by adding at the end the following new subsection:

''(m) RETURN OF DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may accept the return of a defense article from a foreign country or international organization if such defense article—

''(A) previously was transferred to such country or organization under this Act;

''(B) is not significant military equipment (as defined in section 47(9) of this Act); and

''(C) is in fully functioning condition without need of repair or rehabilitation.

''(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

''(A)(i) has a requirement for the defense article being returned; and

''(ii) has available sufficient funds authorized and appropriated for such purpose; or

''(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

''(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

''(3) CREDIT FOR TRANSACTION.—Upon acquisition and acceptance by the United States Government of a defense article under paragraph (1), the appropriate Foreign Military Sales account of the provider shall be credited to reflect the transaction.

''(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a defense article as provided in paragraph (1) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.''.

(c) REGULATIONS.—Under the direction of the President, the Secretary of Defense shall promulgate regulations to implement subsections (l) and (m) of section 21 of the Arms Export Control Act, as added by this section.

SEC. 153. NATIONAL SECURITY INTEREST DETERMINATION TO WAIVE REIMBURSEMENT OF DEPRECIATION FOR LEASED DEFENSE ARTICLES.

(a) IN GENERAL.—Section 61(a) of the Arms Export Control Act (22 U.S.C. 2796(a)) is amended—

(1) in the second sentence, by striking '', or to any defense article which has passed three-quarters of its normal service life''; and

(2) by inserting after the second sentence the following new sentence: ''The President may waive the requirement of paragraph (4) for reimbursement of depreciation for any defense article which has passed three-quarters of its normal service life if the President determines that to do so is important to the national security interest of the United States.''.

(b) EFFECTIVE DATE.—The third sentence of section 61(a) of the Arms Export Control Act, as added by subsection (a)(2), shall apply only with respect to a defense article leased on or after the date of the enactment of this Act.

SEC. 154. ELIGIBILITY OF PANAMA UNDER ARMS EXPORT CONTROL ACT.

The Government of the Republic of Panama shall be eligible to purchase defense articles and defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), except as otherwise specifically provided by law.

TITLE II—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

SEC. 201. AUTHORITY TO TRANSFER NAVAL VESSELS.

(a) EGYPT.—The Secretary of the Navy is authorized to transfer to the Government of Egypt the ''OLIVER HAZARD PERRY CLASS'' frigate GALLERY. Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761; relating to the foreign military sales program).

(b) MEXICO.—The Secretary of the Navy is authorized to transfer to the Government of Mexico the ''KNOX'' class frigates STEIN (FF 1065) and MARVIN SHIELDS (FF 1066). Such transfers shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761; relating to the foreign military sales program).

(c) NEW ZEALAND.—The Secretary of the Navy is authorized to transfer to the Government of New Zealand the ''STALWART'' class ocean surveillance ship TENACIOUS. Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761; relating to the foreign military sales program).

(d) PORTUGAL.—The Secretary of the Navy is authorized to transfer to the Government of Portugal the ''STALWART'' class ocean surveillance ship AUDACIOUS. Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j; relating to transfers of excess defense articles).

(e) TAIWAN.—The Secretary of the Navy is authorized to transfer to the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act) the following:

(1) The ''KNOX'' class frigates AYLWIN (FF 1081), PHARRIS (FF 1094), and VALDEZ (FF 1096). Such transfers shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761; relating to the foreign military sales program).

(2) The ''NEWPORT'' class tank landing ship NEWPORT (LST 1179). Such transfer shall be on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796).

(f) THAILAND.—The Secretary of the Navy is authorized to transfer to the Government of Thailand the ''KNOX'' class frigate OUELLET (FF 1077). Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761; relating to the foreign military sales program).

SEC. 202. COSTS OF TRANSFERS.

Any expense of the United States in connection with a transfer authorized by this title shall be charged to the recipient.

SEC. 203. EXPIRATION OF AUTHORITY.

The authority granted by section 201 shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

SEC. 204. REPAIR AND REFURBISHMENT OF VESSELS IN UNITED STATES SHIPYARDS.

The Secretary of the Navy shall require, to the maximum extent possible, as a condition of a transfer of a vessel under this title, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and the gentleman from California [Mr. LANTOS] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I am pleased to bring this legislation to the floor of the House at this time.

The purpose of title I of this bill is to amend authorities under the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act to revise and consolidate defense and security assistance authorities, in particular by updating policy and statutory authorities.

The genesis of this effort began nearly 7 years ago, with H.R. 2655, the International Cooperation Act of 1989. Subsequent legislation by the then Committee on Foreign Affairs, including H.R. 2508, the International Cooperation Act of 1991, and later bills, continued our efforts to amend and update these important authorities.

On June 8, 1995, the House of Representatives passed H.R. 1561, the American Overseas Interest Act of 1995, by a vote of 222 to 192. Title XXXI of division C, the Foreign Aid Reduction Act of 1995, was dedicated to defense and security assistance provisions. On March 12, 1996, the House agreed to the conference report on H.R. 1561 by a vote of 226 to 172. The conference report, though, did not include provisions from division C of the House-passed bill.

This legislation, H.R. 3121, continues the effort by our Committee on International Relations to amend the Foreign Assistance Act and the Arms Export Control Act to make improvements to defense and security assistance provisions under those acts. The provisions included in title I of this bill are nearly identical to title XXXI of H.R. 1561, are the product of bipartisan effort and cooperation, and enjoy the strong support of the Departments of State and Defense.

Central to consideration of this bill is the committee's view that this legislation fulfills its responsibility as an authorizing committee. Specifically, this legislation codifies in permanent law authorizing language which has been too long carried on annual appropriations measures.

The purpose of title II of this bill is to authorize the transfer of naval vessels to certain foreign nations pursuant to the administration's request of January 29, 1996, Title II of this bill authorizes the transfer of 10 naval vessels, 8 sales, 1 by lease and 1 by grant, to the following nations: to Egypt, to Mexico, to New Zealand, to Portugal, to Taiwan, and to Thailand.

According to our Department of Defense, the Chief of Naval Operations has certified that these naval vessels are not essential to the defense of our own Nation.

As detailed above, the United States plans to transfer eight naval vessels by sale, pursuant to section 21 of the Arms Export Control Act. One of the vessels will be transferred as a lease, pursuant to chapter 6 of the Arms Export Control Act, and one of the vessels will be transferred as a grant pursuant to section 519 of the Foreign Assistance Act of 1961, as amended.

The United States will incur no cost for the transfer of the naval vessels under this legislation. The foreign recipients will be responsible for all costs associated with the transfer of the vessels, including maintenance, repairs, training and fleet turnover costs. Any expenses incurred in connection with these transfers will be charged to the foreign recipients.

Through the sale of these naval vessels, this legislation will generate $72 million in revenue for the U.S. Treasury. In addition, through repair and reactivation work, through service contracts, ammunition sales, and savings generated from avoidance of storage and deactivation costs, our Navy estimates that the legislation will generate an additional $525 million in revenue for the U.S. Treasury and for private U.S. firms.

I commend this bill to the House and I ask my colleagues for their support.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I would like to commend the distinguished chairman of our committee for his leadership on this bill and on so many other matters. I rise in strong support of this resolution.

Mr. Speaker, I yield 2 minutes to my good friend and distinguished colleague, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentleman from California, and I want to join in congratulating his leadership, along with the gentleman from New York in the previous resolution on the Holocaust.

In general, this is good legislation. As someone who represents a large number of Portuguese-Americans who are proud of the very strong, thriving relationship between our two democratic nations, I am pleased to see through the efforts of my colleagues the needs of the Portuguese Navy have been in part accommodated.

But I am severely disappointed that this legislation continues a pattern of rewarding the Government of Indonesia, which continues to engage in some of the most oppressive and racist activities in the world in their maltreatment of the people of East Timor. Indonesia's record in East Timor is one of the great moral failings in the world, and unfortunately it is a further moral failing that the rest of the world stands back and allows the people of East Timor to be so oppressed.

I understand that this is military and educational training. Theoretically just for civilians, in ways it is supposed to help. But you know when you are in East Timor being oppressed, when you are being killed or imprisoned by this brutal regime, the fact the people doing the killing and the Indonesians are a little better educated in civic values than they otherwise might have been is no consolation. I regret very much that this legislation continues that practice.

Last year I offered an amendment to strike from the foreign operations appropriations bill all aid to Indonesia. The Committee on Rules did not allow it. I want to announce now that I and others intend to insist this time on our right to at least vote on that. It is bad enough that this Congress goes along with rewarding the brutal actions of the Government of Indonesia, but to deny us even a chance to vote for it implicates our own procedures in that unfortunate aspect, although obviously murder is a lot worse than our being able to vote. I am sorry it is not included here, and I pledge we will do everything we can to end the practice of rewarding the Indonesian Government until and unless it stops its brutalization of the people of East Timor.

Mr. GILMAN. Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 2 minutes to the gentleman from Rhode Island [Mr. KENNEDY], my good friend and distinguished colleague.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I would like to concur with my colleague from Massachusetts [Mr. FRANK], in that this bill should not be on the Suspension Calendar as it relates to the inclusion of an enhancement for Indonesia for the same reasons my colleagues just spoke.

Indonesia has proven itself to be someone with no respect and regard for the human rights of the East Timorese in the application of their Government in East Timor. They have systematically used their Government to oppose the East Timorese. They have terrorized, brutalized, they have killed demonstrators in broad daylight in front of international cameras. They will go to no end to show that they are not worthy of the recognition that this enhancement gives them.

The whole idea of the enhancement is to say, ''Well, we will work with you.''

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But understand, we will work to support democratic efforts. But if there are no democratic efforts being undertaken, it is a little presumptuous for us to think that simply by our recognition of East Timor through this enhanced IMET that we are going to replace what is not there. That is the problem with enhanced IMET.

My former colleague, Congressman Ron Machtly, was successful in revoking IMET. It was a good thing that this Congress recognized it. Nothing has changed. Indonesia still oppresses these Timorese, and that is why this is not the time for us to be renewing IMET. That is why, Mr. Chairman, as the gentleman can obviously tell, there are people like myself, the gentlewoman from California [Ms. PELOSI], the gentlewoman from New York [Mrs. LOWEY], and others, the gentleman from Massachusetts [Mr. FRANK], who know this is not an issue where we should be debating it on a Suspension Calendar. We have no problem debating this as a bill on the floor itself, and that is the way it should come before us.

Mr. Speaker, this bill contains provisions, as the gentleman from New York said, which we all support. I would be the first to commend the gentleman from New York [Mr. GILMAN] for the inclusion of the hydrographic vessel that goes to Portugal. But that is the proper role for a suspension bill. The IMET is not. So while I support that endeavor that the gentleman has put into the bill, this I have to object to.

Mr. GILMAN. Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, I rise today in strong opposition to the provision in this bill that authorizes international military education and training [IMET] assistance for Indonesia.

In 1992, we voted to end all IMET assistance for Indonesia because of that country's abysmal human rights record and their continued oppression of the people of East Timor. Despite the lack of improvement in Indonesia's human rights record, and the opposition of myself and many of my colleagues, a modified IMET program was approved for Indonesia in the Foreign Operations Appropriations Act for fiscal year 1996.

When this provision was added to the foreign aid bill last year, we said we would monitor the human rights situation in Indonesia very carefully and act accordingly this year. Well, the State Department's Country Report on Indonesia was released last month, and according to the report, ''The government continued to commit serious human rights abuses.''

So what do we do a month after this report came out? We attempt to slip reauthorization of IMET for Indonesia into a supposedly noncontroversial bill that is being considered on the Suspension Calendar. This is an unacceptable way to legislate.

Mr. Speaker, in the past we have debated this issue extensively. Last year, I offered an amendment to the foreign aid bill to prohibit this assistance from going to Indonesia. There is significant opposition in Congress to Indonesian IMET. That doesn't sound noncontroversial to me.

A month ago, the State Department said that in Indonesia ''reports of extrajudicial killings, disappearances, and torture of those in custody by security forces increased.'' Not decreased. Not stayed the same. Increased. Should we really be authorizing IMET assistance for this government now when they have not addressed these critical human rights issues? I don't think so.

Indonesia's policy in East Timor is about the oppression of people who oppose Indonesia's right to torture, kill, and repress the people of East Timor. It is about the 200,000 Timorese who have been slaughtered since the Indonesian occupation in 1975—200,000 killed out of a total population of 700,000. It is about genocide.

Mr. Speaker, this is not a noncontroversial issue, and should never have been brought up under suspension.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. BROWNBACK], a member of our committee.

(Mr. BROWNBACK asked and was given permission to revise and extend his remarks.)

Mr. BROWNBACK. Mr. Speaker, let me begin by congratulating Chairman GILMAN for the hard work he and his staff have put into reforming the defense and security assistance provisions incorporated in H.R. 3121.

I think H.R. 3121 represents a common sense approach to advancing our foreign policy goals of promoting global security, ensuring the security of U.S. citizens and U.S. allies around the world, and encouraging democracy. However, the bill achieves these goals while effectively reducing the amount of excess defense articles that will be transferred to our allies on a grant or no-cost lease basis.

We need to use the grant and no-cost lease options sparingly so that these programs recover as much money for the taxpayers as possible. H.R. 3121 will force the Defense Department to drastically reduce the number of no-cost leases and grants that are used to transfer excess defense articles to our allies. The bill creates the national security interest determination that the President will have to invoke in order to provide a no-cost lease for excess defense articles.

Mr. Speaker, H.R. 3121 also requires the Pentagon to evaluate whether excess defense articles should be transferred on a grant basis or on a sale basis, depending upon what the potential proceeds would be from a sale, what the likelihood of selling a defense article would be, and what the foreign policy benefits of a transfer would be. Mr. Speaker, I simply add that in this time of budgetary constraint and austerity, I think this is a very good measure that we move forward with that, we say to the Defense Department and we say to the administration, if you are going to give away these ships, if you are going to give away these airplanes, you better have a darn good reason to do it, because we are broke and we need to be able to recognize and get as much funding as we possibly can and have as much restraint here as possible.

That is in the bill, and I commend Chairman GILMAN for inserting it.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. BROWNBACK. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for focusing on the changes and the reforms that are a part of this bill. The gentleman has been active as well as Chairman GILMAN and the ranking member.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. BROWNBACK. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I just want to commend the gentleman from Kansas for his astute observations, analysis of the bill. He has been a sound critic of the prior procedures that we have utilized in transferring this equipment, and as a result of his efforts, a good reform has come about. I thank the gentleman for his efforts.

Mr. BROWNBACK. I thank the gentleman very much.

Mr. HAMILTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I want to commend Chairman GILMAN for his leadership on this bill. He has proceeded in a very constructive and bipartisan way. The first part of the bill, an amendment of security assistance authorities in the Foreign Assistance Act and the Arms Export Control Act, has indeed been developed on a bipartisan basis under Chairman GILMAN's leadership. He has already spoken in some detail about the bill, and I do not want to repeat his presentation.

Mr. Speaker, I just want to speak to two issues that have come up by our colleagues. One is expanded IMET for Indonesia. The issue of expanded IMET for Indonesia is troubling to some Members of this House. The administration strongly supports the provision in this bill which exactly tracks the Foreign Operations Act for this fiscal year. The bill would not allow IMET assistance for traditional purposes. There would be no lethal training.

This bill allows military education and training in Indonesia only for very specific purposes: To foster greater respect for and understanding of the principle of civilian control of the military, to improve military justice in accordance with internationally recognized human rights, and to improve counternarcotics cooperation. The purpose of this so-called expanded IMET is solely to give the United States a better handle in trying to alter the behavior of the Indonesian Government and

the military which, of course, is the strongest, most influential institution in the country.

Second, Members interested in arms control have raised questions about this bill, as well. I believe this bill will help improve Congress' oversight of the arms export control process. The bill gives the Congress an additional 20 days' advance notification of arms export commercial licenses and coproduction agreements. It will give Congress the same window on these transactions as it now has on government-to-government sales.

For the first time, it will give the Congress the ability to offer resolutions of disapproval on third-country transfers and on coproduction agreements. For the first time, the Congress will require the executive branch to establish a comprehensive end-use monitoring system on government-to-government arms transfers. For the first time, Congress will put a genuine meaningful cap, $350 million, on the transfer of excess defense articles in a fiscal year. The existing ceiling, $250 million, has just too many loopholes in it.

Mr. Speaker, it is correct that this bill raises thresholds on arms notifications, for example, from $14 million to $25 million on arms sales. The last time thresholds were raised was 1981. So this change is basically in response to inflation.

According to the Department of Defense, this change in the past year would have resulted only in some four or five fewer notifications to Congress per year out of a few hundred, I might say, each year, and all of them to NATO countries.

The bill eliminates grants of international military education and training for wealthy countries. The bill gives the administration more flexibility in the use of limited assistance funds through increases in drawdown authorities and changes in the authorities on antinarcotics and antiterrorism assistance programs. For example, this bill will enable the President to use assistance funds to work with Israel on research and development efforts to combat terrorism.

Mr. Speaker, I also want to commend the chairman, Mr. GILMAN, and the administration, particularly the Navy, on the second part of the bill on naval ship transfers. The Navy has heard the message about the committee's opposition to large numbers of grant ships transfers. The bill before us returns to the traditional pattern of ship transfers. Eight ships in this package are sales, one is a lease, and one to Portugal is a grant. Portugal, of course, is a NATO ally since the beginning of NATO, has provided the United States access to facilities since the 1940's, and last year renewed that access agreement in the Azores.

This package also includes the sale of three 1970 vintage *Knox*-class frigates to Taiwan and the lease of one transport ship to Taiwan. This is part of our longstanding policy under the Taiwan Relations Act to provide defense articles to Taiwan. I strongly support these ship transfers.

Mr. Speaker, I strongly support the overall bill. I urge the adoption of H.R. 3121.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I want to thank the gentleman from Indiana for his supporting remarks.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I thank the gentleman from California [Mr. LANTOS] very much for yielding the time.

Mr. Speaker, today we face an international drug problem. Few of us would deny this fact; fewer would stand by idly as the problem grows worse.

I rise in support of H.R. 3121, Technical Amendments to Foreign Assistance and Arms Export Control Acts. I wish to thank Chairman GILMAN and ranking member HAMILTON of the International Relations Committee for their dedicated effort to bring this bill to the floor. I wish to also thank them for adding, at my request, necessary exceptions for Panama to receive foreign military sales to combat the international drug problem.

Ambassador and former Congressman Bill Hughes recently alerted me of the importance for the Panamanian public forces to receive United States military assistance. This is not an attempt on our part to rebuild the Panamanian military, but merely an avenue through which we can halt illegal drug trafficking. Costa Rica, for example, is permitted such funding. We are discovering that when a country acquires the tools to fend off this addictive disease, the cure is always within reach.

I want to thank my colleagues for their support of this exception and this bill. It is another step toward continuing and escalating our war against drugs.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for his concern about the war against drugs and for making certain that this waiver was inserted in the measure. We thank him for his support of the measure.

Mr. Speaker, I reserve the balance of my time.

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Mr. LANTOS. Mr. Speaker, I am delighted to yield 3 minutes to the gentlewoman from San Francisco, CA [Ms. PELOSI] my neighbor, friend, and distinguished colleague.

Ms. PELOSI. Mr. Speaker, I thank the gentleman from California [Mr. LANTOS] for yielding this time to me and for his leadership on issues, international issues as well as others, that come before this House. I have great respect for the chair of the committee, the gentleman from New York [Mr. GILMAN], and our ranking member, the gentleman from Indiana [Mr. HAMILTON].

I rise today to express concern about a couple of the provisions of this legislation, H.R. 3121. I do not believe that the bill before us should be on suspension calendar because it covers a great deal of territory and with a minimal amount of debate and consideration on the floor.

My two concerns, one I share with many of my colleagues, is about the enhanced IMET to Indonesia for 1996–97 and my concern about arms control. I listened very attentively to the remarks of the ranking member, the gentleman from Indiana [Mr. HAMILTON], and appreciate the assurances he has given about the increased ceiling in terms of the weapons, the sale, amount of the weapon sales, and the increased discretion given to Congress to intervene in those sales, and I accept his explanation, and I look forward to getting more information that is contained in the bill.

But I would, for the record, like to express concern about the international military and education training for Indonesia for 1996 and 1997. Our colleagues have said that this legislation tracks the Committee on Foreign Operations legislation. Well, it does for 1996.

Many of us on the committee, and I serve on the Foreign Operations Subcommittee, do not think that Indonesia should be getting any IMET. We recognize that there are those who believe that this enhanced IMET for the purposes of fostering civilian control in the role of an army and a more democratic country, et cetera, I do not know if I have defined Indonesia that way, but nonetheless this IMET, enhanced IMET, could be useful. And in that spirit of cooperation we accepted the compromise proposed graciously by our chairman, the gentleman from Alabama [Mr. CALLAHAN], with the understanding that it was only for 1996 and the program would be carefully monitored. We accepted the compromise but remain convinced nonetheless that Indonesia should not receive IMET funds.

Now we see before us, in the bill before us, extending the IMET for 1997 despite the fact the record shows continuing serious human rights abuses by the armed forces in Indonesia that several of our colleagues referenced specifically in East Timor. We will continue the debate on this important issue as the Committee on Foreign Operations considers fiscal year 1997.

I mentioned my concerns about the arms sales and think there could be dangerous consequences, but, as I say, accept the explanation extended by the gentleman from Indiana [Mr. HAMILTON]. While the notification process may be considered cumbersome by some in the bureaucracy, congressional oversight helps insure that the taxpayer dollars are well spent.

Again, I am concerned the bill was placed on suspension calendar with little information to many Members. Passage of the bill does not reflect wholehearted support for some of the provisions it contains; I guess that is a rule of life around here. But I do want to very strongly convey to our chairman that this does not track the foreign ops bill for 1996–97. The foreign ops bill only gave enhanced IMET for 1996, and I hope that the gentleman would join with us in monitoring how that enhanced IMET funding is spent.

Mr. LANTOS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Oregon [Ms. FURSE].

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

Ms. FURSE. Mr. Speaker I rise because of concerns I have to H.R. 3121, amending the Foreign Assistance Act and the Arms Export Control Act.

This bill moves us in the wrong direction. It unnecessarily costs the taxpayers more money and it moves us toward less accountability of arms transfers.

At a time when we are working so hard to balance the Federal budget, it does not make sense to do as this bill does. For the first time, it would require U.S. taxpayers to pay the costs of shipping the excess defense articles we're giving away to other countries.

In a world where our own soldiers are at risk from the very weapons exported by the United States, we should not be promoting increased exports in the ways that this bill does. This bill eliminates congressionally mandated language to ensure that foreign recipient countries use the equipment as intended. That includes, for example, the requirement that excess defense articles transferred for counternarcotics purposes be used primarily for counternarcotics purposes and not for counterinsurgency.

This bill strips Congress of its ability to gauge the human rights situation and to determine if the assistance is likely to be used in abuses. We must be more creative than that in determining ways for our Nation's workers to have jobs. We cannot come to rely on arms exports to such an extent that we ignore human rights.

This is a controversial bill, Mr. Speaker. I object to the process that was used in bringing it to the floor on the suspension calendar and I object to its content. I urge my colleagues to reject H.R. 3121.

Mr. LANTOS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Georgia [Ms. MCKINNEY].

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

Ms. MCKINNEY. Mr. Speaker, as a mother and a woman of conscience, I am concerned about U.S. transfers of arms around the world and the impact that those transfers will have 10–15 years down the road, particularly on my son and the other young people of America.

Mr. Speaker, I rise today to express concern about portions of H.R. 3121 that would reduce congressional oversight on arms sales to foreign countries.

Current law governing congressional oversight of arms sales is already feeble—this bill only makes a bad situation worse. On numerous occasions, our soldiers have been sent into war situations where they have had to face hostile forces armed with American supplied weapons.

I am sure everyone recalls Panama, Iraq, Somalia, and Haiti where our fighting men and women were sniped at and killed by weapons we supplied to those countries before they turned belligerent.

Mr. Speaker, while there are provisions in this bill which I strongly support—such as Narcotics control, refugee assistance, and POW/MIA recovery efforts—I cannot in good conscience allow this bill to breeze through this body without careful deliberation.

Every year, the weapons we sell overseas are used against innocent civilians, refugees, political dissidents, and, yes, American soldiers. As the legislative branch, we have the right and responsibility to oversee the transfer of weapons to foreign governments.

This does not mean we cannot supply our allies with the tools to defend themselves, it simply means that we should provide a sobering second thought when the administration is about approve the transfer of lethal American weapons into the hands of foreign governments.

This bill, Mr. Speaker, would increase the threshold at which Congress must be notified for arms sales, from $200 to $300 million. That means the administration would be able to sell $100 million more in guns overseas before Congress must be notified.

Moreover, the bill authorizes the resumption of international military and education training for the Government of Indonesia. Mr. Speaker, it is well known that Indonesia has an atrocious human rights record, especially with regards to the people of East Timor.

For those of my colleagues who aren't aware, the people of East Timor have been subjected to near-genocide, simply because of their opposition to the multinational mining interests who want to expropriate their minerals.

Mr. Speaker, measures such as these should not be dealt with so lightly under the suspension calendar, and Congress should not be so willing to hand over its limited oversight authority to the administration.

While I want to support the good measures in this bill Mr. Speaker, I am afraid that my conscience will not let me vote for a bill that will reduce congressional oversight with respect to the sale of weapons. Moreover, I cannot support a bill which will authorizes the use of American tax dollars to train the repressive military of Indonesia.

As a mother and as a woman of conscience, I urge my colleagues to oppose this regrettably tainted bill.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield 6 minutes to the gentleman from Nebraska [Mr. BEREUTER], the distinguished chairman of our Subcommittee on Asia and the Pacific.

Mr. BEREUTER. Mr. Speaker, I thank the chairman for yielding me this time.

I would say to my colleagues, the gentleman from Massachusetts, the gentleman from Rhode Island, the gentlewoman from New York, and the gentlewoman from California, if it is not absolutely clear, we are not authorizing IMET for Indonesia. We are authorizing E-IMET, or extended IMET, and not, as one of the gentleman said, enhanced IMET. And, even ''extended IMET'' really does not convey what the program is, for it is quite different than the original IMET program. The Extended IMET program is the kind of program exactly designed to be used in a country like Indonesia where we do have some human rights concerns which are in part related to East Timor.

Now, let me say first of all that the enhanced IMET program, or E-IMET, is strongly supported by the administration. If you listen to CINCPAC sources, as people in the State Department, the Defense Department generally and other parts of the administration, it is clear that this administration, the previous administration, are supportive of extending the ''Enhanced IMET'' program to Indonesia. It moves us closer to a positive defense relationship with Indonesia, and, more importantly, it is specifically geared, as the gentleman from Indiana [Mr. HAMILTON] said, to dealing with a country that has human rights problems that trouble us a great deal. The E-IMET program is to foster greater respect for the principles of civilian control of the military. It is to improve military justice and military codes of conduct in accordance with internationally recognized human rights. It is to contribute to responsible defense resource management. It is to contribute to cooperation between the military and local police in the area of counternarcotics.

This is the full scope of the E-IMET program. It is very different than the IMET program, about which objections have been expressed here today.

Now, let me say that I, despite the fact that I believe that Indonesia is playing a very important role in Southeast Asia, that it is strategically located and is a country that has played the key, positive role in trying to resolve the Spratley Islands dispute in the waters off Southeast Asia, despite that, I would not be able to suggest to my colleagues that we ought to approve the traditional IMET authorization. But there is this to be said for what is happening in Indonesia:

There are substantial signs of greater judicial independence, there is NGO activism in the last 12 months, there is a human rights commission that has been established, primarily because of outside interests, the human rights community, and the United States of America. Human rights practices remain certainly imperfect, but the E-IMET program is specifically designed primarily to push Indonesia and other countries toward better human rights practices.

So I think that, in fact, our colleagues should feel very good about authorizing ''Enhanced IMET'' program for Indonesia. And by the way, it is

identical to the existing law in the foreign operations appropriation bill as well as the authorization bills passed by both the House and the Senate.

I understand a couple of my colleagues—the gentlewoman from Connecticut, the gentleman from Florida—might like to engage in a colloquy here. Is that correct?

Mr. Speaker, I yield to the gentleman from Florida if he wishes to engage in this discussion.

Mr. SHAW. Mr. Speaker, I had not intended to be in the debate on this particular issue until I heard the questions of what I consider to be tremendous exaggerations as to what is going on in East Timor. I had the privilege of visiting East Timor for several days just a few months ago, along with Congressman JOHNSON and the gentleman from Texas, Mr. ARCHER. We saw firsthand the fact that there are not these huge breaches of human rights, and we did not see these breaches of human rights as referred to.

As a matter of fact, one of our Members went and spoke to a Catholic priest, and, by the way, most of Indonesia is Muslim, this is mostly Catholic. As a matter of fact, there is the second largest statue of Jesus in the entire world being constructed—in process of being constructed—in East Timor.

I went to a Catholic priest who actually favored independence, but he verified the fact that the human rights record was certainly improving and that he did not see these tremendous violations of human rights.

Mr. BEREUTER. Mr. Speaker, I yield to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. I think it ought to be also in the record that the government of East Timor is a Timoran, well respected by the people of that island, and Indonesia has a way of sharing the benefits of mining and timber throughout the islands of Indonesia. So development money is coming in, and not only are they beginning to deal with the terrible economic problems of this island, but they are beginning also to deal constructively with the human rights issues.

Mr. BEREUTER. Mr. Speaker, I thank the gentlewoman.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Florida, the gentlewoman from Connecticut, the gentleman from Nebraska for straightening out some of the background on East Timor and the IMET Program.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. MANZULLO], a member of our committee.

(Mr. MANZULLO asked and was given permission to revise and extend his remarks.)

Mr. MANZULLO. Mr. Speaker, this is an interesting bill, and I rise in full support of it, H.R. 3132.

The last title, title 2, that appears on page 50, represents an incredible set of events that took place in our Committee on International Relations several months ago. I raised the concern several months ago, along with the gentleman from Kansas [Mr. BROWNBACK] that a request of an admiral would come before the committee on a relatively routine, in his mind, and in the past a routine, procedure of simply asking the House of Representatives to give away ships.

As I sat there and listened to the admiral talking about giving away these ships, it dawned on me—why is the United States in the business of giving away ships when, in fact, we can simply sell these or lease them, and at that point the particular bill was pulled. The people who were working on it decided that perhaps we should do something different, and as a result of that, there was a committee hearing held March 21, 1996, before the Committee on International Relations and this time this particular bill was before our committee, and that is to sell ships or to lease them to Egypt, Mexico, New Zealand, Portugal, Taiwan, and Thailand, and I asked the person from the Department of Defense, the fact that they are now requesting a sale or lease of the ships, is this in direct response to the inquiry that Mr. BROWNBACK and I had over our consternation that our country was giving away excess ships. And the answer by Mr. Caines was, ''Very much, sir.''

He said, ''We have understood what the committee and the Congress have said, and therefore you will see that in that package, which I believe includes a total of 10 ships, there is only one grant, sir. There are eight sales and one lease.''

This particular bill brings in revenues to the U.S. Government in excess of one-half billion dollars, and what this amounts to is that the U.S. Navy has now changed its policy so that henceforth any excess ships are not routinely given away, they are now sold or leased to our trading partners overseas.

This is a good bill. It is a revenue generator. It is going to make a lot of money for this country, and it is good, sound foreign policy.

So I would encourage my colleagues wholeheartedly to support the passage of H.R. 3132.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for his supporting comments.

Mr. Speaker, I believe that this has been a good, sound debate on the bill. I am pleased that many of our colleagues have had an opportunity to participate. I thank the gentleman from California [Mr. LANTOS] for his supporting remarks.

This bill does make important changes in defense and security assistance authorities, and I am calling on my colleagues to support the measure.

Mr. REED. Mr. Speaker, I recognize the importance of the issues that the House of Representatives is addressing today as it considers H.R. 3121.

However, I must object to certain provisions of H.R. 3121 and the manner in which it has been brought before the House. This measure authorizes enhanced International Military and Education Training [IMET] for Indonesia, which is committing flagrant human rights abuses against the people of East Timor.

More than 20 years ago, Indonesian troops invaded the small country of East Timor, beginning a storm of violent occupation and repression that continues today. I believe that we must stand with the East Timorese against these unconscionable acts, and I am concerned that by providing enhanced IMET to Indonesia, we may send a dangerous message to the leaders of that nation.

In addition, by bringing H.R. 3121 to the floor under suspension of the rules, we will not have a full and open debate on IMET and Indonesia's aggression against the East Timorese. The suspension calendar should be reserved for non-controversial legislation. In my opinion, H.R. 3121 does not meet this test.

I regret that this afternoon, the House is not giving these issues the attention they deserve. In the months to come, I will continue to work to assist the long-suffering people of East Timor, and I urge my colleagues to join me in this effort.

Mr. HALL of Ohio. Mr. Speaker, while I support the majority of the provisions in H.R. 3121, which makes various technical amendments to the Foreign Assistance Act and the Arms Export Control Act, I strongly oppose the section which authorizes the resumption of International Military and Education Training [IMET] funds for Indonesia.

I have been protesting the human rights abuses in East Timor for some time now. Last December marked the 20th anniversary of Indonesian invasion of East Timor. Recently, the situation on the ground there has been getting worse not better. It is sobering to reflect that over the last 20 years at least 100,000 and perhaps more than 200,000 people have been killed out of a population of less than 700,000. While the vast majority of these deaths took place before 1980, harsh repression continues. The world witnessed this first hand when the 1991 Santa Cruz massacre in which the Indonesian military killed over 200 unarmed individuals was recorded by journalists.

Congress banned IMET funding for Indonesia to protest human rights abuses in East Timor. The situation has not improved and the U.S. Congress should not change this policy. It is my hope that we can prevent the funding of IMET for Indonesia in the appropriations process.

□ 1445

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CAMP). The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and pass the bill, H.R. 3121, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days within which to revise and extend their remarks on H.R. 3121, the bill just passed.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules. Pursuant to the provisions of clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 2337, de novo; and House Resolution 316, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote after the first such vote in this series.

TAXPAYER BILL OF RIGHTS II

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2337, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Connecticut [Mrs. JOHNSON] that the House suspend the rules and pass the bill, H.R. 2337, as amended.

The question was taken.

Mrs. JOHNSON of Connecticut, Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic devise, and there were—yeas 425, nays 0, not voting 7, as follows:

[Roll No. 119]

YEAS—425

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torkildsen
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—7

Becerra
Gutierrez
Hunter
Richardson
Tiahrt
Torres
Wilson

☐ 1507

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CAMP). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair had postponed further proceedings.

DEPLORING INDIVIDUALS WHO DENY HISTORICAL REALITY OF HOLOCAUST AND COMMENDING ONGOING WORK OF UNITED STATES HOLOCAUST MEMORIAL MUSEUM

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 316.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nevada [Mr. ENSIGN] that the House suspend the rules and agree to the resolution, House Resolution 316, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 12, as follows:

[Roll No. 120]

YEAS—420

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Browder
Brown (CA)

Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Rose
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torkildsen
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Becerra
Brewster
Gutierrez
Horn
Hunter
Myers
Richardson
Ros-Lehtinen
Roth
Tiahrt
Torres
Wilson

□ 1514

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1972

Mr. QUINN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1972.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1963

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that my name be removed from H.R. 1963, the Postmark Prompt Payment Act.

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

There was no objection.

A TRIBUTE TO SOPHIE REUTHER

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

Mr. TORRES. Mr. Speaker, I rise today to honor and pay tribute to a great American woman, Sophie Reuther, who passed away on February 20 of this year. This past Saturday, approximately 150 people, friends and family, gathered at the Reuther home to celebrate the life and lessons of this remarkable woman. Trade unionists from afar, from California, from Ohio, from Minnesota, from Michigan, from New England, from Canada, gathered to retell stories about Sophie's life, her hopes, her aspirations. She was a full partner with her husband Victor as they struggled for social and economic justice for workers in America and throughout the world. They were the true pioneers in the organization of the United Auto Workers of America.

Mr. Speaker, there are not enough words for me to tell about Sophie Reuther, who I had the privilege to know. I therefore ask my colleagues to read about her legacy in a New York Times obituary.

Mr. Speaker, I include this article for the RECORD, as follows:

[From the New York Times, Feb. 23, 1996]

SOPHIE REUTHER, A SOCIAL AND LABOR ACTIVIST, IS DEAD AT 82

(By Robert McG. Thomas Jr.)

Sophie Reuther, a social activist who captured the head of the United Auto Workers' co-founder, Victor Reuther, and then proved her mettle as a union organizer during the violent labor wars of the 1930's, died on Tuesday at a hospice near her winter home in Ft. Myers, Fla. She was 82 and had been Mr. Reuther's full partner in labor and in life for 59 years.

When they met in December 1935 at the Brookwood Labor College in Katonah, N.Y., where she was a student and he a visiting lecturer, Mr. Reuther was a dashing labor figure who had spent three years traveling around the world with his older brother, Walter, and had helped him found the U.A.W. earlier that year.

''I think she was impressed,'' her husband said yesterday, acknowledging that the feeling was more than mutual. She may not have had his credentials as a union founder, but as the daughter of Polish refugees who died when she was 15, Sophia Goodlavish, or Sophie Good, as she was known, had already made a mark for herself in labor circles.

A native of Middleboro, Mass., she had her first taste of organizing while working at a shoe factory and had later so distinguished herself in raising money for unionized workers during a shipyard strike that Norman Thomas, the Socialist leader, had recommended her for a scholarship to the labor college.

''She was a very prim young woman with a fund of social idealism,'' Mr. Reuther said, offering a courtly labor man's declaration of what he acknowledged was love at first sight.

Mr. Reuther, who had been profoundly lonely since his brother's recent marriage, said he was so afraid he would never see her again after her short term ended that he proposed.

She accepted, and six months after their marriage in July 1936, Mrs. Reuther, using the name Good to hide her connections to a high union official, was sent by the U.A.W. to Anderson, Ind., to help bolster support for a strike at a General motors plant.

At one point, Mr. Reuther said, while he was on his way to Anderson, his wife had to jump out a second-story window to escape an armed band of Ku Klux Klansmen who stormed the union headquarters at the urging of management officials.

''She went underground and it took me three days to find her,'' he said. Before the year was out, he and she along with his brother Roy, were purged during an intra-union fight that lasted until the Reuther faction regained power two years later.

Walter Reuther, who remained in office during the purge, also remained a marked man.

In April 1938 two gun-wielding anti-union thugs forced their way into Sophie Reuther's 25th birthday party at Walter Reuther's Detroit apartment (a delivery of Chinese food had been expected) and began pistol whipping her brother-in-law until a guest scrambled out a second-story window and began shouting for the police.

When the police, widely assumed to be in the pay of the auto makers, began a perfunctory investigation and asked Mrs. Reuther to describe the thugs, she did not miss a beat. ''They looked very much like you,'' she said.

In 1951, after an attempt on Mr. Reuther's life, the family including three children, moved to Paris, where he spent three years as the Congress of Industrial Organization's European director.

They moved to Washington in 1954, when Walter Reuther took over as U.A.W. president and Victor became his special assistant and director of international affairs.

Although Mrs. Reuther held no official union position after 1937, she remained very much a union woman, so much so that when her husband, who she believed had been neglecting his domestic duties, returned from one of his frequent trips he found a list of her demands written large in rug shampoo on the living room carpet.

Known as a women who recognized no limitation on what she could do, Mrs. Reuther obtained a fine arts degree from George Washington University at the age of 55 in 1968 and was a Robert F. Kennedy delegate to the Democratic National Convention that year.

It was during an official union visit to India that year that Mrs. Reuther left her husband with the enduring image of her humanity. At a mine near Calcutta, he recalled, a miner's widow, an untouchable, approached his wife, bent down and kissed her shoe.

Then, in a breach of caste protocol, ''my Sophie reached down and lifted the women up and embraced her.'' Mr. Reuther recalled. ''The women were shocked. The men were shocked.''

''That was my Shopie,'' he said. ''She felt a kinship with the suffering of all people.''

In addition to her husband, Mrs. Reuther is survived by a daughter, Carole Hill of Cowden, Ill.; two sons, Eric, of Washington, and John, of Moscow; a brother, Edward Bezuska of Warren, Mich, and six grandchildren.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 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 California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS 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 Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

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

GETTING GOVERNMENT OFF THE BACKS OF AMERICANS

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

Mr. FOLEY. Mr. Speaker, I certainly appreciate the opportunity, and we are glad to be back in our Nation's Capital, and obviously it is tax week. April 15 has come and gone, and the American public has obviously hopefully filled out all of their appropriate papers. But it gives us cause to look at Government and talk about how we are trying to make a difference here in Washington, trying to get Government to look at itself and reflect on what its true mission is, to look at all levels of spending, to look at all that we do in trying to determine what is the most appropriate role for the Federal Government, what would be best reserved for the States, what would we expect from our leaders.

I am particularly pleased that the National Taxpayers Union released its report on Congress. The National Taxpayers Union released its ratings from the 1995 session of Congress, the first of the 104th. I was proud to note 78 Members of this body scored an A rating. I was particularly delighted in the fact that 33 Members of the freshman class were A rated this year.

In their release, the National Taxpayers Union suggested that Members did not only talk about reduction of spending in their districts, they emphasized it here on the floor of this Chamber. They showed by their deeds and by their actions their commitment to reducing the size and scope of Federal Government.

Yes, we need to make priorities. Yes, we need to seek the direction that this Nation hopes to accomplish. But, by these ratings, we have clearly indicated, at least this Member personally, that we are prepared to make the tough votes, to bring us in balance in our Nation.

We are spending in excess of $200 billion a year that we do not have. We have a $5 trillion national debt. It is costing us $300 billion in interest payments on the debt alone to service that debt. Even in the year 2002 when we fully balance the treasury and we do not have more going out than we have coming in, we will still have in excess at that point of $6 trillion in debt.

Now, when you are spending $300 billion alone this fiscal year on interest payments, no principle reduction, you are clearly spending that $200 billion, and you are spending in excess $100 billion further in reducing the debt. Without that $300 billion you would have a surplus revenue to the treasury of over $100 billion.

So part of the significant concern is reducing the debt, ratcheting it down, much like an individual does on a 30-year mortgage. They start paying down the debt, small incremental principle reductions, in order to bring down that devastating debt burden on our Nation.

If the Members would think of $300 billion of free flow cash that could be used to enhance programs, actually you would have $100 billion, but you take that toward education, pre-K programs, Head Start, things vitally important to getting our Nation's youth up and running so they enter first grade with reading and writing skills, basic skills, in order to become productive.

I talked a little bit about what we tried to do in the crime areas in this Nation. It is time we stop coddling the criminals. I was entirely depressed the other day when I read the story about the gentleman from Texas who had committed sexual offenses against minors, who was being released from prison, and readily acknowledged that he would commit the crimes again. In our society we suggest that he be released and we put a monitoring bracelet on him.

Here is a man that indicates he is going to perpetrate crimes against children, he may kill his next victim, and our Nation releases him. The penal system in Texas releases him because they claim they cannot hold him any longer. The mere utterance of the fact that he threatened bodily injury on another human being I think should have proven beyond a reasonable doubt that he should have been held in custody.

If we are going to get tough on crime, we are having to get tough on sentences like this, where they are releasing perpetrators of serious felonies against children out into our society. We are not going to prove to the young people of America that crime does not pay, if in fact they witness daily people being released by judges, released by prisons, serving half the time allocated by the judge, serving 25 percent of the allocable time.

We tried to mandate we will not provide prison funds for States if they do not require serving 80 percent of sentences. We come up with gimmicks like ''three strikes and you're out.'' What is wrong with the first strike? Why do we need baseball metaphors to feel safe in our homes? Why not put them away the first time.

When kids bring knives and guns to school, do not suspend them from campus. Do not send them home into the communities with guns and knives so they can rob homes while we are working. Put them in a boot camp. No marine wants to go back to basic training. Once they have completed it, they never want to return to basic training.

The same could be held for our young juvenile offenders. If in fact they commit these types of crimes, put them in a boot camp and make them serve a sentence so they will not commit a crime again or will think twice about it.

We can make a difference in America in this Congress. We can get tougher on criminals. We can balance the budget and save the Nation from fiscal collapse. But we must act now in the week of IRS' big gulp. Let us get the taxes reduced and Government off our backs.

TRIBUTE TO THE LATE THOMAS JAMES PETTEWAY

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

Mr. FRANKS of Connecticut. Mr. Speaker, Thomas James Petteway was a civic leader who was needed at his time, but he was also a civic leader who was truly ahead of his time. And for all of us who knew and loved him, Tom will be missed by us all the time.

For his sisters and brothers, in-laws, nieces, and nephews and the many cousins, especially those that make up the branch of the Petteway family, now led by my mother Jenary Petteway Franks, we all loved Tom Petteway.

But Tom was easy to love. Family came first with Tom, And he loved his family.

He as a likable person. He was a good, decent individual.

Anything Tom Petteway did, he did it well, And he did a lot. He served his country in the Army during WWII with distinction. He later presided over an area veterans club. He was an active member of the community.

Tom was an active member of the Republican Party. Back when Tom registered to vote most blacks registered with the Republican Party. Unlike many, Tom stayed with the Republican Party over the years.

I remember white old timers in the Republican Party telling me stories about Tom Petteway.

I remember blacks, like Kay Wyrick, telling me about the Black Republican Club in which Tom headed at one time.

Whites and blacks talked of Tom with sincere affection and admiration. But who could not remember his distinctive voice. Tom was a proud, articulate, well-educated man whose mere presence was felt by all whenever he appeared in a room.

Tom served the city of Waterbury in an official capacity as a member of the Welfare Board.

He served as president of the Waterbury Chapter of the NAACP during one of the most contentious civil rights periods.

Without any doubt Tom Petteway distinguished himself as one of Waterbury's leading black civic leaders.

Tom Petteway was a pioneer. Tom Petteway was ahead of his time.

It was easier for my generation of black leaders because of people like Tom Petteway.

That is why people from my generation need to pause and thank people like Tom Petteway for blazing the trail for us.

And, I do that again today.

When I was starting out in Republican politics back in the early eighties, it seemed as though Tom was always at the big events.

He offered me a great deal of encouragement and he also gave me little tips from time to time, like for example: He said you may go to a meeting but what you may not realize is that there may have been a meeting before the real meeting in which you were not invited.

It was not long before I too found that to be true.

When the big Republican events turned out to be events for me, Tom was always there to offer his support. He was not feeling well all the time but he was always there.

As a Congressman I frequently made it my point to stop by the West Haven Veterans Hospital to see my cousin Tom. And, he was well known there too.

Tom Petteway was a leader in this time. Tom Petteway was ahead of his time.

But for those who knew Tom, we are grateful that he lived during our time.

☐ 1530

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

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

REMEMBERING SECRETARY RON BROWN AND THOSE WHO PERISHED WITH HIM

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

Mr. WISE. Mr. Speaker, I rise today to remember still, as we are all still feeling, those who were on the plane with Secretary Ron Brown. It was a loss that this country feels now and is going to feel for quite a long time.

In West Virginia we feel this deeply, the lose of the Government personnel, the military personnel, the private sector personnel. In addition to Secretary Brown we lost William Morton of Huntington who was buried Saturday in Huntington, who was long time involved in so many things that made this country great: political campaigns and working with Secretary Brown in a number of capacities.

He grew up and graduated, went to Huntington High School and went on to make his mark in so many different areas. I give thanks for his life and that of Ron Brown's. With Secretary Brown he was a man of composure, a man of pragmatism, a man of obvious intelligence, and a compassionate man.

So many stories that each of us has about Secretary Ron Brown. I remember one. He visited Martinsburg, WV, at my request somewhere around 2 years ago. We had a celebration, he was kicking off a compressed natural gas vehicle caravan. We had bands out there, and there were two little children that were making presentations.

I still remember that Secretary Brown was there surrounded, by Members of Congress and the State leadership and the city leadership and the county leadership, and everybody's in a suit looking very official, and these two little girls. One of the little girls was making a presentation in the microphone, and of course she was dressed in her Sunday best, and she was a little awed by all of this and she had trouble with a couple of her words. Secretary Brown nodded very patiently, went over and leaned over and said take your time. Just take your time. She smiled and finished like a champ.

Secretary Brown was, we liked to kid him, he was a property owner in West Virginia owning property in the Canaan Valley. But I think what he will be remembered for, so much he will be remembered because more people are working today in this country because of Ron Brown. There are more opportunities for people today in this country because of Ron Brown. There are more jobs that have been created in this country today because of Ron Brown. There are more trade opportunities here and abroad because of Ron Brown.

The Commerce Department, which has been a traditional backwater for many years, is a thriving vibrant department today because of Ron Brown. In so many areas we see his hand and we are going to miss that guiding hand.

The testimony of Ron Brown, well, there are so many testimonies, but I know one. As well as being a member of the Democratic Party, he is the one who put us back on track. He took a demoralized party and turned it, in just a few short years, to one that won the Presidency for the first time in 12 years. A tribute to Ron Brown is how many of us, how many people who came in contact with him called him friend.

I was at a meeting in Missouri this week, Republicans and Democrats alike, as well as foreign parliamentarians, and Ron Brown's name came up. And all of us stopped and every one of us had a story to tell about Ron Brown. Every one of us wanted to tell that story. Every one of us knew him as friends. Ron Brown was our friend. He was a friend of America's and we miss him. We miss him, very, very much.

THE RICKY RAY HEMOPHILIA RELIEF FUND ACT

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

Mr. GOSS. Mr. Speaker, a majority of the House now agrees that we should provide compassionate assistance to the 8,000 victims of hemophilia-associated aids. The Ricky Ray Hemophilia Relief Fund Act—which establishes a compensation program for the victims of this tragedy—now carries 219 bi-partisan cosponsors. I introduced the Ricky Ray Bill—which is named for a constituent who was 15 when he died of hemophilia-associated Aids in 1992. We started with two dozen sponsors.

But each week for the past year the support for this measure has grown thanks to the awesome grassroots participation of the victims of hemophilia-

associated Aids, their families and their friends. These folks have put aside their differences, rallied together and learned to use the legislative process to further their goals. I am extremely proud of their work and pledge to redouble my efforts to make sure this bill gets heard during this Congress.

Hemophilia is an inherited blood-clotting disorder causing serious internal bleeding episodes that, if left untreated, can lead to disfigurement and even death. To help control and prevent such bleeding, hemophiliacs rely on blood-products, which are manufactured and sold by pharmaceutical companies. Because these products are made from the pooled blood of thousands of people, the potential for infection with blood-borne disease among those who use them is very high, something that has been well-known for decades. In fact, since the 1970's, the hemophilia community has grappled with the serious consequences of hepatitis, a debilitating chronic illness. But in the early 1980's, a much more deadly villain struck, as nearly one-half of all people with hemophilia in the United States became infected with the virus that causes aids. Today they are dying at a rate of about one each day.

Mr. Speaker, we have long argued that the Federal Government shares responsibility for this devastating situation, because it failed to respond to the early warning signs that Aids was transmissible by blood and blood products. During the early years of Aids, repeated opportunities to reduce the likelihood of contaminated blood entering the supply of blood products were missed.

This conclusion was supported by a 2-year study, conducted by a distinguished panel at the institute of medicine. In a report entitled ''HIV and the blood supply,'' the IOM panel concluded that the Federal agencies missed opportunities to protect the public health because they consistently chose the least aggressive response to the early warning signs. The report concluded that the system—which was charged with protecting the blood supply, ensuring the safety of manufactured blood products, and informing the public of risks—failed to deal with the relatively well-known problem of hepatitis and was therefore unprepared to confront the crisis of Aids. Mr. Speaker, the premise behind the Ricky Ray bill is that the Government has a unique responsibility for regulating the safety of blood products, based on a Federal blood policy and several major statutes that establish the regulatory framework for blood.

Members should also understand that the legal system classifies blood products in a unique way. Even though they are commercially marketed and sold, blood products enjoy special status under the so-called ''blood shield'' laws of every State, which protect against product liability lawsuits.

Given these facts, we have concluded that Government has a unique obligation to assist the victims and so the Ricky Ray bill authorizes the creation of a trust fund, administered by the Attorney General, to provide $125,000 in assistance to each victim who meets strict eligibility criteria.

The trust fund would sunset after 5 years, would be capped at $1 billion and would be subject to funding through annual appropriations.

Mr. Speaker, the United States has yet to set up an assistance program, even though more than 20 other nations have done so. Just last month the Government of Japan and five drug companies—including several American firms—agreed to provide the equivalent of $430,000 to each of the estimated 1,800 victims in Japan, with the government paying 44 percent and the companies paying 56 percent.

It is time the United States took its share of responsibility for what happened to 8,000 American hemophiliacs during the 1980's. Please join the majority of bipartisan support of the Ricky Ray Hemophilia Relief Fund Act.

SEEKING AN HONEST DEBATE ON THE ISSUES WITH REGARD TO BILINGUAL EDUCATION

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

Mr. UNDERWOOD. Mr. Speaker, today I would like to respond to assertions that English-only proponents are making about bilingual education in their efforts to advance their cause.

Yesterday a Member came to this floor to praise Mr. Thomas Doluisio, for his fight against bilingual education. The Member went on to say that the National Association of Bilingual Education officially condemned Mr. Doluisio at their 1994 convention. This information, taken from a Wall Street Journal editorial by John Miller of the Heritage Foundation and Center for Equal Opportunity, is not accurate. The National Association of Bilingual Education has never condemned any individual officially or otherwise, including Mr. Doluisio. His story may have been discussed among bilingual educators, but this is a far cry from official condemnation by a respected national organization. I am informed that a letter was sent by the National Association of Bilingual Education refuting the Wall Street Journal article.

There have been other statements made by English-only proponents that I take issue with. One of the statements continuously used by English-only advocates is that bilingual education costs the taxpayers $8–$12 billion a year. This figure is inaccurate and is an exaggeration of the costs of educating bilingual children. The $8–$12 billion is the total cost of education for children who are limited English proficient, not just students being taught in bilingual programs. Furthermore, it multiplies the total cost of educating these children not just the marginal cost of bilingual education. If we wanted to save $8–$12 billion, we'd have to kick these 2.3 million kids out of school entirely!

In fact, the Institute for Research in English Acquisition and Development Journal, funded by U.S. English, an English-only advocacy group, has now come forth and stated that the $8–$12 billion figure is misleading. The true cost of bilingual education is the additional funds necessary to shift from a monolingual English program to a bilingual program. The total Federal expenditure for bilingual education is $156 million not $8–$12 billion.

This week the other body will debate the Immigration Control and Financial Responsibility Act. During that debate, an amendment to include an English-only requirement will be offered. It is clear from this maneuver that proponents would rather dodge a floor clear from this maneuver that proponents would rather dodge a floor debate on a separate English-only bill. The administration has recently announced its support of the Senate immigration bill, but if English-only language is included members of Clinton's cabinet are certain to recommend a veto.

I am not pointing these things out in an effort to discredit those who are not being totally honest in their arguments. What we seek is an honest debate on the issues, not a war of anecdotes and imaginative mathematics. Let's stick to the facts and keep fiction out of this debate.

□ 1545

I dare say that I am probably the only Member of this institution who has been a bilingual education professional, and if anyone in the House wants to understand bilingual education at its very basic and grassroots levels, I stand open to be contacted.

PERSONAL EXPLANATION

Mr. FLAKE. Mr. Speaker, last night I missed rollcall No. 117. Had I been present, I would have voted ''nay'' on it.

D.C. EMANCIPATION COMMEMORATION SPEECH

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

Mr. MANZULLO. Mr. Speaker, today commemorates one of the most significant events that has ever taken place in the history of this great country. One hundred thirty-four years ago today Congress emancipated over 3,000 slaves owned by residents of the District of Columbia. This city's slaves were the first to be freed in our country—9 months before President Abraham Lincoln's Emancipation Proclamation took effect on January 1, 1863.

Sometime in the early 1860's, while this Nation was embroiled in a civil war, a conversation took place between Senator Charles Sumner of Massachusetts and President Abraham Lincoln. Sumner asked the President, ''Mr. President, do you realize who is the largest slaveholder in the United States?'' The President had to think, and the Senator said, ''It is you, Mr. President.''

At the time there were over 3,000 slaves in the District of Columbia who were stuck in slavery and bondage and could be freed by an act of Congress. That conversation began a monumental epic in the history of this country. Within a short period, the House of Representatives and the Senate passed legislation, and on April 16, 1862 President Lincoln signed the D.C. Emancipation Proclamation.

Mr. Speaker, let me read to you from a history of the Nation's Capital written by M. Bryant in 1960 that explains the significance of the D.C. Emancipation Proclamation. He said:

> The proclamation brought to a close an issue about which the anti-slavery Congress had raged for years. As well as placed on the statute books the preliminary measure of what proved to be national policy that would not merely destroy the chains from the slaves, but raise them to civil and political equality.

That was done with an act of Congress.

The Congress could not really set free the slaves in the District of Columbia though. What Congress did was to recognize what God intended from the beginning: that all men are created equal, and all men are created free. All Congress could do was to recognize that which God had intended.

Abraham Lincoln affixed his signature to that great document. That began the pealing of bells in the District of Columbia. The pealing of the bells said the Nation's Capital shall no longer be a stronghold for slavery.

Here are the words of the document that was the precursor of the Emancipation Proclamation:

> Be it enacted by the Senate and the House of Representatives of the United States of America, in Congress assembled, that all persons held to service or labor within the District of Columbia by reason of African descent are hereby discharged and freed of all claims of service of labor. From and after passage of this Act, neither slavery or voluntary servitude shall hereafter exist in said district.

Those were the words.

Nine months later he did something else quite significant. Spurred on by Congress to set the slaves free in the District of Columbia, President Lincoln, by Executive proclamation, issued the Emancipation Proclamation. Two years ago, I took to the Library of Congress my family and Loretta Carter Hanes—the wonderful lady who, along with her son, Peter, has revived the D.C. Emancipation Commemoration ceremony in this city. There, we read the words of one of the original drafts of the Emancipation Proclamation. It was an extremely moving event. Reading these words, Loretta's knees buckled and she turned to me and said: ''I have to sit down because of the majesty of seeing one of the original drafts penned by Abraham Lincoln.''

This is one of the few documents Lincoln signed with his full first name, ''Abraham''. Lincoln did this because he wanted these two documents, the two Emancipation Proclamations, to be among the most remembered and revered of everything that he signed into law as a President. Listen to these words:

> That on the first day of January, in the year of our Lord, 1863, all persons held as slaves within any State or designated part of a State, the people whereof shall then be remanded as the United States, shall be thenceforward and forever free.

REPUBLICANS CARE ABOUT THE ENVIRONMENT

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

Mr. MICA. Mr. Speaker and my colleagues, I took to the floor earlier today in response to charges from the other side.

With Earth Day coming up, the other side is bashing Republicans. Republicans are going to hurt the environment. They send an incorrect message to the American people. Let me take, if I may, a few minutes and set the record straight.

First of all, probably most of the Members and the young people who have come here to serve in Congress do not realize, Mr. Speaker, that in fact the Environmental Protection Agency is a Republican idea. It was started and proposed by President Nixon in 1972. But the idea was not to create a huge bureaucracy. The idea was to set some national standards, because Republicans want clean air. Republicans want clean water. Republicans want clean land. We have children. We breathe the air. We drink the water. We want our children to inherent a land that is environmentally protected and clean and secure.

So it is a Republican idea that we are talking about. But the idea was not to pay more and get less. In fact, the Republican idea was to set some national standards of regulation. But let us look at what has happened. Just take a minute and look at this. Since today, we have 18,000 Federal bureaucrats in the Environmental Protection Agency, not to mention thousands of contract employees, and their job is to pump out rules.

You think they might be in my State of Florida, but in fact they are scattered throughout 10 regional offices and 1,000 at a clip there. Then here in Washington, DC, we have 6,000 EPA employees within almost speaking distance of my voice.

Mr. Speaker, we have 6,000 EPA Federal bureaucrats who, again, their responsibility is to pump out more rules and regulations and justify their bureaucracy and their rulemaking ability. So we have seen that bureaucracy grow. In 1972, we did not have 47 of the 50 States that have full-blown environmental protection agencies. Almost every city, every county, every State has full-blown authorities.

Let us look at the programs that they talk about, the gentleman from New Jersey came back and talked about. Do these programs work? Are we making polluters pay? Look at this headline from 1993: ''EPA Lets Polluters Off Hook.'' So polluters are not paying under the current law. So this misinformation is incorrect.

These are the facts. Now, of the sites that we have in Superfund, a program which was well-intended, are we cleaning up the Superfund? Wrong. Look at the number of sites. We have over 2,000 sites, and only a handful have been cleaned up at great expense. So we are not cleaning up the sites, and that is according to GAO reports. They do not want to deal with the facts. Then a GAO report that was released in 1994, it says: ''Are we cleaning up the sites that are most hazardous to public health, safety and welfare? And the answer is no.''

The report says EPA does not use risk to set priorities. You know what drives the cleanup? Political pressure. That is what this report says. That is what Republicans are trying to change. We say why pay more and get less? Superfund is a disaster. You know who gets the money in this? The lawyers and the people who do studies. About 80 percent of the billions of dollars that are expended on these programs go to the lawyers and the studies.

Mr. Speaker, I sit on the committee that oversees EPA. You know who does the studies? Another report by the General Accounting Office showed that the largest percentage of contractors are former EPA employees. An incestuous relationship. So this is what they want to keep. They want to keep the pollution. They want to let the polluters off the hook. They do not want the sites cleaned up that are hazardous to our children and our future. They want to pay more and get less. They want the attorneys and these fat cats from EPA who have gone into the private sector to keep milking the cow because the taxpayers are paying. This is what the argument is about, and the American people and this Congress must listen.

Republicans care about the environment. Republicans care about the land and the water and the air we breathe. The thing is, we are not getting our money's worth. The thing is, people are out there busting their buns to send money to Washington, and this is where the billions are going and the hazardous waste sites are not being cleaned up and priorities are not being met and promises are not being kept.

THANK YOU TO MY WIFE

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

Mr. DORNAN. Mr. Speaker, my colleagues and the broad C–SPAN audience of a million people or more, sometimes a million and a half when we are having a hot debate here on public policy, I watch in 1-minute speeches at the beginning of some days hear Members from both sides of the aisle get up and proudly talk about a little league team, a professional basketball team, a professional baseball team, or some worthy American citizen in their district who has passed away who lived a great life and contributed to the overall greatness of our country and to the benefit of their fellow citizens. But today I rise to do that very thing for someone very close to me, my wife. Today is her birthday, but it is also our 41st wedding anniversary. Last year it was the day that I declared for President in the city of by birth, the island of my birth, Manhattan, in New York City.

It was Easter Sunday last year, the 16th, and we went to mass in the beautiful cathedral where I was baptized, the seventh largest church in the world, St. Patrick's Cathedral in New York. On that beautiful Easter Sunday, we went up to the baptismal font where I became a Christian and we retook our wedding vows, and this last year has been one of the most exciting, delightful years of my life, running, fulfilling a boyhood dream for the Presidency of this great United States.

Mr. Speaker, I just want to thank my wife for putting up with an Air Force fighter pilot who ejected twice, saved a couple other aircrafts, landing in dangerous conditions without any power, dead-sticking, almost lost at sea once, traveling around the world in dangerous areas. The plane that killed our Commerce Secretary Ron Brown was the very airplane that Mr. CALLAHAN flew on not 4 weeks before, 3 weeks and 6 days before. Four times I flew with that same wonderful Air Force crew. About seven of the eight on that crew were with SONNY CALLAHAN's crew and BOB STUMP of Arizona and myself. Great, fine young people.

We flew into some dangerous fields, Tuzla, in a snowstorm, Sarajevo in a snowstorm. That could have been me. It could have been six Members of this House instead of 24 CEO's, 35 people overall, including Ron Brown. But it is not easy being married to someone that is living a life of adventure and trying to serve his fellow countrymen, giving up wonderful opportunities in media to make a lot of money and still contribute significantly.

I just want to thank my wife, Sally Hanson Dornan, for putting up with me for 41 years, giving us five beautiful children, all of them charging conservatives of principle.

This year, on the eve of the Iowa debate, I won the Presidential election because I got a 10th grandchild. And I woke up this morning to my granddaughter handing me Molly Dornan, looking at that beautiful, precious face. We have had all 10 grandchildren together for the first time over this Easter week, and I am just overwhelmed that I have so many blessings from God to account for an to never retire, to just find some way to serve my fellow Americans.

We spent Saturday all day at Mount Vernon. What an inspirational point in American history, the birthplace of the Father of our country, first in war, first in peace, and first in the hearts of his countrymen.

□ 1600

That was the first time I would be back to Mount Vernon since my dad took my two brothers and me there in 1941 in the summer, right before we were drawn into World War II, and I remember those 8-year-old boyhood memories of the beautiful vistas of the Potomac, but I did not remember the house, and what a humble way, in spite of the dark clouds of slavery over that plantation and that Washington freed his slaves on the death of his wife, which happened 4 years after his own. He died at age 67; Martha died at age 70.

But you walk through those small bedrooms, wooden floors, looked at the bed where George Washington died, and thought what great dreams he had for this country, this man of character, how far we have fallen in some areas, then the promise that Washington, Adams, Jefferson, Madison, the Father of our Constitution, Abraham Lincoln, fighting Teddy Roosevelt; all these Presidents, so many of them general officers that were shot and wounded in combat.

Washington, when he was with Braddock, was 1 of only 4 officers out of 100 that were not wounded. Thirty-eight of them were killed, and he said only by God's hand was he saved, and he was 23 years old and he wondered why.

Mr. Speaker, that is what I wondered when I bailed out of the jet the second time at 23, wondered why did God keep me around, and hope I am not disappointing anybody. I will continue, Mr. Speaker, to keep fighting for faith, for family, and for freedom, and again I thank my wife on here birthday for 41 wonderful years.

DOD MEDICAL AND DENTAL SUPPORT CONTRACTS

The SPEAKER pro tempore (Mr. COBLE). Under the Speaker's announced policy of May 12, 1995, the gentleman from North Carolina [Mr. JONES] is recognized for 60 minutes as the designee of the majority leader.

Mr. JONES. Mr. Speaker, I rise this afternoon along with my colleague from the State of Georgia, Mr. NORWOOD, to talk about our military health care system, specifically to discuss TriCare and its implementation.

I believe there are a number of important issues this body needs to address. The long-established ways of providing medical care for soldiers, military retirees, and family members are changing. As the bond with Korea's soldiers for lifetime medical care is being redefined, the historic promise of free lifetime medical care is coming face to face with the fiscal realities of the post-cold war.

The most significant change in military health care is the introduction of TriCare, the Defense Department's regional managed care program. It is my understanding that TriCare is intended to provide high-quality, low-cost, successful care to dependent and retiree beneficiaries by partnering with civilian sector health care providers. The change has begun in selected areas of the United States and is scheduled to be fully operational in the continental United States and Hawaii by 1997.

As we closely watch TriCare evolve, it seems that several outcomes appear apparent. Throughout the transition, Congress will examine TriCare closely, and alternatives to TriCare will be considered if problems of access and cost escalate and TriCare is unable to provide a uniform benefit.

Mr. Speaker, at this time I would like to yield to the gentleman from Georgia [Mr. NORWOOD].

Mr. NORWOOD. I thank my friend from North Carolina, and I am honored to share this time with you.

Mr. Speaker, we are grateful for the opportunity to bring to you a very complex subject, and I hope that we can bring this down to a point where the people understand what we are talking about in terms of a national problem and by bringing it to you on a very local level.

Now, I want to say up front I have the highest praise for the Department of Defense medical care system. In my district, the Eisenhower Army Medical Center is an outstanding example of how the Department of Defense provides the highest quality medical care to its military beneficiaries. However, with the military drawdown, this has forced many of our military families and our retirees out of the military hospitals and clinics. Under the new DOD medical management care system, now called TriCare that you referred to earlier, many of these beneficiaries are treated by civilian medical and dental care providers through the use of managed care contractors.

Now, the intent, I believe, of the Department of Defense is to use these contracts to be sure that our military retirees and our active-duty dependents have access to care, and quality of care, but at the same time manage the health care costs; in other words, try to bring that cost down.

Now, if this is done well and properly, I believe these managed care contracts can successfully augment the outstanding care that is now being provided in our military hospitals and dental clinics all over the country; in

fact, the world. But if this is done poorly, the effects on the military beneficiaries could be devastating, and I think we are going to see some of that as we go through this today.

These medical and dental contracts are worth billions of dollars to civilian managed health care companies. The financial advantage to these companies in securing a DOD contract is clearly very obvious, and we must insure that the value of the services that they provide is equally as obvious to our military beneficiaries as well as to the American taxpayers, and at this time the General Accounting Office and the Congressional Budget Office are not convinced that the TriCare program can do what it is supposed to do in its current form.

Serious, serious questions have been raised in congressional hearings about questionable procurement procedures, uncertain budgetary projection, unresolved compliance violations by contractors. Last August, just last August, the GAO stated that the members of the DOD source selection evaluation board, and I will quote, ''have little or no experience with private sector managed care plans and thus have difficulty distinguishing among offenders who can perform effectively in the private sector and those who are less effective insuring quality care and controlling costs.''

Now, that is what the GAO said. At a congressional hearing last month that Congressman JONES and I were both able to attend, the Assistant Secretary of Defense for health affairs was unable to list any substantial improvements in the way medical and dental managed care contracts are procured since that last GAO report. The GAO revealed unresolved concerns about the abilities of DOD to evaluate the effectiveness of TriCare programs and to measure the performance of the TriCare contractors.

Now, this is going to be very important, I say to the gentleman, Congressman JONES, as we get into our story here to show how this is actually happening. An earlier Congressional Budget Office estimate suggested that TriCare will increase DOD's cost of health care delivery, says it will increase the cost of health care delivery despite the statutory requirement that TriCare not raise Government costs.

In addition, CBO projects that DOD will not be able to meet its congressional mandate of offering beneficiaries a more uniform and stable benefit nationwide.

Now, we are going to lead into all that when we talk about one little tiny town in this country.

Despite these findings, an article in the December 27, 1995, Washington Post noted that the Foundation Health Corp., which is a TriCare contractor that manages 5 of the 12 TriCare regions now, pays its chairman and CEO an annual salary of $6.1 million. This is the highest paid or compensated health care executive in the United States.

Within a few days of this, after last month's TriCare hearing, articles appeared in each of the Army, Navy, and Air Force Times which described access problems with the new contractor of the TriCare family member dental plan.

Now, that is about to get into where we are going.

This program provides comprehensive dental benefits to dependents of active-duty personnel and has historically been one of the Defense Department's most popular and successful health care programs.

The problems reported in these articles certainly raise questions about whether DOD's confidence in the process it claims to have made in the area of procurement reforms is truly justified. These reports strongly suggest that the very problems GAO found with TriCare medical procurements may now extend as well to the dental contracts.

Now, we want to try to discuss this afternoon a case where our fears about TriCare are real, happening to real Americans, and I am talking about a TriCare dental contract in Mr. JONES' district where patients, meaning military dependents and retirees as well as the dental providers, are living a pure nightmare.

I would ask my colleagues if he wishes to tell us a little bit about what is happening in Jacksonville, NC.

Mr. JONES. Well, I really appreciate having this opportunity, knowing of your background and your interest in providing for adequate medical, both health and dental, plans for our military and retirees. You and I share this same commitment to our retirees and to those serving on active duty and to their families to make sure that they get the very best medical care, both physical and dental.

I will have to say, back in, I guess, January of this past year, I happened to be down in Jacksonville, which is the home of Camp Lejeune Marine Base, and we are very proud to have Camp Lejeune in eastern North Carolina, particularly in my district.

Well, a group of dentists wanted to talk to me, and I will be very honest with you, I was very unfamiliar with the dental plan because it was something new. I think the Concordia is now the provider of this dental plan, and in the past, and I hope you are in touch with this in just a couple of minutes, Delta had been the provider.

Well, according to these dentists that I met with, they had a tremendous concern about the fact that they were going to have to provide this dental care with a less fee, and they had it well broken down and documented as to the amount of money that it cost them to provide adequate medical care to the military family and the retirees, and the fact that Concordia was asking them to take a very, very significant decrease, and they were showing me with documentation how they could not afford to provide this dental care for the military at Camp Lejeune.

Well, when I came back to Washington, I met with my military person, and we started looking into this matter, and in addition to what I heard when I was in Jacksonville, also these dentists were telling me, and, CHARLIE, they have been doing work with the military for years and years, and they were telling me that they were being threatened that if you do not buy into our contract, we will put our own dentists down here in Jacksonville to provide the dental service.

So this is what really made me very upset because again my concern is for the dentists, but also my concern is for the military and the retirees, and what I was trying to do, and the reason you and I developed this relationship on this issue, is because you and I both share the concern with what the Department of Defense is doing. And I would appreciate if you would share with me and those that might be watching us this afternoon a little background on how DOD decided to go with Concordia, and my concern is that DOD is not, does not, have the proper oversight on the actions of Concordia as they are, in my opinion, intimidating many of the dentists in my district.

Mr. NORWOOD. If the gentleman would yield, Congressman JONES, you have been hearing a lot, I know, from your constituents back home, and I have been hearing a lot from some of your constituents, too, because I practiced dentistry for 25 years, and I think they know and realize that I can understand what the problem is.

Concordia is a managed care company. There are no health care providers there. They are managed care entrepreneurs, and as a Department of Defense put out bids to see who would manage the dental care for all of the Nation's retirees and so forth, Concordia bid on it. Now Delta dental plans had been running the same type of contract for something like 8 years; my understanding is all, if not most, of the dentists in Jacksonville were signed up with this particular managed care company, and it is a discounted fee, and everybody seemed to be pretty happy in that area with Delta dental plan, and I will have to tell you this thing with Concordia is not just in North Carolina, but it is nationwide. This is a $1.7 billion contract.

Now that interests entrepreneurs. That is a lot of money. Yet Concordia, by most measures, would be considered a very small company, and they were interested in this contract for a couple of reasons: No. 1, if they get it, then that would put them into a position to go nationwide, and in the long run we are talking about lots and lots of money.

□ 1615

Concordia came to the dentists in Jacksonville, NC, I think there were about 40 in a town of about 75,000 people, all of whom or most all of whom are connected with the military, either retired, one way or the other. These 40

dentists were already treating the people from LeJeune and in the area of North Carolina. They came to these guys and said, ''We won the bid. We would like for you to come work for us.''

They said, ''We have been doing this for a long time with Delta Dental. What do you have?'' Concordia said, ''We want you to sort of do the same thing, but we are going to have to cut your fees by 20 percent, 20 to 25 percent.''

The problem with that that Concordia should have known is that most dentists practice with an overhead of about 70 cents. Another way to say that, for every dollar that comes in, the dentist gets to keep 30 cents of that dollar. Then he pays 15 cents of that to the Federal Government. Concordia comes in and says, ''We are going to take 25 cents out of that dollar,'' which means there is no way they could do that. They cannot make a living, they cannot stay in practice. It particularly affects a smaller town like this, because all of their patients are wrapped up and already involved in this.

Concordia put this to the dentists and the dentists, as I understand it, simply said, ''Sorry, we can't do this. We can't make a living. We can't offer any kind of quality of care. We cannot do it.'' So none of them have signed up.

I do not know if Concordia underbid Delta Dental to get the contract so they could grow nationwide. I do not know what they did in terms of their bid. But they have gone to the providers of health care and said, ''We can't pay you enough for you to make a living,'' and the providers of health care in North Carolina said, ''Sorry, we can't be involved in that.'' Then comes the pressure. Your constituents are getting pressure from a big insurance company that is hired by the Department of Defense. That is how then we get involved.

Mr. Speaker, it is not just the Jacksonville dentists. They are not alone in the rejection of this Concordia managed care company. The previous contractor, Delta Dental, had a provider network across the Nation of 113,000 dentists. Only 33,000 of that 113,000 agreed to sign up with Concordia. The Jacksonville dentists shared the opinion of the other 80,000 dentists across the country that will not sign up with Concordia because it is purely unacceptable. You cannot practice that way.

Mr. JONES. Let me ask the gentleman, before he became a Member, since he was a dentist, is it not true that the dentists, and you explained this 30 cents out of a dollar, I believe you said, they work on a very tight margin, so many times these dentists, even though they might have been in business for 10 or 12 years, they still owe for equipment, they still owe moneys on the facility itself.

So the concern that I had when I first heard about this was the fact that Concordia, if you will let me use this word, seemed to come in there in a very roughshod way to say, ''You either buy into our plan, or we are going to hurt your business by putting our own people in.''

If you do not mind touching on that, I think you might have just a moment ago, but do you not see a problem with a company that has been OK'd, so to speak, or approved by the Department of Defense going into a community that has welcomed and loved the Marine base, it has been there for years and years, and then they come in and say, ''If you do not accept our fee structure, which is quite a reduction from what you had previously, if you do not follow our orders, then we are going to go in direct competition with you.'' Is that any way to build rapport in a town where you have a military facility as important as Camp LeJeune?

And not only the providers or the patients, none are happy with a situation like that, but my understanding is they threatened to come into town, build a new clinic and import people from outside, in effect closing down 40 families, 40 offices in town who had been there doing the right things all these years.

It is also my understanding, and it is a pretty clear understanding, that there is a real effort by Concordia to characterize the local dentists as selfish and uncooperative and unwilling to accept a discounted fee. But they have been doing that for the past 8 years with Delta Dental. The difference is that Delta Dental was paying them enough to make a living and they could still offer a good quality of care.

The problem here, WALTER, as I see it is that the Department of Defense, in fact CHAMPUS, selected this company, Concordia, Inc. This company has come under serious fire from patients and providers since it replaced Delta Dental earlier this year.

We think, and we are looking into this, as you are, too, but we think there are certain deficiencies going on in the Concordia contract which I alluded to when I opened. The Congressional Budget Office alluded to it, too, that we basically do not have oversight of a situation like this.

Concordia has not been able to establish an adequate provider network, meaning they do not have enough dentists working for them. Therefore, the patients, the military dependents and retirees, do not have as many choices. They do not have access to patients, which is one of the very first things the Department of Defense said they wanted to make sure that we had.

Concordia has inadequate claims services, creating, really—that causes a serious financial crisis, not only for your patients, but also for the providers. They have been accused of making changes in the procedure codes during claim processing. Another way of saying that is that they go in, and if a provider puts a particular code down for a particular procedure that is supposed to pay *x* dollars, Concordia does not mind changing that code so it will pay fewer dollars. In other words, that is another way for them to make up for the fact that perhaps they underbid this contract.

There have been unresponsive and most certainly uninformed service representatives causing delays in treatment and delays in claims processing. It has gotten to the point where there are just hostile relations down there between this managed care company—and again, that is not people who do any type of treatment, they are managed care, they are health care entrepreneurs—and the providers.

Mr. JONES. When the gentleman has approached the Department of Defense, I know the gentleman mentioned in his earlier statement that we did have a hearing in one of our military committees and this subject did come up, but knowing that you have done an extensive amount of work, you and your staff along with my staff, will you tell me what your response has been from the Department of Defense when you say. ''What in the heck is going on?''

Mr. NORWOOD. Mr. Speaker, we have been assured that everything is wonderful, that everybody is doing exactly what they need to do, that patients will have all the access to care that they possibly want, and that there are really no problems.

You know, I want to just point out a little small inconsistency in that. DOD says that the Concordia dental network is adequate, meaning there are enough dentists to provide the care that the patients need. Since the size of this network determines access, which you mentioned and I mentioned, which is so important, that beneficiaries have to dental care, how did the DOD determine what constituted an adequate network?

The previous dental provider was Delta Dental. When they were first granted the contract from DOD, CHAMPUS determined that their existing national network, they had 90,000 dentists, and CHAMPUS said, ''That is too small.'' They required Delta Dental to go out and hire more people to work.

Concordia stated that their goal for an adequate network was only 40,000 dentists. To date, they have really been able to only sign up 33,000 from the Delta Dental network plan of 113,000. Yet, Concordia claims, ''That is small enough to take care of all the patients.'' I am saying that somebody needs to oversee Concordia.

Mr. JONES. Mr. Speaker, I want to touch on a couple of areas the gentleman has mentioned, but I want to share with him a letter that we received several months ago from a dentist, and I will not give his name. It says:

> My opinion is that the schedule of allowances known as fees paid by United Concordia is too low to be profitable. My income is solely derived from my fees. I get no subsidy from the government. These United Concordia fees are 20 to 33 percent less than

the fees paid by the old administrator, Delta. A reduction of fees of this magnitude reduces my profit by 60 to 82 percent. I cannot afford to see these patients at such a loss.

In addition to the fact that dentists should not be expected to stay in business if they cannot make a profit, no one can in America, the problem that I have is that, again, not only are our dentists, in my opinion, being treated unfairly, but the fact that we do not have the network to service those at the base and their families and the retirees. We have a real serious problem, CHARLIE, and I am delighted that you are so involved in this issue. We have a serious problem, and that is giving adequate care to our men and women in the military.

Mr. NORWOOD. If the gentleman will yield, Mr. Speaker, the gentleman is totally right. When we do not pay enough to let people make a living, then we may be assured access will be affected, and so will quality of care. Those are the three things that the Department of Defense says it is interested in. I hope that they have not gone out and accepted a bid just based on who is cheapest. There is more to it than that.

They say so, too. They say access of care is very important, and they say quality of care is very important, but they want it for less money, and the problem in this particular area is they want it for so much less people cannot make a living, so nobody will join the program. Therefore, there are no providers.

Mr. Speaker, I want to remind the gentleman from North Carolina, we are talking about a $1.7 billion, with a B, billion, contract to provide dental care to military families. With this contract in billions of taxpayers' dollars, Concordia, which is a small, regional, managed care company, is going to transform itself into a major national player in the emerging dental care managed care industry. The potential for rapid corporate growth and huge future profits for Concordia is staggering. The question remains: What will the American taxpayer and our military beneficiaries receive in exchange for a very lucrative contract?

Mr. JONES. Along these lines, Mr. Speaker, I want to read a newspaper article, just a couple of quotes from this article, one being from a dentist in New Bern, NC, which is Craven County, adjacent to Onslow County.

It says: Dr. Jim Congleton has not signed with United Concordia. He said that he wished the company had been more honest and open in developing the dental plan which they are offering to military dependents.

In addition to that, let me share a comment by a dependent. ''Military dependents are not happy with this situation. Our costs are going to go way up,'' said Jeannette Coulsey, a military spouse. ''UCCI says if no dentist in the area signs up, or we see a dentist who is not in the plan, United Concordia will pay the dentist 10 to 12 percent less than one of their participating dentists.''

So your point about our concern should be for the dentists, and also it certainly should be for those in the military and their families, and again, this is why I really appreciate you joining me this afternoon, because this is a very serious problem in my opinion, and one that, thank goodness for people like you, and I want to say my staff, the fact that we are willing to look into a firm that could receive $1.7 billion, and that is with a B, billion dollars, $1.7 billion, and yet we have so many unhappy, dissatisfied people.

Mr. NORWOOD. If the gentleman will continue to yield further, Mr. Speaker, one of the questions I think we have to ask ourselves is how did Concordia wrestle away this $1.7 billion contract from a managed care plan that had been in business for the last 8 years? Did they bid less? Did they bid so low that they cannot pay the providers enough to sign up, so they can at least make a living? I am not sure. We need to understand these problems.

Concordia assures us that patients are satisfied with their program. That is what they said at the hearings. Health affairs has no formal plan for determining patient satisfaction or assessing contractor compliance. That is very, very important. who is going to oversee this? The only method being used at this point is to perform periodic spot checks using the participating provider list, using trend analysis, or to evaluate complaints by beneficiaries.

I want to remind Members, this is a $1.7 billion contract. I will tell the Members something I do not understand at all.

□ 1630

Prior to having TriCare, the health care of our military, the dental care of our military was left up to the commanders at local military hospitals.

Why does Health Affairs not allow local dental commanders and regional dental service support area commanders to have oversight authority over Concordia? I do not understand that. Once CHAMPUS selects a contractor, Mr. Speaker, the contractor is responsible only to CHAMPUS and DOD Health Affairs.

Currently dental commanders do not have the official oversight authority over Concordia. That is not true in the medical side of the house, where the medical commanders, they are called lead agents, they have oversight authority over TriCare contractors, and they are responsible for ensuring that the contractor is complying with the terms of the contract.

Who is responsible here to be sure that your constituents in Jacksonville, NC, have a good deal?

Mr. JONES. That is why I sincerely appreciate your joining me in this effort to find out what we can do to help correct a very bad situation. I am like you. I do not know why we do not have oversight over situations like this, because we are talking about the taxpayers' money. We are talking about providing good health plans for our military and our retirees, and we all know that we are talking about the taxpayers' money, and you said again, I keep using this, $1.7 billion contract.

Let me share this also with the gentleman from Georgia [Mr. NORWOOD] and also those that might be watching. This is a quote from, again, a news article. I want you to know that I give credit to the news article, because these are not my words but the words of someone else. This has to do with a statement by a gentleman named Jeff Album, spokesman for Delta Dental. I would like to share this with you.

''But Onslow County is not alone. There are other counties across the country around military bases without dentists signed up with UCCI,'' which again is United Concordia, said Jeff Album, spokesman for Delta Dental.

Then I go further with his quote. ''We believe the criteria specified for selection of a winner in the request for proposal did not match the criteria that seems to have been used in the selection of UCCI,'' Album said. And I further quote: ''It appears DOD opted for the least expensive bid rather than best value.''

Let me read that again, and I want you to comment, if you will. ''We believe the criteria specified for selection of a winner in the request for proposal did not match the criteria that seems to have been used in the selection of UCCI,'' Album said. ''It appears DOD opted for the least expensive bid rather than best value.''

Since you have looked into this matter in detail, can you comment on that? Do you think that the bid process was equal to what Delta had been asked to bid on before?

Mr. NORWOOD. No. And, more importantly, maybe I do not believe it has been, but neither has GAO or the Congressional Budget Office. I talked about that when we first started.

In their hearings before us, they had made more than a few comments about the fact that they were not sure we had this together enough yet, and what we are doing is we are making sure now, because we have rushed into this and perhaps did not take the best contract. We have got our military retirees, our active duty dependents that do not have access to care. Their care is going up. I cannot speak to the quality, but one has got to question it when you start reducing the dollars in it.

We have got these, and then we have got other citizens, small business people who have a small office. They are being attacked by this giant insurance company saying,

You better come to work for me because I put out a $1.7 billion bid and I can't fix teeth. I've got to have dentists to do that. You guys come to work for me, or we're going to spread your name around town as being unselfish or unwilling to cooperate.

That is hard to take for a small business, and that is what a little dental

office is. They are being picked on by this giant conglomerate of insurance companies, where they are trying to force them to come to work and not be able to make a living. Then they have done worse than that. We will get into that in just a minute, too.

Mr. JONES. It is our responsibility to oversee the spending of the taxpayer dollar, you and I and other Members of the House. It is our responsibility to be sure whether it is DOD or another agency that they are getting their money's worth. Certainly the taxpayer needs to get his or her money's worth and certainly our military needs to be treated fairly with the best plan possible for the money. What I have gathered from the last 20 or 25 minutes that we have been talking from your comments as well as mine, that we feel that they are not getting their dollar's worth and you just said about the dentists, and this probably appalled me as much as anything. When I had dentists and, I want people to remember, these are taxpayers of America.

Mr. NORWOOD. That is right.

Mr. JONES. These are taxpayers. Yet they have a company that comes down and threatens their livelihood and says, ''If you don't join our group, we're going to take your money, because you're a taxpayer, we're going to spend your money and put you out of business.''

Mr. NORWOOD. Some of your constituents who are dentists have been writing me and I am going to take just a minute, Mr. JONES. I want to read two paragraphs, but it says so much. This is a 10-page letter that lays out lots of the problems. Just two paragraphs.

He says:

> You may correctly assume that I have much better things to do with my time than to argue with and complain about a government contractor that is not performing as specified. My full attention should be given to my patients and their families, my staff, my practice and my family and friends. The amount of effort I have given to this issue never should have been necessary but I will do whatever it takes to protect my patients and my practice and to make sure everyone gets a fair deal. I do not believe that the United States government is getting what it contracted for, optimum dental health for military families through a fee-for-service dental plan. Indications are that we are entering into an ordeal with Concordia where only Concordia is benefitting.

I will jump off the letter for a minute to remind you that they are going to get their 25 percent of that $1.7 billion. I bet it works for the company.

He goes on to say:

> Because of situations like this, those of us in the trenches work ourselves to the bone and then have to scramble to meet our overhead. Consider the fact that some of my regular monthly expenses are around, say, $50,000 for payroll, without the provider, close to $19,000 for mortgages of office, $5,000 for utilities, $12,000 for dental and office supplies, and because of a massive need of supplies, I have not taken a salary since last September. I have virtually exhausted my savings and may shortly be forced to sell or borrow against assets. Surely this was not the intent of the Department of Defense. I know this is also happening to numerous other colleagues in the Jacksonville area.

Mr. JONES. Mr. Speaker, I think it is worth restating. Would the gentleman from Georgia [Mr. NORWOOD] tell me again how many dentists were in the network when Delta had the plan versus Concordia today?

Mr. NORWOOD. Delta Dental had 113,000 dentists in their network nationwide. Concordia has said, ''Well, we can do it with 40,000.'' That means less access. They have only been able to sign up 33,000. Eighty thousand not willing to sign up and work for nothing.

I want to present to the Speaker some corrections that I think that DOD Health Affairs really has to bring out and deal with, because this is just the beginning. They have not even awarded the contracts all across the country yet. This is just the beginning. So if I could, Mr. JONES, I would like to list a few things for the record because we are going to bring it back to them in other ways as time goes on.

First of all, DOD must establish a full-time oversight board to monitor complaints of the Concordia contract, which are numerous. They must authorize local dental commanders and regional dental service support area commanders. That means the colonels and the majors and the captains and so forth that are working in the different armed services clinics around the world, we need to let them exercise some oversight over this Concordia program. In the same manner, by the way, as the TriCare lead agents and medical facility treatment commanders have over TriCare contractors.

Third, we need to establish a methodology for measuring the effectiveness of the Concordia program to provide access, choice, and quality of care, not just how much cheaper is it. Establish an effective means to receive comprehensive input from beneficiaries on patient satisfaction. In other words, how do the patients feel about this. That is who this is all about and that is who this is for.

We need to issue a, quote, cure notice to Concordia, require correction of contractual deficiencies within a specified time. And after an appropriate transition period, give them some time to get it right, if Concordia does not live up to its contractual agreements, Health Affairs should issue a cancellation by default order and allow another more capable contractor to assume the program.

Those are things we are going to have to deal with if, No. 1, we are going to deal with the patients and your constituents, and, No. 2, the providers of health care.

Mr. JONES. I like those four or five points the gentleman from Georgia [Mr. NORWOOD] made because as you said in your comments a few minutes ago, there is no oversight. Once the bid process is finished and a company gets the contract, then this has become very helter-skelter. We have dentists that have not been treated fairly in my opinion, we have patients who have not been treated fairly in my opinion, and I am delighted to hear these four or five points, because if there is anything I want those that might be watching to fully understand in fact that this new majority, we understand making Government more efficient. Here we have got a dental system that in my opinion is not efficient and is not serving the people it was intended to serve. When you think about our military, these are men and women that were willing to sacrifice their life, and they should not be denied dental care. Yet we have our dentists as we have said, I am being a little repetitious but I want to repeat it again, they are taxpayers, American citizens, and here we have got the Government through this Concordia group working against the taxpayer who is paying for this $1.7 billion plan.

So I am delighted to join you, and I am sure you will have many others as you go forward with these four or five points that you think would help with oversight as it relates to dental care for our military.

Mr. NORWOOD. If the gentleman from North Carolina [Mr. JONES] would yield further, as we are headed toward conclusion, I want to point out another thing that has happened in this contract that drives me crazy. It is one of the reasons why the American people lose faith in their Government. It is one of the things that I think make people dislike a strong Federal Government.

We have talked about this great big insurance company spreading bad information around this small community of 70,000 people about the providers because the providers won't come to work for them for nothing. Then we are talking about this large company that then says to the providers, the dental care providers, ''Well, if you don't come to work for us, we're going to close you, we're going to build this big office in town and import people from out of town to take care of it.''

But the icing on the cake to me is now Concordia, this big insurance company, has called in the Federal Government, has called in the Federal Trade Commission, and it said, ''Come get 'em, they're bad guys, they've actually been talking about what this costs.''

Now, it is perfectly legal for Concordia to set the price of the cost of dental care across the Nation. But if two dentists in Jacksonville, NC, sit down to talk about what this does to their practice and how it affects them, we get the Federal Trade Commission lawyers running in at the behest of Concordia.

□ 1645

All they got to do is make an allegation. It does not—you are guilty. If they make an allegation to the Federal Trade Commission, you are guilty until you can prove yourself innocent. What does that do to people? Well, it is like

the IRS running in. The first thing you know is no matter who wins, I lose.

There is no way to win that, because you get involved in a lawsuit to defend yourself against the Federal Trade Commission. What does it do? It costs you a ton of money to defend yourself. It costs time. You spend hours and hours and hours answering all the questions that you must answer because the Federal Trade Commission has come rushing in. No matter there is no point to it. If they are called, they are glad to run in. I presume that maybe they do not have anything else to do, but they are going to go down there and they are going to pick on these guys in Jacksonville, NC.

And this is a managed care company using the Federal Government as a big club to make people, small family businesses, come to work for them at absolutely no way to make a living.

I do not know what we should do about this, but I have been involved in this thing once before in my life. Some years ago when I was President of the Georgia Dental Association, the dentists of Pennsylvania told Blue Cross and Blue Shield, no, thanks, we are not coming to work for you because you will not pay us enough. By the way, that is the parent company of Concordia. Now, this happened. I was involved in this. They said we are not coming to work for you because you will not pay us enough to make a living.

So what do the Blues do? They run straight down here to Washington, get the Federal Trade Commission in on it. The Federal Trade Commission, the entire Pennsylvania Dental Association. By the way, all of the North Carolina Dental Association is being sued now by the Federal Trade Commission.

This goes on for months and months and months. We raised money around the country to help this one little dental association defend itself against the Federal Trade Commission. They got all through and found nothing was wrong, and it cost $2 million.

These are not rich people that you can just go throw around $2 million. This is not Ford Motor Co. These are small family businesses, very small businesses, and we cannot continue to allow the Federal Government to be used as a club to beat on your folks in your district.

Mr. JONES. Let me tell you. Mr. NORWOOD, I know we are closing down in another 5 or 6 minutes and will be ready to yield back the balance of our time, but I could not agree more. We have gotten to a point in this country where too many times those people, and you are right about the dentists in eastern North Carolina. Most of the dentists in North Carolina, but particularly eastern North Carolina, these are hard working, family people. they are not muntimillionaires, they are not millionaires; they are just people working hard to provide a very valuable service, trying to take care of the people in their community. Yet, as you said, too many times the Federal Government, whether it bve DOD or another agency that you were just talking about, comes down with a heavy hand or club, as you said, and as long as there are people like you and I and many on both sides of the aisle up here in Congress, we are going to fight for that man, that woman, in our district that we feel has not been treated fairly.

If I can before closing, I would like to read, because this is a letter sent to me by an Air Force captain on April 1, 1996. I am just going to read a couple of sentences to you. It says, ''Dear MR. JONES: As a member of the USAF stationed at Seymour Johnson in your Congressional District, I am writing to you about the new military dental plan. I attempted to follow my chain of command and in doing so determined this is a Congressional issue.''

''According to Champus,'' and this is a quote, '''there would be no change in coverage' under the new plan.''

I am just skipping around in this letter.

''My payments have almost doubled. Personally, I would rather pay the extra $308 per month'' for the service that I had prior to this new company. ''I am certain that I am not the only military member. With this problem with Concordia's limits being so low, I can hardly blame dentists for not accepting the new plan.''

Let me repeat that again. ''I am certain I am not the only military member with this problem. With Concordia's limits being so low, I can hardly blame dentists for not accepting the new plan.''

''In all honesty, it gets old having your health packages changed, being told that 'coverage is the same', and discovering that twice as much money is coming out of your pockets.''

I want to get that in for the RECORD, Mr. NORWOOD, because again, with all of this 30 or 40 minutes we have had, what we are talking about is American citizens, taxpayers and military. I am going to continue to work with you and your staff to see if we cannot correct this problem. I think it is a problem that has gone too far, to the detriment of taxpayers in my district and some of your friends elsewhere. I am going to work with you and your staff as you work with me and my staff to see if we cannot correct this situation.

Mr. NORWOOD. If the gentleman would yield, I will conclude by saying this, Mr. JONES: I think the people in your district are very fortunate to have you up here. In many cases there is no other advocate for those people. You have military retirees, you have dependents of active duty military people, who are not winning under this program. In fact, they are losing. You are up here defending them. Who else will?

I mean, we do not have any oversight from the DOD. I am glad you are. We have your constituents who provide dental care in your district, my colleagues. You know, who is going to help them? They have got a large manage care company coming after them with all the resources in the world. Now they have the Federal Government coming after them through the Federal Trade Commission. Who is going to be on their side in this?

Well, they are your constituents, but they are my colleagues, and I am not going to ever let this go until we give them some protection down there from that big heavy arm of the Federal Government.

Mr. JONES. CHARLIE NORWOOD, I want to thank you for joining me today. I look forward to joining you on this issue. We are going to right a wrong before it is over. I promise you that.

TRIBUTE TO THE LATE HONORABLE RON BROWN

The SPEAKER pro tempore (Mr. COBLE). Under the Speaker's announced policy of May 12, 1995, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 60 minutes as the designee of the minority leader.

Mrs. CLAYTON. Mr. Speaker, on the hillside over Bosnia, this Nation lost 33 dedicated and committed Americans. Among those lost was the man we pay tribute to today, Secretary of Commerce Ron Brown. We pay tribute to Secretary Brown because, in the finest tradition of America, he gave his life in service to his country, while performing peace in a region torn by war.

This tribute has been organized by those of us who serve on and have participated with the President's Export Council [PEC], a bipartisan effort with the private and public sector working together for export. Secretary Brown was a public sector member of PEC and the driving force behind a notable private-public partnership, whose mission is to expand the United States' exports abroad.

At the very first meeting of PEC of February 13, 1995, President Clinton attended and Secretary Brown welcomed and swore in the appointees. Secretary Brown emphasized that he would regard the PEC members as the Board of Directors for America's national export strategy, first implemented then in September 1993.

So, Mr. Speaker, we think it is only fitting that the PEC Board of Directors leave a tribute to the person who in our mind was the chairman and chief executive officer of America's effort to achieve free and fair trade, to give a chance to U.S. businesses of all sizes to market their goods and services abroad.

I am pleased to be joined by several of my colleagues, both Democrats and Republicans, and we will alternate as there are Members available. We will ask Members to limit their remarks to 2 or 3 minutes.

Ron Brown was born in Washington, DC, and you will hear more about that, on August 1, 1941. He was raised in Harlem by his parents, attended

Middlebury College in Vermont, was commissioned an officer in the army and spent time in West Germany and Korea, when certainly the seeds of foreign trade were planted at this time.

He will be especially missed for his work with PEC on behalf of U.S. exports and his effort as the Secretary of Commerce. One of his last appearances in the United States was at the most recent meeting of the PEC. At that meeting, he shared his thoughts and plans on the Bosnia-Croatia trip, as well as the uncommon insight he had gathered about trade around the world.

From this meeting came the proposed statement of principle concerning the Export Administration. Those principles reflected Ron's vision and wisdom, declaring export as a right of every American citizen, not a privilege, his early vision of the Export Administration. As stated, those principles outlined what America's position should be on export restriction, seeking to make sure, as Ron always did, that there is a level playing field throughout the world; that no one nation could assume an unfair competitive advantage in an increasing competitive marketplace. Indeed, Ron's work and the work of PEC makes certain that business of all types, politics aside, would benefit from the renewed trade effort, and they did.

During his tenure, important groundwork was laid, major breakthroughs were experienced, and future prospects for peace and prosperity were cemented. While Ron was deeply committed as a Democrat on the matters of free and fair trade, he was an American first. Party took a second seat to the goals of expanding export.

That reason and other reasons should cause us, both Republican and Democrat, to work together and to honor Ron Brown by committing ourselves to the expansion of America's industries in the benefit of American workers.

Mr. Speaker, I am going to yield time to one who has known Ron Brown for many, many years, and certainly it extends beyond that of trade, in a personal way, the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I thank the gentlewoman from North Carolina for her leadership in organizing this special order and much deserved tribute.

Ron Brown was my constituent and my friend, so that last week I had one of the saddest weeks of my tenure as the Congresswoman from the District of Columbia. I was, of course, at Dover where the bodies of 33 Americans came home, and then on another evening at the Metropolitan Baptist Church to speak in tribute to Ron Brown, and finally at the funeral at the National Cathedral, where there was an outpouring of people from all over the world.

May I first read the names of all seven of my constituents who perished on that flight. Ronald H. Brown, Secretary of Commerce; Adam M. Darling, confidential assistant to the Deputy Secretary of Commerce; Gail E. Dobert, acting director of the Office of Business Liaison; Carol L. Hamilton, whose parents I know very well, press secretary to Secretary Brown; Catherine E. Hoffman, special assistant to Secretary Brown; William Morton, Deputy Assistant Secretary for International Trade; and Lawrence M. Payne, special assistant, Office of Domestic Operations. For all of my seven constituents there is still great grief and feeling in the District of Columbia.

Ron Brown had been a friend for 30 years. When he and I were both young and his wife Alma and I were in a club in New York called Liaison, and Michael and Tracy were born to them, and Johnny and Catherine were born to my husband and me, Michael now has a wife, Tammy, and one of the saddest things to see is Ron with these two babies, these twin sons who were his grandsons. Ron was a wonderful family man. His son, as was said at the funeral, was his best friend.

Ron was a man of extraordinary determination, energy, and ability. Seldom has one American put together so many of the traits necessary for success in public life. As both policy spokesman and politician, Ron Brown excelled, bringing his party back to life again and helping Democrats win; without whom the President said we would not have won the Presidency in 1992.

Yet this was a fund raiser extraordinaire on the one hand, a coalition builder on the other. Any one of those would have been much.

I thank the New Yorker magazine for its comment on Ron in an article called ''The Fixer as Statesman.'' Somehow, this article tries to put together the two parts of this man that so often are seen as not going together.

The statesman, of course, is the commercial diplomat that Ron Brown became, and the fixer is the man who fixed the Commerce Department and the man who fixed the Democratic Party.

□ 1700

The comment by Sean Willents calls Ron silky, shrewd, and supremely self-confident. I do think, Madam Leader, that they capture this man we knew so well. They say he was not a plaster saint. Would he abhor being remembered in that way?

And they call him wordly and capable. They remember that Ron began in the Civil rights movement. So many who have achieved in this country today never would have gotten the chance to showcase their talents were it not for the civil rights movement. Having seen what he could do, because of the opportunity the movement afforded him as the vice president of the Urban League, ultimately Ron then went on to become a top staffer in the Committee on the Judiciary of the Senate and leader of his party, where he was essentially its titular head for between 1988 and 1992, articulating policies, bringing people together, preparing the way.

He took the job at the Commerce Department, which was regarded as nothing so much as a bureaucracy, and reinvented it into the kind of department European and Asian countries have long had, a Department that is aggressive in going out and selling the country and the country's business.

Finally, let me say of Ron Brown what is so important to to many. Ron simply saw and understood himself to have no limits. I am not sure all of us understand what an achievement that is in country where so many still feel bound by race, even if in fact if they would fly they are not bound by race. Ron said let me try to fly, and then he soared. The great tragedy is that had Ron not been killed, there in no limit to where he might have flown.

He simply refused to have an assigned place as a black man. He looked around him, saw other places, and went wherever his talent and energy could go, and they took him very far. I said at the Metropolitan Baptist Church that to many, race is what they believe holds them back. To Ron, race was a contest that you ran and won. With that spirit, so many youngsters caught in ghetto environments today might find the role model for the 1990's.

For my city, the city where Ron was born, the city where he lived when he died, I have asked my constituents not to mourn for Ron. Remember Ron was the happy warrior. I have said to my constituents living in this troubled city, this seriously troubled city because of its financial crisis, to remember Ron as the man who looked to impossible missions and made them possible. It is possible for Ron's birthplace, for the place where Ron lived, to bloom again, as Ron always looked to see what was possible and then went forward. I have said to those I represent: Don't mourn for Ron, try to be like Ron. Ron came, Ron saw, Ron conquered. So can we.

I appreciate the time that has been offered me.

Mrs. CLAYTON. I thank the gentlewoman for her very poignant and personal remarks about Ron.

We have been joined also by one who serves on the PEC, this is the President's Export Council, and what we want to do, indeed, is to remember him in a personal way but also remember him as forging new opportunities for trade, and those of us who had the unique pleasure of serving on that feel that certainly there is a particular loss.

I am going to ask if the gentlewoman from Connecticut, Mrs. NANCY JOHNSON, who is here, if she would make comments. And I understand that on her side—I want to say that this is a bipartisan approach that we were doing, and I am pleased that the gentlewoman from Connecticut wanted to join in this effort, which I think is an appropriate effort.

Our tribute is that Ron served American industries which gave American

jobs, and we as Americans first rather than you as a Republican and I as a Democrat, we are Americans trying to foster the interests of that. So I am pleased that she has come to join us.

Mrs. JOHNSON of Connecticut. Thank you. I thank my colleague for yielding to me. The President and the members of the Cabinet are the President and the members of the Cabinet for all Americans, and I am privileged to be here tonight to help you celebrate the life of Ron Brown and honor him as our former Secretary of Commerce and recognize the leadership he provided and the quality of the job he did.

When I was first elected in 1982, I came here from a district that had been devastated by what we called in those days unfair foreign competition. Some of it was just a very strong dollar combined with an American industry that was not efficient and was not strong. I watched Mac Baldrige try to develop the Commerce Department into a fighting partner with American business in a developing international market. I saw him struggling through, trying to help us see the importance of developing a department of trade.

I saw Mac Baldridge and some of his successors build the capability of the Department of Commerce to help American business get into the export market, sell abroad, be present in other markets in the same way foreign producers were present in our market, provide the same challenge in the world market that foreign producers were providing in our market. And that opening of vision that started with Mac Baldridge culminated in some really remarkable successes under the leadership of Secretary Brown. He understood and developed that in a way none of his predecessors had. Each of them made unique and remarkable and very valuable contributions to beginning to look forward to how the American economy could be strong in the decades ahead and serve our children in the same way it served us and our grandparents and our great grandparents.

But Ron Brown understood, in a sense, in a more practical vigorous way than any of the rest of us the need for the American Government to back, to partner, to encourage, to lead, to pressure, to force, to incite, to get American business to understand their own power in the international market, the quality of their product, the possibilities for them, and he got right out there with them. He got right out there with them in China at a time when, frankly, the State Department was having a little trouble with China. But he understood if you learn to produce and you learn to trade, if you force ideas, if you award intellectual property, if you reward personal energy, we as a Nation will be OK. We will be economically strong and we will be peaceful.

I remember him talking about that connection between prosperity, peace and trade, and in his own way he was as dynamic and as vigorous and as committed an individual as the world has ever produced in support of business, trade, and the economic strength and prosperity that flows from a dynamic business community in an international market.

He got out there with big companies and small. He got out there in countries like China. He got out there all over the world. And it is tragic but, in a sense, not surprising that he lost his life taking business into what was a devastated, war-torn area, because that was his idea of giving hope to a people torn, devastated; their goods, their economy, their hearts, their minds destroyed by years and years of war.

He understood that the only real bond; that healing would only truly take place when there were jobs, when there was an economy, when there was competitiveness, when there was strength, and that America could not only offer goods but we could offer hope through example. We could offer leadership through guidance.

Mrs. CLAYTON. Would the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I would be happy to yield.

Mrs. CLAYTON. I wanted to respond to her very, I think, appropriate analogy of his going to both big and large companies. He also, conversely, understood that small and big companies here in America could also experience the value of exports and what that meant to the smaller communities as well as what it meant to the big companies.

As you know, on the export council there are big businesses there, but there are also smaller businesses. Maidenform, for example, is small. It is not a big company, it started small. So it means in my district, its small subsidiary also expands as their products are sold abroad, giving jobs to Americans in their communities.

I think Ron Brown knew what the rest of us have come to understand: that for every $1 million of export we already create here $9 million of industry. And some of us do not understand that. I for one, initially, did not have that same appreciation until I was on the Small Business Export Subcommittee and had an opportunity to work with you and others, as well as under the leadership of Ron Brown, who opened, as you say, the hope, the opportunity. And it was about vision and excitement, but also it was about the possibility if people worked together.

And that is why, I think, if we are going to have this expansion and tribute to Ron Brown, it should be about us keeping that going. The greatest legacy to any of us as we leave is for someone to pick up our work and build on it and see the value of it and continue. I just wanted to thank the gentlewoman for her pushing that thought in my mind.

Mrs. JOHNSON of Connecticut. One of the things that I think is wise to remember from the death of a man like Ron Brown is that he was extraordinarily capable in many ways, and one of them was that he was an extraordinary mentor.

Mrs. CLAYTON. Yes.

Mrs. JOHNSON of Connecticut. I had the privilege to travel recently over the recess, and I ran into some of the young people that had worked with Ron. And it was really interesting to me because you do not see this all the time. Cabinet members are not necessarily either warm and fuzzy or mentors. They are important and they do a great job for America. They serve an important need. But Ron has inspired many young minds, and they are there and they will serve us. And they are both parties. Some of them are lifelong, quote, ''bureaucrats.''

And so he has passed on and was able to pass on a belief and a faith in America, in us as a free people, and in us as a governing democracy, and felt strongly the need for us to be a part of the international community both as an economic force and as a force for democracy.

I thought it was so interesting to listen to the gentlewoman from the District of Columbia [Ms. NORTON] talk about how he never saw himself as a black man. He saw himself as an American, as a man, as a power, as an individual, and as a proud black citizen. But he never felt anything stood in his way. If he wanted to do it, he had the intellect and resources to do it. And it is that legacy that inspired those he traveled with, that made a difference in the countries he went to. And it is that attitude that he leaves to those whose lives he touched.

I thank my colleague for organizing this recognition of former Secretary Ron Brown tonight. It is well deserved, and I appreciate having had the opportunity to join you.

Mrs. CLAYTON. Thank you for your comments. I appreciate that.

Mr. BEILENSON. Would the gentlewoman yield? Is it convenient for the gentlewoman to yield at this point?

Mrs. CLAYTON. I promise I will get right back to the gentleman from Nebraska [Mr. BEREUTER]. We certainly want to have his comments here. But we have also been joined by the distinguished gentleman from Michigan [Mr. DINGELL] and he wants to make a statement and we would be honored to have his statement.

□ 1715

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman for yielding to me. I want to commend her for having this special order to celebrate the life and the contributions of a great and patriotic American, our now deceased Commerce Secretary Ron Brown, who in a tragic event about 2 weeks ago lost his life with more than 30 others in a tragic air crash in Bosnia.

In the days that followed it became very clear to our citizens how much Ron Brown had accomplished in a very

short time at the helm of the Commerce Department. To those of us who serve in the Federal Government, Ron Brown is a well-known figure, a symbol of what is best in our Nation. When you work hard and strive for excellence, you attain it.

I had the privilege of serving with him in matters of concern when he was at the Commerce Department and when his agency was answerable to the Committee on Commerce of which I was at that time chairman and then more recently ranking member.

He had a distinguished career that included military service, served at the Urban League, served at the Democratic National Committee. He was successful in the practice of law and advising heads of state. And he proved time and time again that skill, adroitness, energy, dedication can be an enormous asset in getting the job done.

I will be inserting into the RECORD a number of quotes of distinguished Americans and American businesses about his contribution to our Government. I also want to make the observation that he was one who understood what the Department of Commerce should do. It was his function, as he saw it, not only to provide extraordinary leadership to that agency but also to see to it that it functioned to the fullest and that it dealt with the promotion of trade, jobs, market openings and expansion of opportunity for Americans through the business of exports, because that is where economic success for this country lies.

He was a great human being, a dear friend, and his wife Alma and he were dear friends of my wife Deborah and I. We shall miss him. We shall pray for the repose of his soul, and we shall understand that he brought excellence to the Department in the great tradition of others who had preceded him, first the distinguished Secretary Malcolm Baldrige, who was a great friend of mine and also a distinguished public servant, as also was Secretary Mosbacher, who was a leader of great quality in that agency.

We shall miss Ron. We can dedicate ourselves to carrying forward the practices and principles in which he believed, that market opening and trade, that opportunity for Americans lies in the success of that Department.

I want to thank the distinguished gentlewoman for yielding to me and for holding this special order.

Mr. Speaker, our Nation suffered a severe blow almost 2 weeks ago when it was learned that Commerce Secretary Ron Brown and more than 30 others lost their lives in a tragic air crash in Bosnia.

In the days that followed, it became very clear to our citizens how much Ron Brown accomplished in a very short time at the helm of the Commerce Department. To those of us who serve in the Federal Government, Ron Brown was a well-known figure, a symbol of what is best about our Nation: when you work hard and strive for excellence, you attain it.

Brown had a distinguished career that included military service. During his tenure at the Urban League, at the Democratic National Committee, practicing law or advising heads of state, Ron proved time and time again to be an invaluable asset to getting the job done.

Over the past year, many working Americans wrote to me about Ron Brown's work at the Commerce Department to promote exports, combat unfair trade practices by our international trade competitors, speed the dissemination of advanced technologies, and conduct research vital to understanding our climate, our weather, and the environment.

Bissell, Inc. in Grand Rapids, MI wrote that his company frequently used the Commerce Department's export programs, and that, ''they have proven to increase export sales and thus help the economy of our country.''

Viatec, Inc. in Hastings, MI said that, ''This invaluable program is an INVESTMENT that produces returns to the American taxpayers with more high-paying jobs, taxpaying citizens, and U.S.A.-purchased materials.''

A research group in Ann Arbor said the Advanced Technology Program is, ''important in transferring the results of fundamental research into practical products.''

Monroe Auto Equipment in Monroe, MI, said that Ron Brown's ''aggressive trade promotion policies of our government add value to my company's efforts to compete in worldwide markets.''

Perhaps Detroit Mayor Dennis Archer said it best: ''The Department of Commerce has been a job-creation machine for the State of Michigan and our cities.''

The last time that Secretary Brown appeared before the Commerce Committee, he said the following about his Department: ''I am anxious to work very closely with Members of Congress on both sides of the aisle to make sure we do what is best for the country, to make sure we do what is best to assure long term economic growth and creation of high wage, high quality jobs for our people. I think that no department in government does that more effectively than the Department of Commerce.''

Mr. Speaker, today Ron Brown is gone. But his life was one which touched many people, both here and abroad, and his work has left a legacy of accomplishment about the strength of a government that serves its people well. We will miss Ron Brown greatly. But his was a life that mattered, and his legacy lives on.

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from Michigan [Mr. DINGELL] also for getting comments from the business community, because I think that is extremely important, because sometimes we think only of politicians or public servants, but Ron Brown also was essential for the ongoing expansion of business opportunity. For business persons to make that tribute I think is appropriate.

GENERAL LEAVE

Mrs. CLAYTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. WHITE). Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Mrs. CLAYTON. We are joined by the gentleman from Nebraska [Mr. BEREUTER]. He has been very active on the President's Export Council as well. We are pleased for him to make comments.

Mr. BEREUTER. Mr. Speaker, as mentioned already with some examples here, Ron Brown was an extraordinarily multitalented man who brought great intensity and scope to his interests and his activities. You heard about his mentoring activities here and how much he stimulated so many Americans, especially young Americans, to take an active role in Government. But I did want to focus my remarks on the tremendous achievements that Secretary Brown brought during his tenure at the Commerce Department to the expansion of our trade and investment opportunities abroad.

On August 4 of last year, when we held hearings in the committee on International Relations about the future of the Department of Commerce, I said during the course of that debate that I was proud to enthusiastically and sincerely commend our late Secretary for his hard work and promotion of American commercial interests. Secretary Brown correctly realized that if the United States economy is to remain strong and vibrant in the 21st century, the United States Government must maintain and fund a comprehensive national export strategy. And he served as a very competent innovative chairman of the trade promotion coordinating committee. In that capacity he recognized, of course, and made it clear to many Americans that the United States economy is already very dependent on exports. He clearly understood that during this decade exports have to account for a much larger part of our economic growth.

Secretary Brown fought tirelessly for American commercial interests, both within the cabinet and abroad. Since taking office, Secretary Brown hit the ground running and immediately received the wrath of the Europeans for an important United States commercial airplane deal with Saudi Arabia, 15 high-level trade and investment missions. And billions of dollars of U.S. export and investment later, we bid the honorable Ron Brown, the former Secretary of Commerce, a fond farewell and thank him for his unmatched advocacy and dedication to American commercial interests. I think he set an important precedent for the Commerce Department and for our cabinet members generally in his focus on international trade and expanding our export base.

As I said, he was a man of multitalented background, a wonderful man, sincere in his working with Members of Congress on both sides of the aisle. I look back with great fondness at the relationship we had in working for expanding the export base.

I thank the gentlewoman for taking this special order and for allowing me to say a few words about one aspect of Secretary Brown's life.

Mrs. CLAYTON. I do appreciate that. I think the gentleman has experienced a working relationship and particularly in that area about which he spoke. I want to note again for the RECORD that is an effort, the President's Export Council, to have a bipartisan effort. Both Republicans and Democrats should be honoring a great man and that is as it appropriately should be.

I thank the gentleman. I am pleased to yield to my friend, the gentleman from South Carolina [Mr. CLYBURN].

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

Mr. Speaker, I first met Ron Brown in the late 1960s, when all of us were all about trying to find a way to get ourselves and those people that we represented into the mainstream of American activity. I grew to admire and respect him, and there was something about Ron that compelled him to bring along with him all of the young talent that he could muster in order to demonstrate to our great Nation the talent that was there for those who, given the opportunity, could make significant contribution. That to me is the real legacy of Ron Brown.

One of these young talents was the granddaughter of my doctor when I lived in Charleston, Jerry Irving Hoffman, in the late 1960's and early 1970's. And I want to join today with everybody in paying homage to that great spirit that Ron Brown gave to all with whom he came in contact.

Mr. Speaker, on Wednesday before last, as I sat in the home of Mr. Brown sharing with his wife Alma, his son Michael and his daughter Tracey, other family members and friends, hoping against hope that something, some good news would come of this event, as we sat there, watching the television, something occurred that stays with me to this day. And it is what I would like to share with all Americans today. There came to the camera a gentleman, I think he was from northern Virginia, who did not make the trip, a CEO who spoke to the world on the fact that for some reason, though he was scheduled to be on the trip, he did not make the trip. And he asked a very cogent question, and I think all of us ought to ask ourselves today, he said that he must now find out why the good Lord saw fit to keep him here. It is his job now to find out exactly what it is that the good Lord would have him do.

I think that is something that all of us who call ourselves public servants ought to be thinking about today. We are left here; we can speak of Ron Brown's legacy. We can pay homage to all that his life meant. But I think throughout it all we ought to ask ourselves the question now, what it is that the good master would have us do.

I would hope that as we go about trying to fulfill the dreams and aspirations of Ron Brown and others like him that we will keep in mind the hope and the aspirations that he gave to so many and the hope and aspirations that so many are still left looking to us to help fulfill for their futures.

Mrs. CLAYTON. Mr. Speaker, I remember seeing that same executive. He said he was not sure what God had in store for him. So part of our hope is that God has in store for him to help push what Ron Brown started. We are also pleased to have Congressman SHAYS from the Great State of Connecticut join us, and he wants to be a part of this tribute and we are delighted to have him.

Mr. SHAYS. Mr. Speaker, I definitely want to be a part of this tribute and join with my colleagues from both sides of the aisle who are here to express their love and admiration for a truly great American, a truly fine, outstanding Secretary of the Cabinet, the Secretary of Commerce.

I would first want to express my love and admiration for his wife Alma and for his very distinguished son Michael and distinguished daughter Tracey. I was not able to be at the funeral for Mr. Brown because I had two constituents who also died on that plane. And if I could I would like to just express my love and admiration for Claudio Elia, who died on that plane, and for his two magnificent children, Kristin and Marc, who just were real soldiers during their dealing with their grief, and for his magnificent wife Susan, and also for Robert Donovan, who also died, and for his truly outstanding two children, Kara and Kevin, who just seem to deal with this agony and grief in a way that I could not help admire, and for his precious wife Peg, two people from the 4th Congressional District who died on that plane because they wanted to be with Ron Brown on this very important and, in fact, dangerous mission to bring trade and economic growth and some sense of hope to people in Yugoslavia, to give them a sense that maybe their day would be a little brighter.

I have admiration for Ron Brown for leading this. I did not have direct contact with him in my capacity on the Committee on the Budget or the Committee on Government Reform and Oversight, but he came to my office twice to talk about the importance of the Department or Commerce, and I was just struck by his incredible energy, highly intelligent man, and just an admiration for realizing that I was sitting in the same room with an individual who at the depth, I think, of a party challenge, taking on being the chairman of a great party, the Democrat Party, taking on the role of trying to select a Democrat President, a President, electing a very distinguished Governor and thinking that the immense task that must have been as he was talking with me and the incredible talent it must have taken to bring all the different people he had to bring together to accomplish that task.

I am here to salute him as a very capable Secretary of the Department of Commerce, a very capable individual, someone who I respect as being a joyous warrior, someone who I felt instantly I could tell him very candidly what I thought and that he would respect me as another individual in the same environment he was, a political environment.

I think the real tragedy is that not just one segment of our society, not just the Democrat Party, not just the black community, but all of America has the right to truly grieve that we have lost a young man who in the last 5 to 10 years was a dynamic force in this country, who maybe one day would have been in fact President of this United States, who would have been clearly a force in the next decade or two.

□ 1730

So I thank you for giving me this opportunity to express my admiration for him and for being part of this very important tribute. Again, I would close by expressing my love and affection for the family and say that, while I was not in Washington to listen to the tribute the night before, since I was at a funeral service when his service was taking place, but for hours I watched the tribute and wished that I could have been there in person to actually enjoy it even the more. I thank you for this time.

Mrs. CLAYTON. Indeed it was a celebration of his life that we watched, rather than a tragedy.

Mr. SHAYS. It was a celebration of life, period, and of this great country.

Mrs. CLAYTON. We are also joined by my colleague, the great Congressman from Texas, Mr. DE LA GARZA. He has asked to participate as well.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentlewoman for giving me this time and to join my other colleagues in expressing our sense of loss individually, collectively as a Nation, and even the world, due to the loss of our friend, Ron Brown.

Let me say first that I am mourning his loss because he was my friend. But we as a Nation lost a great American. I cannot add to the adjectives that have been mentioned or will be mentioned about Ron Brown, but I only would like to mention a couple or three of my personal remembrance of him.

One was that he was a man that no task was too small, no challenge was too large. He did what he had to do. He did it in a gracious, eloquent manner also, always without fault, and I would like to remember also that the most minute things and the way that he handled items as a person, all we know as Secretary of Commerce, what he did and how he did it, and throughout the world and here, but before the last Democratic Convention, I called over to the Democratic Committee, and this is when he was chairman of that committee, that I wanted to be sure that some mention was made of agriculture in the speeches and at the convention, and I left it at that.

The next afternoon I had a call from Ron Brown, which I never expected. I

was just speaking with the people that were organizing the program, and he says, ''Mr. Chairman, would you think that I would leave agriculture out of this convention?''

I say, ''No, I wouldn't have thought so, Ron, but I just wanted to be sure to remind whoever it was organizing the program.''

He says, ''Well, agriculture will be addressed, and you will be a speaker.'' And so it was. And so it was.

How it got from the person I spoke to and much lower levels to Ron Brown I do not know, but the only explanation is that he was looking at everything that was going on. And so I had the great honor of speaking at the national convention because of the request of Ron Brown.

Again, also when we were working so hard on NAFTA, most of you, not all of you, remember how he worked on the Hill, how he worked throughout the United States. But I wanted to have a joint meeting with our friends from Mexico, and I appealed to him, if he could be of assistance. His answer to me was, ''When do you want me?''

So we set a date. We invited his counterpart from Mexico, and they met in McAllen and Hidalgo, TX, and we had a great meeting, and there I saw him working, the people from Mexico and the people from south Texas.

But one of the most interesting things, and it has been mentioned before, he had a way with young people, children. At the meeting that we had, open meeting with several hundred people, it was a young person that walked up to him and visited with him, and he visited back as if that young man or that young woman was the most important person at that event that day. And there we had Secretary of Commerce from Mexico, the Secretary of Commerce from the United States, assistants, needless to say, the local Congressman, but to him at that point was, and I recall this very vividly, that young lady that was asking him questions about the Department of Commerce and, I think in the end, how she could get a job at the Department of Commerce.

He never flinched or missed a beat, and he says come see me, I will be happy to talk to you.

That is the kind of individual we personally will miss.

Certainly the country has lost a tremendous American, the world has lost a tremendous individual, and I think it has been mentioned before, but the legacy of Ron Brown should be what we continue doing that he did not have time to do. And I hope that that would be our dedication.

I extend on behalf of my district and myself my condolences to the family, to all his family, and we share because it was our loss and we will mourn him. But more so, we should dedicate ourselves to that which he tried to do. To him there was no black, no brown, no white, no red. Everyone was a creature of God from his beginning to the very end, and that he died on a mission trying to enhance U.S. commerce, but yet trying to help downtrodden people was probably the major culmination, the major thing, of what Ron Brown was.

There was no small, there was no large, there was no one but the individual before him, and I saw him do that, and we will forever remember him in that manner. I thank the gentlewoman.

Mrs. CLAYTON. I thank the gentleman for those very appropriate and sincere remarks, and I want to insert that he was indeed a friend of agriculture because North Carolina understands that very well, in making opportunities in Russia for turkeys and poultry and other places that we could have in that area.

We are pleased to be joined by a Congressman from Indiana, Congressman JACOBS. He also wants to be a part of this tribute.

Mr. JACOBS. Mr. Speaker, he was no longer a warrior, but he died in a war torn country.

He died not that others might live, but that others, many others, including Bosnians and Americans as well, might live better.

He was and, in the inspirational sense, remains an authentic American hero. ''We shall miss his bright eyes and sweet smile.''

May God forgive those who were so ready to bear false witness against him.

Mrs. CLAYTON. Thank you very much.

Congresswoman COLLINS from the great State of Illinois has joined us, and she will now make a tribute.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise to pay special tribute to Secretary Ron Brown and to express my sincere condolences to his wife, Alma, and to their family. My heart goes out to them because I understand full well what they have gone through, having gone through something like this myself.

Ron was a great man, and we have heard about his strength, his vision, and his compassion for people. Tributes have come from the broadest possible range of people, including the President of the United States and foreign dignitaries, to the lowest ranking workers of the Commerce Department. I believe that these statements best serve as testimonials. They are the very best testimonials to a man many of us had the honor to know and to admire. But let me add just a few observations.

Secretary Ron Brown might best be remembered as a man who saw opportunity where others saw none. He will be missed as a crucial bridge between the privileged and the underserved in our society. For Ron Brown believed, above all else, that the greatest asset America has is the diversity of its population. Secretary Brown understood that America's prosperity depends on our ability to become more competitive in emerging economic markets around the world.

American exports equal American jobs, and he knew this, and that is why he was on the mission that he was on. He knew that developing countries needed real economic investments and not handouts, economic investment with which to demonstrate that a market economy works; economic development, in turn, can lead to real democracy.

And that is what he was all about. He was about building America, about creating jobs, about making sure that democracy is all over this world because we all know that it is a system that has worked and works well, better than any other in the world.

It seems to me that those of us who knew him well and have known him for so many years understood that. We understood that when he smiled, it was a smile of friendship, when he extended his hand, it was a hand of welcome from those across the shores to those of the shores of the United States of America.

When we saw him in office all throughout his many achievements throughout his short lifespan, we knew that here was a man of great thought, of great compassion, of great wisdom.

I stand here because I know that Ron Brown was my friend, and I know in my heart that this country will miss him, a man of his dedication and a man of his strength.

Mr. Speaker, Secretary Ron Brown might best be remembered as a man who saw opportunity where others saw none. He will be missed as a crucial bridge between the privileged and the underserved in our society. For Ron Brown believed above all else that the greatest asset America has is the diversity of it population.

Secretary Brown understood that American prosperity depends upon our ability to become more competitive in emerging economic markets around the world. American exports equal American jobs. Those emerging markets are located in Africa, Asia, and Latin America. America's racial diversity could be our most important asset in corporate efforts to gain market share in these emerging regions. Ron Brown was harnessing our racial diversity in a way that was good for American business, good for American jobs and good for developing nations.

Secreatry Brown knew that developing countries need real economic investments not handouts. Economic investment will demonstrate that a market economy works. Economic development in turn can lead to real democracy.

While many in the United States are willing to use this approach in Eastern Europe and Asia, there is a conspicuous absence of American investment in Africa. Secretary Brown was especially concerned about the willingness of many in the United States to concede the markets of Africa to its former colonizers in Europe. Unbelievably only 7 percent of exports to Africa come from the United States while 40 percent come from Europe. This makes no sense when the return on investment in Africa is 25 percent, outstripping any other region in the world. Ron Brown was helping American companies change this equation.

Secretary Brown was also a tenacious fighter and advocate. As the ranking minority member of the Committee on Government Reform and Oversight, I worked with Secretary Brown in opposing efforts to dismantle the Commerce Department. When many political pundits on Capitol Hill were predicting the imminent demise of the Commerce Department because it had become a favorite target of the new majority, Ron Brown never wavered in his eloquent defense of the Department and its employees.

Secretary Brown used his considerable skills to clearly and forcefully articulate the folly of eliminating the Commerce Department at a time of economic globalization. When the central governments of countries like France and Japan are promoting their businesses, the United States Government cannot afford to abandon its efforts to identify and win export opportunities abroad.

Under Ron Brown's leadership, our Government developed a national export strategy to help small, minority, women-owned, and large companies, win export sales abroad. His efforts paid off in more than $80 billion of foreign sales for American firms that supported thousands of high-paying jobs for American workers.

While Secretary Brown was always open to exploring new export opportunities abroad, he was also never afraid to stand up for the rights of U.S. business in foreign markets. When foreign steel producers dumped steel in the U.S. at below fair market prices, it was the Commerce Department under Secretary Brown that took the action which led to the imposition of duties on foreign steel.

Secretary Brown was also one of the strongest defenders of the United States movie, computer software, and recording industries rights against intellectual property rights violation in China. Secretary Brown firmly believed America's economic strength greatly depends on our ability to safely and freely market intellectual property in foreign markets.

Secretary Brown's efforts were not focused on foreign markets alone. He played an instrumental role in directing funds so that small town throughout our country could gain access to the information superhighway. He insisted that the new telecommunications law, ensure universal service and open access for all communities in our country, including inner city areas. For Ron Brown, the information superhighway represented future social and economic growth. He was determined that all Americans would benefit from these historic changes.

Finally, for African-Americans Ron Brown served as an important role model. His life demonstrated to many young African-Americans that they can thrive in non-traditional roles. As the first African-American chairman of the Democratic National Committee he was the one person most responsible for the election of President Clinton. As the first African-American Secretary of Commerce in our Nation's history, Ron Brown was by any objective standard the most effective Secretary of Commerce I have ever witnessed in my 23 years in the Congress. Ron Brown was a shining example that African-Americans can lead this Nation and the world into the 21st century.

His life was also a caution to African-Americans that your efforts to move beyond traditional roles may be met with resistance. The rules for you will be different than the rules for anyone else. Therefore, if you are to succeed, you must be willing to out perform others. You will need to work harder, and smarter in order to be successful. But if you stay focused and keep your eyes on the prize, and are given the opportunity, Ron Brown's legacy demonstrates that there is nothing that African-Americans cannot accomplish.

Mrs. CLAYTON. Thank you very much.

We are also joined by the Congresswoman from Maryland.

Mrs. MORELLA. Thank you. I do want to thank Congresswoman CLAYTON for doing this. I think it is very important that we pay tribute to a man who has died too young, who served his country so well, and I know others will join by memorializing Secretary Ron Brown by virtue of submitting statements.

I just want to say that there is a vacuum in the world, there is a vacuum in the country, there is a vacuum in the hearts of country men and country women because of the untimely loss of Ron Brown. He is a man who is dedicated to his country, to his community, to his profession to a ''T'', to his family especially, and certainly to his friends.

I became acquainted with Ron Brown because as somebody who is involved with the technology subcommittees, as chair of it, under our jurisdiction is the National Institutes of Standards and Technology and the Technology Administration, and obviously all of this is part of the Department of Commerce. I have never found anybody who would work so perseveringly, indefatigably, and with a tremendous sense of humor and with a tremendous ability for what he believed.

As a matter of fact, today we were originally to have had a groundbreaking of a chemistry building on the campus in Gaithersburg of the National Institute of Standards and Technology and a field hearing at the same time because of the passing of Secretary Ron Brown and the high esteem in which he is held by all of those people who are employed not only in all of the facets of commerce and especially the National Institute of Standards and Technology. This has now been postponed for a later date. People were grieving so, that they really felt that they could not go on with another undertaking of that nature. Certainly there will probably be a dedication in a time when it does indeed take place.

I found him to be a man who did have a sense of humor and a sense of commitment, defended his Department very well and could work on both sides of the aisle. There was no real aisle when it came to performing what he truly believed in, and I had the opportunity a week and a half ago to go to India, and I spoke to Americans who were engaged in enterprises in India as well as the Indian nationals who were involved in industry and business.

□ 1745

They mourned, they mourned greatly the passing of Ron Brown. It occurred at that time, because there had had a very successful trade mission just last year which opened all kinds of avenues and markets for America to participate in the great world market.

Mr. Speaker, I simply feel that, as Shakespeare said, the force of his own merit led his way, and indeed it did. He will be missed. He will, however, go on, live on in love, and I hope he will be an inspiration to us. I offer my condolences, obviously, to his beloved wife Alma, and to his two children, Michael and Tracy.

Mrs. CLAYTON. Mr. Speaker, we also join with the gentleman from the Virgin Islands [Mr. FRAZER] who will join in this tribute to Ron Brown.

Mr. FRAZER. Mr. Speaker, I want to thank the distinguished gentlelady from North Carolina for holding this special order for the late Secretary of Commerce Ronald H. Brown.

Secretary Brown served our Nation with distinction, service, and honor. He provided the vision, and the leadership to promote American business abroad. He understood that in order for American business to succeed abroad they needed to have the full support of the U.S. Government. He used his office to open doors and provide opportunities for large and small businesses. This support is characteristic of how Secretary Brown served this Nation and American business with distinction.

Secretary Brown was accessible and available to the people of the Virgin Islands. He sent his Assistant Secretary for Economic Development to assess the rural economic development needs of the Virgin Islands and to map out a strategy. It was Secretary Brown who understood how vital the U.S. tourism business was to the Virgin Islands and was working with us to help promote tourism through the international trade administration.

Secretary Brown elevated the Commerce Department to a new standard of honor—where business and government can work together for the good of the Nation. Today, the Commerce Department is at the international vanguard for American business. This stature is due to Secretary Ronald H. Brown's vision, leadership, and astute business intellect.

Mrs. CLAYTON. Mr. Speaker, we will ask the gentleman from Georgia [Mr. LEWIS] if he will share also. I have been advised that we have 3 minutes remaining, unfortunately, to all those who would participate in our tribute.

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to pay honor and tribute to our late Secretary of Commerce, Ronald H. Brown. No words I can utter on this House floor today can do justice to this great man, patriot, and public servant. I want to personally express my great sense of loss at the passing of this good and decent man and extend my condolences to his family: to his wife Alma, his son Michael, and his daughter Tracy. Their loss, Mr. Speaker, is our loss, our party's loss, and our Nation's loss.

I first met Ron Brown more than 30 years ago while vacationing on Martha's Vineyard. I was immediately struck by his boundless energy, charisma, sophistication, and style. Even back then, one only had to spend a little time with Ron to know that he was a rising star. And so I was never surprised as I followed Ron's career and watched this man grow and develop, first as a young lawyer, then as a leader in the National Urban League in New York and later here in Washington, as the chief counsel for the Senate Judiciary Committee and later as a partner in a prestigious Washington law firm and as the chairman of the Democratic Party.

Ron Brown was born in Washington, DC, and raised in Harlem, NY, and though he worked his way to the heights of the business and political worlds in our Nation, he never forgot where he came from. He never forgot how to speak with people. He never forgot who it was that needed help and hope and opportunity. Ron spent his life and gave his life creating opportunity for those less fortunate, for those who had not yet climbed up the economic ladder.

Ron Brown was a bridge-builder. Through his actions and his words he was working to build what Dr. Martin Luther King, Jr. called the beloved community, a community at peace with itself, where people are not judged by the color of their skin but by the content of their character. Ron believed in creating opportunity for all Americans and he used his position as Secretary of Commerce to promote American business abroad and economic development in communities where it was desperately needed.

Robert Kennedy was fond of quoting George Bernard Shaw: ''Some men see things as they are and ask why,'' Shaw wrote, ''I dream of things that never were and ask why not.'' Ron Brown did dream of things that never were and ask why not. He dedicated his life and gave his life to promote the country that he loved and to better the lives of the people of this country.

Ron Brown will live in the annals of American history, not just as the first African-American Secretary of Commerce, but as perhaps the best, most effective, and most accomplished Secretary of Commerce in the history of our Nation.

Mr. Speaker, I, like so many others will miss Ron Brown. His energy could light up a room. His enthusiasm could inspire people to reach their greatest God-given potential. His vision and foresight returned the Presidency to his party. His counsel and guidance and wisdom will be sorely missed as we tackle the problems that face our Nation. One of what President John F. Kennedy called our best and our brightest has been taken from our midst.

Those of us who knew Ron Brown were more than lucky, we were blessed.

Again, I want to extend my condolences to the Brown family and thank you, Mrs. CLAYTON, for arranging for this special order.

Mrs. CLAYTON. Mr. Speaker, on a hillside over Bosnia, this Nation lost 33 dedicated and committed Americans.

Among those lost was the man we pay tribute to today, Secretary of Commerce Ron Brown.

We pay tribute to Secretary Brown because, in the finest tradition of America, he gave his life, in service to his country, while promoting peace in a region torn by war.

This tribute has been organized by those of us who serve on and who have participated with the President's Export Council [PEC].

Secretary Brown was a public sector member of PEC, and the driving force behind a notable private-public partnership, whose mission is to expand U.S. exports abroad.

At the very first meeting of PEC, on February 13, 1995, President Clinton attended, and Secretary Brown welcomed and swore in the appointees.

Secretary Brown emphasized that he would regard PEC members as the board of directors of America's National Export Strategy, first implemented in September of 1993.

And so, Mr. Speaker, we think it only fitting that the PEC ''Board of Directors'' lead a tribute to the person who, in our minds, was the chairman and chief executive officer of America's effort to achieve free and fair trade and to give a chance to U.S. businesses of all sizes to market their goods and services abroad.

Ronald Harmon Brown was born in Washington, DC, on August 1, 1941.

He was raised in Harlem by his parents, attended Middlebury College in Vermont, was commissioned an officer in the Army and spent time in West Germany and Korea—surely the seed of foreign trade was planted at this time.

When he left the Army, he joined the National Urban League as a welfare caseworker, evidencing early in his career a dedication to public service. At night, he attended law school.

Shortly after law school came his first foray into politics, when he was elected district leader of the Democratic Party in Mount Vernon. Immediately, he became known as one who could build bridges and close divides.

In 1973, he moved back to Washington, DC and, following a series of public and private-sector positions, on February 10, 1989, he was elected by acclamation as the first African American chair of the Democratic National Committee.

The rest is history, as Ron went on to help elect President Clinton and to be asked to serve as Secretary of Commerce.

In a relatively short period of time, he made giant strides, distinguishing himself, making his mark in many places, leaving his permanent imprint on the sands of time.

Neither race, nor color, nor religion, nor background, or any of those false barriers stood in his way. We could always count on him to fight another fight, to write another chapter, to run another race. Secretary Ron Brown will be sorely missed.

He will be especially missed for his work with PEC in behalf of U.S. exports and his efforts as Secretary of Commerce. One of his last appearances in the United States was at the most recent meeting of PEC. At that meeting, he shared his thoughts and plans on the Bosnia/Croatia trip, as well as uncommon insights he had gathered about trade around the world.

From that meeting came the proposed PEC ''Statement of Principles'' concerning export administration. Those principles reflected Ron's vision and wisdom—declaring exporting as a right of every American citizen, not a privilege, as early versions of the Export Administration Act had stated.

And, those principles outlined what America's position should be on export restrictions, seeking to make sure, as Ron always did, that there is a level playing field throughout the world and that no one nation could assume an unfair competitive advantage in an increasingly competitive marketplace.

While those proposed principles reflected Ron's views, they were shaped and will be reshaped by all members of PEC, public and private, and certainly included the view of those business and corporation representatives who served.

Indeed, Ron's work and the work of PEC made certain that businesses of all types, politics aside, could benefit from the renewed trade efforts, and they did.

During his tenure, important groundwork was laid, major breakthroughs were experienced, and future prospects for peace and prosperity were cemented. And, while Ron was a deeply committed Democrat, on the matter of free and fair trade, he was first an American. Party took a second seat to the goal of expanding exports.

Ron knew what many of us have now come to know. For every $1 million we make a available to finance exports, we generate a $7 million return, and, more importantly, we create new jobs.

In the First Congressional District of North Carolina alone, there are more than 450 companies that manufacture goods of foreign markets—and nearly two-thirds are small- and medium-sized businesses, employing less than 100 people.

All in all, eastern North Carolina ships more than $1.3 billion of goods overseas each year. Indeed, in 1994, 270,000 new jobs were attributed to North Carolina, exports, generating some $13.7 billion in revenue, a 21.7 percent increase. In 1994, North Carolina ranked 10th in the Nation in exports.

More and more, the economic well-being of our region and our State depends on our ability to sell our products to other countries.

Clearly, our ability to generate good jobs in the future is tied to exports and the ability of local companies, small and large, to exploit opportunities in other countries.

As a member of the Subcommittee on Procurement, Exports, and Business Opportunities of the House Small Business Committee and an appointee of PEC, I have learned a great deal about the relationship between exports and better jobs.

I have come to appreciate eastern North Carolina's unique combination of harbors at Wilmington and Morehead City, a strong interstate system, and a state-or-the-art air shipping facility at the proposed Global Transpark in Kingston which makes our area particularly well-suited to be involved in the export boom.

I've been working with community leaders to have the proposed Global Transpark designated a free-trade zone, which would make it a hub for international shipping. If we are successful, the seafood caught off our shores

in the morning could be someone's dinner in Japan the next day.

According to the U.S. Department of Commerce, for every $1 billion in exports, 20,000 jobs are created.

U.S. exports of goods and services can reach $1 trillion by the beginning of the next decade and can produce over 6 million new jobs. This could mean, by the year 2000, more than 13 million Americans who will be earning their living as a direct consequences of exports.

But businesses, large and small, usually face three challenges when they begin to look to other lands, gaining access to the capital needed to open new product lines or modify existing ones for overseas consumers, attaining technical training vital to dealing with other governments, and finding the information about regulations, American and foreign, and trade practices in other countries.

Secretary Ron Brown, through the Department of Commerce and the President's Export Council had undertaken, like never before, to remove those barriers to exporting, to overcome the challenges.

Mr. Speaker, the greatest tribute we can give to Ron Brown and those 32 other Americans who perished in Bosnia, is to keep their work going and make their dreams come true. That is a tribute in which Democrats and Republicans, small, medium, and large businesses, and Americans of all stripes can join.

Growth in real incomes and living standards depends heavily on trade.

Secretary of Commerce designate Mickey Kantor recently noted that expanding trade is critical to creating good, high-wage jobs.

The 11 million Americans who owe their jobs to exports are earning 13 to 17 percent more than those in nontrade jobs. Ron Brown had the right idea.

I invite my colleagues to join me in keeping that idea burning and in creating a living legacy for a man who lived his life in sacrifice so that millions of his fellow citizens could live their lives in pride.

Mr. TRAFICANT. Mr. Speaker, today I would like to honor the memory of the late Secretary of Commerce Ronald H. Brown. A true leader. A successful, fearless man who loved the big things: his family, his friends, his country, his work, his African-American heritage. And those are the important things. He was passionate and devoted to each. To his wife, Alma and his children, Michael and Tracey, please known that no man could have lived a more blessed and successful life. God be with you.

Mr. MATSUI. Mr. Speaker, I rise today to honor the late Ron Brown. Secretary Brown's tragic death on April 3 robbed our Nation of a highly distinguished and talented leader. Throughout his career, Ron Brown made the most of every challenge that confronted him. As Secretary of Commerce and in his other work, he dedicated himself to creating opportunities for others.

I first met Ron when he ran Senator EDWARD KENNEDY's 1980 Presidential campaign. But I didn't begin to fully appreciate Ron's talents until 1991, when, as chairman of the Democratic National Committee, he asked me to join him as treasurer of the DNC.

In that capacity, I witnessed first hand Ron's vision and leadership. He had an uncanny ability to bring disparate factions together and a capacity of persuasion that was literally unparalleled. I believe it was Ron's early work on the Presidential campaign of 1992 that enabled then-candidate Bill Clinton to emerge from the Democratic Convention with the momentum and resources that ultimately resulted in his victory.

Another of the many distinguished legacies that Ron Brown leaves is the dramatic results of his tireless advocacy on behalf of American businesses in his 3 years as Secretary of Commerce. Ron worked closely with businesses large and small to identify new opportunities and to promote American products. He recognized the tremendous potential that foreign markets held and knew that American firms must seize this opportunity if our Nation was to thrive as it entered the 21st century.

He worked effectively as a peer with the most powerful business leaders in our Nation, yet Ron Brown never lost his ability to identify with and related to average Americans. He was greatly beloved in his boyhood home of Harlem and left strongly positive impressions among the people he came into contact with while traveling throughout the country.

Ron's leadership, keen intelligence, and passion will be greatly missed by all those who knew him personally and his loss will continue to be felt by many more whom he impacted through his work. I am a better person for having known Ron Brown, and I deeply mourn his passing.

Mr. DIXON. Mr. Speaker, we are all horrified by the untimely death of the Honorable Ronald Harmon Brown, a man of incredible ability who was loved and respected across the globe. In searching for words to appropriately honor him, I recalled the following tribute, which I had the privilege of inserting into the CONGRESSIONAL RECORD on August 4, 1995.

TRIBUTE TO SECRETARY OF COMMERCE RONALD H. BROWN

Mr. Speaker, as we prepare to return to our districts where many of us will be meeting with community and business leaders concerned about economic development opportunities in our neighborhoods, I want to use this occasion to salute the outstanding accomplishments of a gentleman who has worked tirelessly to promote the cause of business and economic opportunity throughout the United States and abroad. The Honorable Ronald H. Brown, our distinguished Commerce Secretary, is to be applauded and commended for the outstanding job that he has done in serving as the administration's enormously adept ''Pied Piper'' of economic opportunity and empowerment.

Ron Brown is the 30th United States Secretary of Commerce. In nominating him to this auspicious post, President Bill Clinton noted that ''American business will know that the Department of Commerce has a strong and independent leader and a forceful advocate.'' Those of us who have been privileged to know Ron can attest to his outstanding leadership acumen and his tenacity and considerable powers of persuasion. He is a skillful negotiator and an indefatigable advocate on behalf of America's economic interests abroad as he seeks to expand and open markets for American-made products around the globe.

Ron's career has been structured around public service and helping to make America a better place for all of her citizens. A native Washingtonian, he grew up in New York where his parents managed Harlem's famous Hotel Theresa. He attended Middlebury College in Vermont and received his law degree from St. John's University. He is a member of the New York Bar, the District of Columbia Bar, and is admitted to practice before the United States Supreme Court.

A veteran of the United States Army, Ron saw tours of duty in Germany and Korea.

Secretary Brown has had an eclectic career. He spent 12 years with the National Urban League, serving as Deputy Executive Director, and General Counsel and Vice President for the organization's Washington operations. He also served as Chief Counsel for the Senate Judiciary Committee. He is a former partner in the Washington, D.C. law firm of Patton, Boggs, and Blow. And who among us does not remember the brilliant job that he did as the Chairman of the Democratic National Committee and 1993 Inaugural Committee.

As Secretary of Commerce, Ron has traveled extensively, promoting the administration's trade policies and forging sound private/public sector partnerships. Following the Los Angeles, Northridge earthquake in January 1994, Ron was one of the first cabinet officials on the scene, working with local, State, and Federal officials to identify and earmark funding sources for businesses severely damaged and/or destroyed in the quake. He has since returned to the quake damaged areas on several occasions to survey the progress made by programs implemented under this aegis.

Ron maintains a schedule that would tire men half of his age. Yet he is always prepared to go wherever he is needed, and he always does it with aplomb and with a spirit of unyielding optimism that inspires all around him to achieve the same level of commitment.

In addition to his weighty responsibilities as Commerce Secretary, Ron serves on several presidential boards and councils. He is a member of the President's National Economic Council, the Domestic Policy Council, and the Task Force on National Health Care Reform. He serves a Co-Chair of the U.S.-China Joint Commission on Commerce and Trade, the U.S.-Russia Business Development Committee, and the U.S.-Israel Science and Technology Commission.

Secretary Brown is also a member of the Board of Trustees for Middlebury College and is chair of the Senior Advisory Committee of the Institute of Politics at the John F. Kennedy School of Government at Harvard University.

Mr. Speaker, I am proud and honored to have this opportunity to commend my good friend, Secretary Ronald H. Brown, on the fine job that he is doing as our Secretary of Commerce. He has led an exemplary career, and I have no doubt that he will continue to lead and inspire. Please join me in applauding him on an outstanding career, and in extending to him, his wife Alma, and their two children, attorneys Michael and Tracy, continued success in the future.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to note with appreciation the many achievements and inspirational life of Commerce Secretary Ron Brown. With his constant good will and hard work, he was able to build bridges where there once were valleys and hope where there was once despair. Secretary Brown used the power of the Commerce Department to find ways to give opportunity to ordinary Americans, to generate jobs for the American economy, and to build futures for American citizens.

One could look at Ron's life as a series of firsts. That would be a disservice, for in fact, his life was a series of first place and solid accomplishments. Ron Brown always believed that we would succeed. Whether as a student at Middlebury, staff person to Senator KENNEDY, or top campaign aide to the Senator, Ron was a success. As chairman of the

Democratic National Committee, Ron was a success. A lawyer, a skillful negotiator, a pragmatic bridge builder, and past highly successful chairman of the Democratic National Committee, Secretary Brown strongly believed in the promise of America and aggressively advanced polices and programs to accelerate the Nation's economic growth and create new jobs and opportunities for all American people.

Under his leadership, the Commerce Department became the powerhouse envisioned by President Clinton. Secretary Brown promoted U.S. exports, U.S. technologies, entrepreneurship, and the economic development of distressed communities throughout the Nation.

He led trade development missions to five continents, touting the competiveness of U.S. goods and services. During his tenure, U.S. exports reached a record high, America regained its title as the world's most productive economy, and exports and technology were key contributors to the millions of new jobs created during the first 3 years of President Clinton's administration.

Mr. Speaker, my prayers go out to his wife Alma, son Michael, and daughter Tracy. Their strength and courage were displayed during Secretary Brown's funeral service and they should be forever proud of their husband and father.

I yield back the balance of my time.

Mr. CONYERS. Mr. Speaker, I rise this evening to honor the memory of former Secretary of Commerce Ronald H. Brown, an American pioneer, patriot, and hero. Secretary Brown was also a dear friend. I am sure that my sense of loss is shared by many who work, or have worked, on Capitol Hill. In 1979, Secretary Brown became the first African-American to serve as a chief counsel for a standing Senate committee when he took over the Senate Judiciary Committee. As was the case throughout his career, his service on the Hill helped to chart a new course of participation for African-Americans within the corridors of political and public policy decisionmaking.

Being the first, being the only, being a pioneer, was the former Secretary's calling card. He was the first African-American to join a social fraternity during his undergraduate days at Middlebury College. An Army officer, he was the only African-American officer in his unit during his tour of duty in Germany. He was the first African-American partner in the law firm of Patton, Boggs & Blow. He was the first African-American to head a major political party. Finally, he was the first African-American to head the Department of Commerce.

Upon nominating Ron Brown to be the 30th U.S. Secretary of Commerce, then-President-elect Clinton declared, ''American business will know that the Department of Commerce has a strong and independent leader and a forceful advocate.'' The President could not have been more prescient, nor could have made a more brilliant appointment.

Under the leadership of Secretary Brown, the Commerce Department became one of the major success stories of the Clinton administration. He launched a national export strategy predicated on the very basic idea that American exports translate into jobs and opportunities for American business and working people. In the pursuit of this strategy, Secretary Brown conducted trade mission after trade mission abroad. He traveled most often to what he liked to call the big emerging markets of Asia, Latin America, and Africa.

The trip on which Secretary Brown and his 34 colleagues lost their lives was typical of his missions. It was visionary in the most practical sense of the word. It was practical in the most visionary sense of the word. He had the vision to see that beyond the horrors of war wracking Bosnia and Croatia, lay opportunities for American business to be of service, as well as to engage in commerce. He was grounded enough in the realities of that conflict to understand that the road to peace lay in the rebuilding of those shattered communities.

When Secretary Brown's plane crashed into that mountain on the way to Dubrovnik, an American patriot became an American hero. He is no less a hero because he died in an accident. He is no less a hero because some persons serving in this Congress have spent an inordinate amount of time besieging him and undermining the Department he led so brilliantly. He is a hero because he died in the service of this Nation, pursuing its interests at the cutting edge of diplomacy and peacemaking.

I would be remiss if I did not comment on Secretary Brown's meaning to me as an African-American public servant. Secretary Brown could not be mistaken for anything else than what he was, an African-American. He did not deny that fact, nor did he allow that fact to limit his personal or professional horizons. To be sure, Secretary Brown did everything within his power to help African-Americans. Beyond that, he did everything he could to find points of convergence between the interests of America, African-Americans, and Africa. But he never allowed himself to be the black Secretary of Commerce, nor, for that matter, the black head of the Democratic National Committee, or the black anything else. Ron Brown was the Secretary of Commerce, in the service of each and every American, hyphenated and unhyphenated.

It is often said that a picture is worth a thousand words. I agree, a thousand and sometimes more. The picture that I have in mind is that of President William Jefferson Clinton presenting an American flag to Mrs. Alma Brown at Arlington National Cemetery on Wednesday, April 10, 1996. That picture says it all. Secretary Brown's life was a life of service in the public arena in the pursuit of justice and opportunity. It was the life of an American pioneer, patriot, and hero.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I would like to take this opportunity to pause with my fellow colleagues to remember our friend Ron Brown. As many have already said, Ron Brown was an exceptional person with a deep love for his family, friends, and country. Today, I would like to honor his memory by celebrating some of his achievements as Secretary of Commerce.

Our record in international trade will ultimately define the future prosperity of our Nation. The ability of our work force to meet the new challenges of the global economy and compete for high-skill high-wage jobs of tomorrow will be critical. No one understood these principles more than Ron Brown

As Commerce Secretary, Ron Brown expanded our international role by reaching out to countries all over the globe, and by strengthening the foundations of our domestic economy. His work to improve our trade balance, increase overseas opportunities, and create domestic jobs helped to prepare the United States for the next century. In my State of Rhode Island he genuinely made a difference.

Last summer, Secretary Brown visited with me in my office to discuss the many programs at Bryant College that focused on improving our State's economy by investing our resources in international business. We talked about Bryant's existing initiatives like the Rhode Island Export Assistance Center and their innovative International Trade Data Network [ITDN]. The purpose of ITDN was to help create and distribute practical information and data that will enable businesses to effectively and realistically target their export efforts to actual opportunities. For Rhode Island, the programs at Bryant were a way to reduce the effects of defense downsizing and struggling economy.

Secretary Brown saw the impacts that international trade could have on local economies and later visited Rhode Island twice to see Bryant College and various other initiatives first hand. He took the time to investigate our latest ideas and offer the support of this Department. Truly, Ron Brown led by example.

In the end, Ron Brown died as he lived: a dedicated patriot who selfessly give his all for friends and country. As a nation we are forced to continue without him, but his time with us all will be remembered as a time of progress, learning, and achievement.

Ms. SLAUGHTER. Mr. Speaker, today I join with my fellow colleagues to pay tribute to a truly great American, the late Secretary of Commerce, Ron Brown. To many of us, Ron Brown was not only a cabinet member with an impressive record of accomplishment, but he was also a dynamic party leader, a trailblazer in the business world, a ferocious advocate for the business community as well as those in need, a role-model for blacks and whites alike, and a dear friend.

I will remember Ron for his charming and captivating persona, for his astute mind, and for his love of country. Ron Brown was full of energy and enthusiasm in each endeavor that he undertook. As Chair of the Democratic National Committee, Ron utilized his skills in bringing people together and motivating them to work toward a common goal, and that propelled the Democratic party to victory in 1992.

In his capacity as Commerce Secretary, Ron Brown was masterful in seeking out and opening up new markets to U.S. businesses. I know firsthand of his tremendous talent in bringing together the public and private sectors in partnerships. A perfect example of this is in my home district of Rochester in which Ron displayed his immense support of Eastman Kodak Corporation's efforts to halt unfair trade practices that were detrimental to Kodak. Upon Ron Brown's insistence, the International Trade Commission concurred and steps were taken to address the inequities.

Ron was such a wonderful and unique leader because he recognized his role as Commerce Secretary was broader than simply promoting American business and trade in foreign lands. He also used his position to help ensure the peace and stability that would provide the foundation for a stable economic base in tormented nations such as Bosnia and Croatia.

Ron died in the midst of an important mission. And he died doing what he did best: building bridges between people and building bridges between nations.

Mr. Speaker, I would like to join my colleagues in extending my deepest sympathies

to Alma Brown, Ron's children, and all of the family and friends of this extraordinary man. His presence will be sadly missed by the entire Nation.

Mr. GEPHARDT. Mr. Speaker, in the few days since Ron Brown's death, it has already become a cliche to speak of his brilliant political career—of his pioneering role as party leader, and his efforts to almost single-handedly redefine the Commerce Department and its influence on the American economy. For those of us who considered Ron a friend, it is reassuring to know that the country remembers him as fondly we do. But when there are so many tangible achievements to celebrate in a man's life, it becomes harder to recognize what is less tangible, but perhaps more important.

To me, there is a reason that Ron Brown broke down so many barriers in so many aspects of his life, and shattered so many preconceptions about politics, race, and America's place in the world. For all his practical and political talents, Ron Brown was an idealist, pure and simple. His goals for himself, his party, and his country were always based on what should be, and not on what others thought could be. That is a rare quality in a politician, and a rare quality in a human being. But it is why people loved and respected Ron Brown, and were so often willing to abandon their own goals and egos to work with him for that higher purpose.

I first began to work closely with Ron when he became chairman of the Democratic National Committee in 1989, around the same time that I became House majority leader. It may be hard to remember just how bad prospects seemed for the Democratic Party at that point, and how few people believed that our party could ever again capture the hearts and minds of the American people. Ron Brown was not only an unfailing optimist—often the only voice of optimism at those early meetings and strategy sessions—but a man who believed so strongly in the bedrock principles of the Democratic Party, he refused to accept any reason why America would not rally around Democratic ideals and candidates.

There is no question in my mind that Ron Brown was the driving force behind Democratic victories in both the 1990 midterm elections and the 1992 Presidential election—and that he worked and sweated for those victories not out of some desire for narrow political gain, but because of his unshakable faith in the Democratic Party as the party of progress for average, working Americans. He never forgot where he had come from, and who he wanted to help.

Much has been said in recent days about Ron Brown's ability to heal divisions, to reconcile warring factions, to focus on what united people as Democrats, or business leaders, or Americans. He truly believed that you could always accomplish more by working together—by bringing others along with you. That may be why he established a unique precedent in working so closely with congressional leaders as party chairman. He really did bring the Democratic Party together—sometimes almost one person at a time. To see the depth of his empathy and understanding—to see how far he would go to understand divergent people and opinions, and then to find the common ground between them—was to see the very essence of leadership.

As Commerce Secretary, Ron Brown dramatically expanded his mandate, reinvigorating the Foreign Commercial Service, and becoming a booster of U.S. exports on a scale that had never before been seen. He poured his energy and passion into his work at Commerce, much the way he had done so at the DNC. I admired the aggressive manner in which he led that department, even in the face of partisan political pressures to play a lower profile.

Our country could use another Ron Brown. For he pushed boundaries and broke down barriers almost instinctively, intuitively, as if he simply refused to acknowledge they were there in the first place. Perhaps, in that sense, we can find some shred of meaning in Ron's terrible death—because no risks and no naysayers could ever have kept him from exploring new terrain, reaching for new challenges, and trying to redefine the world in which we live. That he managed to do all those things in so few years is a powerful legacy indeed.

Mr. REGULA. Mr. Speaker, I would like to join members of the President's Export Council today in paying tribute to Secretary Ron Brown. Ron Brown was a personable individual and a master of the art of politics. He served his country and his party with distinction. I worked with the Secretary during his tenure as Secretary of Commerce and was always impressed with his dedication to economic growth and jobs. We shared the goal of promoting U.S. exports, as Ohio has become a leader in the export of goods to other countries. The objective of his final mission was again to facilitate the movement of U.S. goods into overseas markets, thereby working to keep good jobs here in the U.S. I extend my sympathies to Secretary Brown's family and friends.

Mr. LANTOS. Mr. Speaker, I rise today in both sadness and mourning to extend the condolences of myself and my family to Mrs. Alma Brown, their two children Michael and Tracey, and to the entire Brown family. Your husband, father, and mentor was indeed a unique man who graced the institutions which he diligently served.

He was a man committed to the service of his country and to the fulfillment of a promise he had made to himself and the community that surrounded him in his youth. It was a promise that compelled him to demonstrate time and time again that America's diversity was a strength and not a weakness. It was a promise that elevated him from his beginnings in Harlem to the position of Secretary of Commerce where he served with distinction and ultimately died in that service. And above all, it was a promise that drove Secretary Brown to tirelessly break down the barriers that divided people.

Ron Brown was a lawyer and skillful negotiator who became the first African-American chairman of the Democratic National Committee. Secretary Brown strongly believed in the promise of America and aggressively advanced policies and programs to accelerate the Nation's economic growth. He also became the first African-American to hold the office of U.S. Secretary of Commerce, and through his outstanding inspiration, vision and force of will, left an indelible stamp upon the Department of Commerce.

His list of achievements reads longer than the endless accolades that have adorned his passage from this world into the next.

Secretary Brown worked endlessly to champion the role of civilian technology and technological innovation as the means to ensure American job creation, economic prosperity, and a higher standard of living. Under his tenure, he worked to establish a nationwide network to help small businesses. He led trade development missions to five continents, touting the competitiveness of U.S. goods and services. Under his leadership, U.S. exports reached a record high.

Ron Brown worked vigorously to remove outdated government-imposed obstacles that hindered U.S. exports, and he strongly believed in the competitiveness of American business. His dream was to make America stronger, and he remained steadfast to this commitment. Under Secretary Brown, United States exports to Japan increased by one-third. He advocated for $80 billion in projects and supported hundreds of thousands of U.S. jobs. His vision and leadership included his understanding of the vital link between our economy and the integrity of our environment. He furthermore understood the critical importance of protecting intellectual property worldwide, and to this purpose he negotiated with countries around the world.

There was a purpose to Secretary Brown's commitment that found fruition in his constant struggle to transcend all barriers. It is indeed befitting that this dedication will serve as his legacy; a befitting legacy that will outlive the demise of its creator. His passing will not detract from the quality of his achievement, but will rather inspire us all to achieve more from ourselves.

His premature departure not only leaves a void, it also leaves a tradition that has taught America how to face and overcome adversity. His passing compels all of us to take note of his outstanding determination and pay respects to his commendable achievements. On this day, I ask my colleagues to join me in remembering a man who served his country faithfully in both life and in death.

TRIBUTE TO SECRETARY OF COMMERCE RON BROWN

The SPEAKER pro tempore (Mr. WHITE). Under a previous order of the House, the gentleman from North Carolina [Mr. WATT] is recognized for 5 minutes.

Mr. WATT of North Carolina. Mr. Speaker, I yield to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, there is much that many of us can say about our good friend and public servant for this Nation, Secretary Ron Brown. I simply want to say to Alma, Michael, and Tracy and the family, we loved and respected him; but to America, he was a leader beyond leaders. He realized that American business meant American jobs.

As a member of the Committee on Science, I saw his dynamic leadership in support of advanced technology, recognizing that was the future of America. So it is my commitment to his family and to his legacy that I will continue to work toward creating jobs, and I leave this tribute to Secretary Ron Brown:

Isn't it strange that kings and queens and clowns that caper in sawdust rings and common people like you and me are builders for

eternity? For unto each of us is given a bag of rules and a shapeless mass and each must give or life is flown as a stumbling block or stepping stone.

It is my belief and the belief of the American people that Ron Brown was a stepping stone for America, American business, American jobs. Long live the legacy of the honorable Secretary of Commerce, Ron Brown.

Mr. Speaker, I consider it a great privilege and honor to participate in this special order in tribute to Ronald H. Brown, former U.S. Secretary of Commerce. He had an outstanding career as a lawyer, National Urban League executive, Democratic Party chairman, Cabinet Secretary and close Presidential adviser. I am proud that the city of Houston paid tribute to Secretary Brown and the others that perished on April 3, on Friday, April 12, 1996, at Antioch M.B. Church.

Ron Brown used his many talents to create a better quality of life for all Americans. This special order's focus on his impact on the expansion of American-owned companies into foreign markets is very appropriate. During his tenure at the Commerce Department, he redefined the Department's mission to provide economic opportunity for every American. Moreover, he believed that peace and prosperity could be strengthened and promoted through international trade.

Over the past 3 years, he helped develop a national export strategy to assist American companies in increasing their exports to foreign nations. Since 1993, American-owned companies entered into commercial deals with foreign businesses in the amount of $80 billion.

Most of this expansion was as a result of his tireless efforts in leading numerous trade missions around the world. He supported the creation of strong ties with new markets in Africa. Asia, Latin America and Eastern Europe. Brown also helped to streamline regulations that unnecessarily hindered the exports of our goods and products.

Brown served on President Clinton's National Economic Council and the Council on Sustainable Development. He was also a member of the council on Foreign Relations. He chaired the Trade Promotion Coordinating Committee, which was comprised of 19 Government agencies, to strengthen the American economy through trade.

Ron Brown was a man of great vision and understood the importance of technology in our growth and development. He was a strong supporter of the Commerce Department's advanced technology program, which helped create thousands of businesses that will lead us into the 21st century.

All of us in public service owe a great debt to Ron Brown. He inspired us to always remain optimistic, to be committed to achieving our objectives and work to ensure that no American is left behind. This is his great legacy. Let us renew our commitment to public service.

Mr. WATT of North Carolina. Mr. Speaker, I yield to the gentlewoman from Florida, Mrs. CARRIE MEEK.

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, it is very difficult for me to discuss my feelings, my personal feelings, about Ron Brown. I have known Ron Brown since he was a very young man. I have seen him come up through the ranks. He did it the hard way. He worked for it.

I appreciate the kind of commendation that we are giving Ron Brown today. I want to send my condolences to the family, especially to my baby, Michael, his son, and to say to Alma and to her daughter, Tracy, that God will go with them, as we all know, and that Ron will always be remembered, and that we will keep his legacy going. He will not be a forgotten man. I also want to say to Mrs. Meissner, who lost her husband, to send my condolences to her.

People were magnetized by Ron Brown. He lived in such a way that people would gravitate towards him because they knew he was good. I will tell you one thing, Mr. Speaker, every youngster in this country who is from a poor or disadvantaged community, or even more, all over this country and all over this world, not due to ethnicity, race, or creed, will pattern themselves after Ron Brown, because they see an opportunity in him, in what he did, to make the American dream work. That is going to be his legacy.

He walked through the streets of Liberty City with me, a very poor community, and he reached out to every one of them, yet he got to be a counselor to the President of the United States. He sat on the Cabinet.

When I think of Ron, I think of a poem which we call, and I am going to paraphrase it, The Builder:

There was an old man at evening tide who was building a bridge on the countryside. A young man came to him and said, ''Old man, why do you try to build this bridge? When the tide comes in you will be long gone. You won't be here.'' And the old man lifted his head and said, ''Young man, let me tell you something. The reason I build this bridge at evening tide is there will be a young man such as you who will come after me. Young man, I build this bridge for thee.''

That is why Ron did what he did, to build bridges for all of us. I thank the gentleman for sharing his time with me.

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentlewoman for sharing in this special order tribute to Ron Brown. Mr. Speaker, I want to spend a minute or two in this final part of the 5-minute period just saying a couple of things, more from the heart.

First, Mr. Speaker, I want to express my condolences to Alma Brown and to the entire Brown family, and to the families of those others who perished so tragically in this crash. This was a devastating loss for our country and for me personally.

Second, I cannot help but recall the very last time that I saw Ron Brown, which was in the hall in the Rayburn Building. I had been involved in a hearing and was rushing in one direction. Ron had been called before a committee of the House to testify at another hearing. He was coming out of that and was rushing off to another place.

Despite the fact that both of us were in a hurry and headed in different directions, the characteristic that always came through from Ron Brown surfaced. That was the ability, for whatever small period of time he had, to look at you in the eye and make you feel that you were the most important person in life at that moment. We spent a few moments together, and that came through to me. That is the memory that I will always have of Ron Brown.

Mr. Speaker, I would like to express my condolences to Alma and the rest of the Brown family and to the families of those who perished tragically in the plane crash in Croatia.

The outpouring of support that we have seen since Ron's passing is a testament to the life he led and the impact that he had on people. Since his passing there have been two things that have been said about Ron most frequently. They are that Ron Brown had a lot of friends and that he had a tremendous amount of political acumen. I knew both of those things were true.

Almost 2 weeks after Secretary Brown's passing I think it is necessary for us to continue to honor his life and celebrate his legacy. Ron Brown taught us about the importance of providing jobs for our citizens through economic expansion and ensuring equality of opportunity so that all could share in the fruits of economic expansion.

EXPANDING ECONOMIC OPPORTUNITY

Ron Brown knew that the success of the American economy in the 21st century would depend upon expanding economic opportunity for all of our people. In a time where the gap between the rich and the poor is ever-widening, we must see to it that our economy creates jobs which provide living wages. We must also see to it that the good which flows from economic prosperity is shared among all of our people.

EQUALITY OF OPPORTUNITY

Ron Brown knew that our schools and our workplaces should be a reflection of America and should ensure equality of opportunity. He saw to it that his Commerce Department reflected the racial, ethnic and gender differences of the taxpayers on whose behalf his Department worked. Ron worked to provide opportunities for others who might not have been given the chance. Ron Brown knew that there were many more Ron Browns with intelligence, ambition and the will to succeed. Ron Brown gave them an opportunity to shine. They were African-American, white, Latino, Asian-American, they were among those who accompanied him on the mission to Bosnia. We must continue to work to see to it that America fulfills this promise of equality which Ron Brown exemplified.

As we honor our late Secretary of Commerce we must not forget these things which his life has taught us so well and we must work to continue his legacy.

Mr. Speaker, I thank the gentleman from Ohio for providing this opportunity to do this special order before his special order comes forward.

TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. CHABOT] is recognized for 60 minutes.

Mr. CHABOT. Mr. Speaker, the topic of our special order this evening is taxes, and periodically, we will likely be joined by some other principally freshman Members of this House. One of the things that we all share is that we all believe very firmly that taxes are just far too high in this country. The American public is overtaxed, and our Government overspends, and we have to do something about that.

I am 43 years old, and back when I was born, and I was born in the early 1950's, during that period of time the average American family in this country sent about 5 percent, 3 to 5 percent to Washington in the form of taxes.

Here we are 40 years later, and that has gone from 5 percent up to about 25 percent that Americans send to Washington to cover our Federal Government's spending. But that is not the whole picture. It is even worse than that. When you add State taxes, local taxes, city taxes, county taxes, township taxes, school taxes, sales taxes, real estate taxes, all the other taxes that we pay as Americans, the average American family now spends about 40 percent, 40 percent of what it earns in the form of taxes.

□ 1800

Another way to look at that 40 percent figure is that if you work Monday through Friday, you are working Monday and Tuesday for the Government and only Wednesday, Thursday and Friday are you able to support your family on the money that you earned. That is far too high, far too much of a bite out of the taxpayers of this country coming to the Government.

Another way to look at it is if you work an 8-hour day, about 3 of those hours are worked for the Government. That is just ridiculous. I am sure that our Founding Fathers and founding mothers never envisioned anything like the burden of taxation that we now have on the people of this Nation.

Wages have gone up somewhat. If we look since 1989, for example, wages have increased somewhat. However, when we look at the tax burden, the fact that taxes have gone up, we are at best in this country treading water. We are trying to stay even. But we are really losing out on the American dream.

Our parents, I know my parents, envisioned their children doing better than they did. We all want to advance some in life. The problem is right now because taxes at all levels of Government, particularly at the Federal level of Government, have gone up and up and up, the American dream is being destroyed. Because we are overtaxed, we cannot keep enough of our own money to support our families, and that absolutely has to change.

A group called the Tax Foundation, for example, calculates that in this country we right now pay more in taxes than we do for food, clothing, or housing, shelter, medical costs. Think of that. Food, clothing, health care, housing, all those things, we are spending less for that than we are for taxes. That shows again that we are just overtaxed in this country.

At this time I have been joined by several of my colleagues. I will pick up here in a few minutes but I would like to, I believe, start with the gentleman from Kansas [Mr. BROWNBACK] since he was here first, and I will at this point yield to a good friend of mine from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. I appreciate the work that the gentleman from Ohio [Mr. CHABOT] does in representing Ohio in this great Nation, one of the big power forces we have had in this new freshman class of things we have been able to get done. I do not know how many American people recognize that this freshman class has hit here and people like the gentleman from Ohio [Mr. CHABOT] have gotten things done, sent here to make Washington smaller, more efficient, work better for the American people, and it has happened.

One of the things we have not gotten done yet is changing the taxes and being able to get the tax burden less on the American people. We have passed it and passed it again, and have been vetoed and sent back by the President. As the gentleman aptly put forward, the American people are I think taxed to the max, to the point now that they work nearly 40 percent of their year just to pay taxes at all levels, and it is just too much.

I wanted to make another point, if I could, on the issue of taxes. I have got some words here in front of us that rule our lives, if I could show these to the American people. I think it will be kind of interesting to other Members of Congress.

I have got on this page the Declaration of Independence, where we declared independence from a dictatorial nation that was telling us to live a different way than what we wanted to, and these are some words that rule our lives. Within this page is the Declaration of Independence that talks so much about the freedoms and justice that we treasure so much as the American people.

I also have with me today the Holy Bible, words that help with our life as well. I have got the number of words here, 773,000 words approximately in the Holy Bible. The size of this, Declaration of Independence, 1,300 words.

I have got to show the Members of Congress the 1940 Tax Code. I thought we would go back a little ways and we would see the 1940 Tax Code, and I can still lift this one up. It is 4 volumes, the United States Code Annotated, Internal Revenue Code of the United States, 1940's Tax Code.

I cannot pick up the current Tax Code of the United States. I guess I need to be lifting weights better, then I would be able to. The gentleman from Arizona [Mr. HAYWORTH] might be able to do this, but it is a stack about 2½ feet tall of books. It contains 555 million words that control our lives.

This is no joke at all. Unfortunately, this is the real thing. This is just the Tax Code itself, so we can see how much it has grown and how much it has expanded over a period of from 1940 to what it presently is today.

The IRS actually sends out 8 billion pages a year in forms and instructions, which itself would stretch around the world 28 times, just the words that they send out and the billions of pages.

In 1948 a typical family paid only 3 percent of its income in Federal taxes, 3 percent. Imagine that. Because today they pay 24 percent, 8 times as great as in 1948. Imagine what an increase in salary and wages and income we would be giving the American people if we could cut the Government back even a quarter of the way to where we were in 1948.

According to the Tax Foundation, more than 3 hours of every working day are dedicated to the Tax Code. That is how long Americans work on average to pay their taxes. In total, individuals will spend 1.7 billion hours filling out their taxes, responding to this stack of books here, of rules and laws and words that govern our life.

My point in mentioning all of this, and there is a number of other facts that move forward with this, is that we have far too much tax burden on the American people. Average working American people across this country are working too much for the Government and not enough for themselves and their own families.

We have got to much manipulation out of Washington, trying to micromanage our individual economic and personal decisions, trying to make everybody, I guess, perfect across the country as somebody might have designed from here. The Tax Code was written by a thousand different Members of Congress at different times over the eight decades that we have had an Internal Revenue Code.

I just think it is time we say enough is enough. We have got too much of a tax burden, it is too complex, it is too much manipulation out of Washington, and it is time we cut it down to size. It is time we cut the tax burden, and give the American people a real raise by cutting their tax burden.

It is time we cut back on manipulation out of Washington and say that the Tax Code is not for social engineering, it is not for economic engineering. The Tax Code is for raising revenue for the Federal Government. It should be done with a lot of change that we are going to have to get through, and making these sort of changes so the American people can get the relief that they need to have both in the burden and the quantity of manipulation they are getting out of Washington.

I see we have been joined by some other colleagues.

Mr. CHABOT. Reclaiming my time, I thank the gentleman from Kansas. I particularly think it is very interesting the figure you used about 8 billion forms and instructions that go out to taxpayers all over this country.

I think one of the interesting figures that I had seen recently was to put together those forms, we have to cut down 293,000 trees just to put together these forms that we send out to the American public and I personally think that we ought to leave a lot more of these trees standing and cut down the Tax Code substantially. I yield to the gentleman from Mississippi [Mr. WICKER].

Mr. WICKER. I thank my colleague from Ohio for yielding. I certainly also want to commend my friend from Kansas for the remarks which he just made. I certainly hope that he will leave those books there on the desk. They are a graphic example of the increase in the complexity of our Tax Code over the past number of years. They translate into something very, very practical, and, that is, the fact that too much money is being taken out of household budgets and brought to Washington, DC, and that is just a very graphic example there.

Yesterday was tax day all across the United States of America, which was another reminder to American families and American working men and women of the bite that the Federal Government takes out of household incomes. But there is another date that is also very, very significant, and that is May 7, to be exact, May 7, 1996. That is Tax Freedom Day in the United States of America. That means that the average American has had to work until May 7 just to pay his obligation for all Federal, State, and local taxes. Not until May 8, 1996, will the average American begin working for himself.

This is the latest time during a calendar year that Tax Freedom Day has occurred. What that means is that the tax burden on Americans is heavier than it has ever been in the United States of America. I want to commend our party, the Republican Party, for proposing a solution to that and proposing to change the direction.

Sometimes I go back home and people say, ''Well, ROGER, there's too much partisan rhetoric on the floor of the House of Representatives,'' and certainly I applaud any effort at bipartisanship, and I also applaud the efforts of those who have put forward the civility code. I think we need more of that.

But, Mr. Speaker, there is a reason for the very pitched partisan debate about the tax issue. And that is this. That there are two very, very fundamentally different approaches to taxation represented here in this Capitol building. There is the Democrat approach of 40 years of increased taxation, increased overreaching into the pocketbooks of American workers, and we are here now as a Republican majority for the first time in 40 years to reverse that trend.

The differences at the national level are certainly heightened, I think, by none other than the President of the United States. Candidate Clinton ran in 1992 promising a middle-class tax cut. The American people responded to that plank in then Governor Clinton's platform and he was elected. Once elected, President Clinton not only abandoned his pledge for a middle-class tax cut but he gave us the largest tax increase in history. I note that one of my colleagues yesterday came onto the House floor and disputed that, saying that actually maybe it was the largest tax increase in peacetime history.

Regardless of how you do your figures there, it was a whopping increase of nearly $260 billion, which meant a 4.3 cent per gallon tax on gasoline which affected farmers, truckers, and people certainly living in the rural areas of my district in north Mississippi. The Clinton tax increase involved a 70-percent increase in the amount of Social Security benefits that can be taxed. I certainly am proud to stand as one of the Members of this House of Representatives who voted to reverse that tax and repeal that tax and certainly regret the fact that President Clinton has stymied us and not allowed that repeal of that tax to go through. Also small businesses were hit hard. Don't take my word for it. The National Federation of Independent Business called the Clinton tax plan about as anti-small business as you could ever see.

So I would simply point out to my colleagues, Mr. Speaker, that there are fundamental differences in our approach to this very, very significant issue. The Republicans in the House of Representatives and in the Senate stand for lower taxes, tax cuts which not only benefit families but also which will encourage job creation. And so I thank my colleague from Ohio for putting together this special order and I look forward to participating in it this afternoon.

Mr. CHABOT. Reclaiming my time, I thank the gentleman from Mississippi for sharing his thoughts on taxation. You mentioned the disparity, the discrepancy between the two parties in this House and I do not think it could have been plainer than as recently as yesterday. What we attempted to do in essence was to make it tougher, make it harder for the Government to raise income taxes on the American people. Right now we can do it with a simple majority of Congress, taxes can be raised on the American public and assuming that the President signs the bill.

What the Republicans in this House tried to do was to make it tougher, to go up to two-thirds. We tried to pass a constitutional amendment that would require two-thirds of this House and then two-thirds of the Senate in order to raise taxes on the American public.

Mr. WICKER. If the gentleman would yield on that point, I think the gentleman would agree that four out of the last five tax increases would not have been enacted had that provision been part of the Constitution when they were voted on.

Mr. CHABOT. Reclaiming my time, I think that is absolutely correct. I firmly believe that we should make it tougher for Congress to ever raise taxes again.

□ 1815

Unfortunately, since it is a constitutional amendment, we needed two-thirds of this House to pass it. Some 234 Members of this body voted for it, 177 voted against it. Almost every Republican, there were only 17, I believe, Republicans voted against it. And 200-plus Republicans voted for the constitutional amendment. There were a relatively small number of Democrats who joined us on this.

But there are many people in this House, and even though we did not get it this time, we are going to keep coming back, because we should definitely make it tougher for this Congress ever to raise taxes on the American people again.

At this time, I would like to yield to one of the most articulate and truly one of the leaders of the freshman class, the gentleman from Arizona, Mr. J.D. HAYWORTH.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Ohio and the gentleman from Mississippi and the gentleman from South Carolina for joining us here to talk about taxation. I thought especially eloquent was the gentleman who preceded me at this podium, the gentleman from Kansas. And while he is quite eloquent in his verbiage, I thought the stack of books that now comprise the Internal Revenue Code, Mr. Speaker, with those joining us on television this evening and this afternoon back in my home State of Arizona could see with their own eyes that huge stack of books in a system that has grown more and more complicated. I think just as there were volumes upon volumes, that picture spoke volumes.

The gentleman from Ohio, you mentioned yesterday's proceedings, and I thought it was interesting what transpired in this Chamber during the course of the debate. A couple of arguments used and one, quite candidly, that some Members of the new majority bought into, was this notion that somehow the Constitution of the United States should not be amended or amended only sparingly. I just thought it was worth going back to article 5 of the Constitution, this document of limited and enumerated powers, to see precisely what is said. Again, I think the first clause in article 5 lays it out quite simply: The Congress, whenever two-thirds of both houses shall deem it necessary, shall propose amendments to this Constitution.

Now, for the accurate historical picture, of course there is one prohibition dealing with the Government and dealing with a certain year date, 1808, with reference to some amendments to the Constitution, but that had to do with the foundation of this very republic and some time-sensitive matters.

But that is clearly where it is left. You see, our Founders did not say, now

we would limit you to a Bill of Rights or to 40 subsequent amendments. They left no numerical prohibition there. Nor did they feel it was their place to articulate a procedure that either of these two Houses in the legislative body would follow.

Indeed, yesterday, Mr. Speaker, it was very interesting to watch Members of the liberal minority stand up to profess great feeling for the Constitution, but in reality, to hold higher alleged rules and customs of this House than the Constitution. To somehow claim, and I know that I am joined here by friends who work on the Judiciary Committee who are in their own right juris doctors. And for the purpose of full disclosure Mr. Speaker, ''J.D.'' in my name does not stand for juris doctor. It stands for JOHN DAVID. I am not a lawyer, nor have I played one on television.

But I think it is worth noting that our Founders simply said whenever two-thirds of both Houses deem it necessary, they gave us the ability to bring these proposals directly to the floor. And if there were ever a proposal that we needed to move on, it was the tax limitation amendment that fell somewhat short last night but is long, long overdue.

Mr. Speaker, I attempted to offer some perspective during the course of last night's debate, and indeed I thank the gentleman from Ohio for allowing me to fulfill a promise, because as I said from that well that we would have to wait for a special order to articulate this. But a couple of points worth noting. Those folks who were so reluctant to amend the Constitution failed to answer the question I proffered last night. And that was, if a direct personal income tax were such a good idea, why did the Founders not put it in the original document? They were strangely silent about that amendment.

But also it is worth noting what transpired in the wake of the 16th amendment. The Center for Small Business Survival put together a survey, put together a study, went back and took a look at the original tax code in 1913, in the wake of the passage of the 16th amendment, and the numbers were absolutely astounding. If we wre to take the tax code of 1913 and apply it in 1990's dollars, a single person filing singly, of course, would be exempt on the first $46,000 of his income. A married couple filing jointly would be exempt on the first $59,000 of their income. And most astonishingly, to take the 1913 tax code and project it into 1990's dollars, 1 percent tax would be levied on the first $298,000 of earnings. Absolutely astonishing.

How then do we account for the change? How do we account for the volumes the gentleman from Kansas brought? Quite simply this. The insatiable desire of this Federal Government to take money from its citizens, to reach into the pockets of hard-working Americans. If you need proof, understand this. Adjusting for inflation, according to the Center for Small Business Survival, even adjusting for inflation, the cost of the Federal Government from 1913 until the present day has increased in excess of 13,500 percent. The marginal tax rate on families has increased some 4,000 percent.

The arguments have been made eloquently here again in this special order. I commend the gentleman from Ohio. But simply this thought should be remembered: When the average American family surrenders more to the Government in taxation than it spends on food, shelter, and clothing combined, something is fundamentally wrong. We were sent to this Congress with a basic premise and a basic promise: To let the hard-working people of the United States of America hand on to more of their hard-earned money and send less of it to Washington.

Mr. Speaker, I salute my colleagues who join me here tonight. I salute them also for voting for this tax limitation amendment.

Mr. CHABOT. Mr. Speaker, I thank the gentleman from Arizona.

Reclaiming my time, I would like to at this time recognize, introduce the gentleman from South Carolina [Mr. SANFORD], a very good friend. I also want to compliment the gentleman from South Carolina on a recent score he received from one of the groups that ranks Members of Congress, and that is the National Taxpayers' Union. And what they do is they go through a very large number of votes and keep track of which Members are really serious about cutting spending and cutting taxes. They put all the votes together, and of the 435 Members of the House, this gentleman was tied for No. 4, I believe, and of the freshman class, you were tied with lead, coincidently with myself.

But in any event, I want to thank the gentleman and commend you on that particular score, and let us keep cutting taxes and reducing the rate of spending in some areas and cutting spending in other areas.

The gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Speaker, I thank the gentleman from Ohio for yielding the time.

I consider it good company that I had both this evening and on that particular scoreboard. I do not know if I thank you, though, for putting me behind J.D. It is always horrible following J.D. J.D., you are a walking encyclopedia on this stuff, and I admire the almost ever-growing list of things that you know about on the whole tax matter. I applaud your efforts there.

I would simply say this. I do not want to beat an old horse, and a lot of things have been covered as we have talked about taxes, but I would like to throw in these two cents. That is, we had a town meeting last Saturday, just prior to everybody sending in their tax returns, back home in Charleston, and I tried to think about what is it that you are going to talk about just prior to tax day. I thought about well, May 7 is Tax Freedom Day. I thought about how the average family sends almost 40 percent of what they earned off to the Federal, State, or local government. I thought about how, you know, a hard-working couple works almost until noon to pay for the total cost of Federal, State, and local government. But what occurred to me was why in the world would I be telling them that? Because they know it a whole lot better than I do. In fact, when I have neighborhood office hours, people come up to me saying, MARK, do you realize how much we are paying in taxes?

So I did not want to state the redundant, and so I looked. I do not know if you all have heard, Charles Adams wrote a book entitled ''For Good and Evil: The Impact of Taxes on The Course of Civilization.'' So I got out pen and pad and began to work my way through his book. What he does in his book is he looks through the course of civilization, and with each different civilization breaks out tax rates.

What was interesting about his study is that if you start, let us say, with the Egyptians, go all the way back to the Egyptians. You go back, let us say, 3,000 B.C., to all the way to when they ended, which I guess was around 476 A.D. And if you look at taxes in their civilization, what you would find is that on average, they had an agricultural production tax of about 20 percent. And then during hard times, this is nothing you would see with the IRS today. But during hard times, they had what they call philanthropa, wherein the pharaoh would say, we had a bad year with crops this year, therefore, there would be no taxes this year. It was rumored that is where the word ''philanthropy'' came from. But roughly around 20 percent.

Then you move to the Greeks. Athens and Sparta had this sort of military sharing arrangement there with the other city/states to fight off the Persians, which they did quite successfully. And what was interesting there was they had an indirect tax, a tax ranging anywhere from 2 percent to around 10 percent, 10 percent if it was a shipping channel covered with pirates, 2 percent if it was not. And then around a 10 percent harvest tax for the city/states. They actually had the first progressive tax, which they called liturgy, where it was a voluntary tax for somebody who lived in that city/state who was doing well, they would come and say, we need this help with *x*. Would you help us? And there was a voluntary tax. But roughly again somewhere on the order of 10 and 15 percent on average.

Then in Rome, you break out the republic versus the empire during the first part. During the republic, there was very little in the way of tax because you had a volunteer economy. What you had there is with their army, every citizen who was a landowner volunteered for the army for 1 year. That

spirit of volunteerism, if you want to call it that, was so pervasive that even the magistrates volunteered. So as a consequence, there was not a lot in the way of taxes. They had indirect commercial taxes and custom duties, which ranged from on the order of 2 percent to 5 percent. Unfortunately they had slave auctions back then, which were roughly another 2 to 5 percent. But those were the two big taxes.

Then as you moved into the empire, taxes began to go up because, first, they had tribunal, which was a war tax. There was a 5-year census. Every 5 years they took a census, and then depending on your wealth, if you were poor, roughly about one-tenth of your wealth was taxed. If you were wealthy, roughly about 1 percent of your wealth was taxes. And that tax went off. And if they were successful in their war effort, there was a rebate with the booty that came with war.

They had a couple other taxes, again a 10-percent harvest tax, a 20-percent orchard tax, a 5-percent custom tax. And toward the end of the empire, they actually began to have an inheritance tax of around 5 percent. But again, something just slight of 20 percent on average.

If you looked at the Spanish decline, the Spanish empire and how it declined, what you found was they had two main taxes there. The second tax began to get out of whack, if you will. There was a revolt there with Charles V around 1520 as a result of these taxes because they were not viewed as fair.

□ 1830

They almost had an arrangement wherein the legislature was promised a whole lot of benefits, pensions, et cetera from the king, which worked fine until the taxes got too high and then there was revolt.

The Swiss have long understood the connection between liberty, taxes, and democracy, and for that matter all revenue matters essentially come to vote. An example of that would be, in 1991 a value added tax was proposed in Canada and passed. The same value added tax was proposed in Switzerland and failed, in large measure because they could take that vote straight back to the people.

But what struck me about all this, and you could wander through a whole lot of empires and civilizations, was that you can only squeeze so much blood from a turnip. Those numbers happen to fit, in terms of the study of civilizations and taxes there with his book, fit with OMB numbers, and they fit with Reader's Digest, which is an unlikely pairing in my book.

Because with OMB they went back and looked at numbers from 1950 to present, and what they found was that regardless of which tax rate you were at, roughly the government share was around 19.8 percent, just shy of 20 percent. Whether you were in the 70-percent tax rate or the 20-percent tax rate, as tax rates ratcheted up and down, you could only squeeze so much blood from a turnip.

People responded to that tax. If the tax was up at 70 percent, sure enough, the second earner stopped earning. They stayed home more. If it was down to 20 percent, they went back to work. People responded. So, first, you can only squeeze so much blood from a turnip; and, second, this is where Reader's Digest recently did a poll and went out and asked folks, ''What do you think a fair tax rate would be?''

They asked males, they asked females, they asked whites, blacks, and people earning below $35,000. They asked people earning above $35,000, ''What would be a fair tax rate?'' Resoundingly, in each of those different categories people came back with the answer, around 25 percent.

Any yet, as you know, our overall tax burden is closer to 40 percent, which again says to me two things: First, civilizations must have had something right throughout time, and the fact that they were at or below 20 percent on average says to me that we are probably out of whack. And, second, if Reader's Digest gets it right, maybe they could pass along the lesson to us here in Congress, in that here we are bouncing along in the neighborhood of 40 percent. What do their readers say? Around 25 percent would be fair.

So I just thought that that was interesting to look at that whole time frame and just say where are we in the grand perspective. Because when I say tax freedom or I say, do you realize you are paying *x*, people already know that.

What was interesting was to look at those numbers and to say, boy, 20 percent seems to be a number that has worked throughout time.

I will yield back. I do not want to take too much of your time.

Mr. CHABOT. I thank the gentleman, and reclaiming my time, I think the gentleman from South Carolina makes many, many very good points. I cannot touch on all of them, but I think you cannot squeeze blood out of a turnip or only so much is right on the mark. That has been one of the problems with the government, particularly the Federal Government, is they thought there was just an unlimited ability to squeeze blood out of the American public. The limit for taxes, just unlimited, just keep raising them, and we have gone far beyond a level which is appropriate in this country.

This Congress, particularly on this side of the aisle, we have made some effort. Before yielding to the gentlewoman from California, I want to touch on a couple of things that we have done in this Congress thus far to give the American people a break, to reduce the level of taxation on particularly working people in this country.

For example, right now a married couple in this country is penalized for being married. We wanted to eliminate the marriage penalty, and passed appropriate legislation here in Congress to do that. Unfortunately, down at the White House it was vetoed. This is unfortunate because we should not penalize married people. We should encourage people to be married in this country.

Capital gains relief is another example of tax relief that we tried to pass this year in this house. Capital gains I think is something that is very important, because some people think capital gains is just for rich people. Seventy-three percent of the people who benefit from capital gains relief earn less than $75,000.

Many senior citizens in their pension plans and their IRA's and other things benefit from relief. Most importantly, capital gains relief means that the economy will thrive more. It will mean more jobs for Americans, more entry level jobs for teenager, for example, so we need capital gains relief in this country.

The adoption tax credit is something we passed here. The President, by the way, vetoed the capital gains relief. The adoption credit, we wanted to give a $500 tax credit to people in this country for adopting a child. There are many diverse views in this House about the issue of abortion, a controversial issue. Some are pro-life, some pro-choice, but I think we all agree that we want to reduce the number of abortions, and the $500 tax credit or, excuse me, $500 adoption credit would encourage people to adopt children.

We wanted to give seniors in this country relief. Right now a senior citizen, once they earn about $11,000 they start losing their Social Security Benefits. That does not seem fair. Seniors all over this country have paid into Social Security all their lives. Then they retire, want to make a little bit of money, and they start losing their Social Security benefits.

So what we did is, we passed in this House relief which allowed seniors to go from $11,000 to earning up to about $35,000 over a 7-year period. It was a gradual increase in the amount that could be earned before they started to lose their Social Security benefits. Fortunately, that was one of the things that the President did not veto, so that was passed, and I am very pleased about that.

The final thing I wanted to mention that we have done in this Congress thus far is, we wanted to give a $500 tax credit for families who have children. So if you have two children, that would be a thousand dollar tax credit, not a deduction but a credit. When you are raising kids, everybody knows it is an extra burden, and we should give relief to families across this country.

Now, again, 89 percent of the people that would have benefited from this would have been people who made less than $75,000, but the President vetoed it. What we heard was tax cuts for the rich, tax cuts for the rich. These things were not tax cuts for the rich, they were tax cuts for hard-working American citizens, and it is time we give the American public tax relief. I think that is what we are all about.

At this time I would like to yield to a good friend from California, a lady who has made many courageous votes in this House thus far in her career, the gentlewoman from California, ANDREA SEASTRAND.

Mrs. SEASTRAND. Thank you to the gentleman from Ohio. I appreciate your gathering this time for us to talk about taxes, especially this day after April 15.

I am very proud to just find out today that I was given a great score from the National Taxpayer's Union and got an A from them. So I am pleased to be here.

I noticed one of the preceding colleagues mentioned a townhall meeting on taxes, and I know there were a number of us that did that throughout the Nation this past Saturday. I was one. I held a townhall meeting on taxes in a little town called Paso Robles on the central coast of California. It went so well that I hope to do, even though it preceded April 15, I am hoping to do this all through my district, because the information and the give and take from the constituents went so well.

I think the thing that I wanted to get across to them was to tell them that this Congress tried so very much to give them tax relief, that we are starting to talk about tax reform and had some votes on reforming taxes, and that we want to give taxpayers rights.

I know a lot has been said about the hours, the dollars that taxpayers have to spend just to figure out their taxes. We have talked about the hurdles that many of our taxpayers have to endure to get their taxes done, and so I am glad that you are talking about some of the solutions to the problem. I am proud to be part of this 104th Congress that has looked to solutions.

We had the vote yesterday in trying to get a supermajority to pass taxes in this House. It is interesting because I come from a State, the State of California, that does just that. To increase taxes you have to get two-thirds.

Let me tell you, the liberals in that House howl every time we talk about the budget because they are down and they want to take it to a simple majority. They tout how it is better for everybody involved, and some of the same arguments that I heard on this House floor yesterday from the liberals that have been in control of this House for 40 years, and why it was a stupid idea in their estimation to try to even bring this issue up on the floor. They talked about publicity stunts, and I should be shameful because I was talking about increasing the number to a supermajority on this House floor.

Well, I would just say it has worked in my State, and I want to remind everyone that even if you are a supermajority State such as California, they still have the opportunity when we are in facing a dire fiscal situation that, even though I disagreed with that vote about 5 years ago, they raised taxes in the State of California even with a supermajority.

So it was a great vote yesterday. We did not have enough people, the 290 votes, to pass a constitutional amendment requiring two-thirds of this body to increase taxes, but there is another day, another time, and it is just the beginning of continuing to talk about reform in this House.

Now, I am glad that my colleague from Ohio just went through the litany of relief that we tried to give to the taxpayers, those working families throughout America, those working families in Paso Robles in my central coast of California. You talked about the $500 per child tax credit. You talked about the marriage penalty. You talked about your capital gains relief to create jobs for especially the small businesses on the central coast of California. I do not have any of those big corporations in my district.

The tax credit for parents who adopt a child, I know what that is about because my two children are adopted, and know about what it means to give tax deductions to children who have elderly parents at home, and my mom is always worried, concerned about that aspect. And to also give a tax deduction for the first $2,500 interest on a student loan. My children have just graduated from college, but we are always concerned about students, and can they get a tax deduction for their loans.

All of these issues the gentleman from Ohio pointed out just about working families. I am one of those freshmen, about half of our class is under attack by the old guard that have controlled this place for 40 years, particularly those big labor union bosses that sit here in Washington, DC, and then more or less dictate what their members in my part of the country will do.

I have been under siege now for a year, since last April, radio ads, TV ads. You name it, they have done it to me, trying to say that ANDREA SEASTRAND voted for tax relief for the rich. I keep saying, ''Where?''

I have just read the litany, you read it prior to, and it is interesting, what we just mentioned, what we are trying to do in this House, and yet the distortions and the misinformation and downright, I guess I could say, lies stated about what we have tried to do in this House to give tax relief to the working families across this Nation.

But you know what I found interesting was that at the townhall meetings, and Saturday was the 50th townhall meeting I have had since I have been elected, the first question is what are you going to do about the Internal Revenue Service. I am telling you, people stand up out of their chairs and they cheer.

What are we going to do? I tell them I am interested in reforming and looking to taking that Tax Code and throwing it out as we know it and looking at something else. Again cheers. So it was no different on Saturday because people actually sit on the edge of their seat and say, ''What are we going to do?'' What about the flat tax? What about a national sales tax? What about repealing the 16th amendment, the income tax as we know it? What about doing away with the Internal Revenue Service?

So it is exciting to listen to people wanting to start the national discussion, and I hope that through my townhall meetings we can promote a national discussion about not only the tax relief that we have done in this House, but the tax reform that we have begun with our vote yesterday and the discussion that we have started. Should we do away with the Tax Code? Should we repeal the 16th amendment? Should we go to a flat tax or a sales tax?

Now, I think we need to focus on reforming the current income tax, and just to give you a little thought, the national sales tax would abolish that need for the IRS because there would no longer be any income tax.

□ 1845

Americans would only pay tax on the money they spend so it encourages savings and investment. Imagine bringing home your paycheck and looking at the whole thing and then you decide what you would do with your dollars, what kind of things you would buy. Like the flat tax, it would be easy to comply with, easy to administer. And there are many that have advocated that. I have not myself endorsed either the flat tax or the national sales tax, but I am anxious to continue the discussion with the American taxpayer as to what they think is the best way to go.

The flat tax has just one rate, treats everyone the same. That is what proponents of the flat tax say. All the flat tax plans include a generous family exclusion. There are no special interest loopholes and the form is a simple postcard, enough to fit it all on one little postcard, not the numerous forms that we have to look at today.

The National Commission on Economic Growth and Tax Reform appointed by Speaker GINGRICH and Majority Leader Senator DOLE concluded on six principles that should be included on needed tax reform: First, that we have economic growth through incentives to work, save, and invest; second, that there is fairness for all taxpayers; third, simplicity so that anyone can understand the system; fourth, neutrality so that people and not government can make choices; fifth, visibility, so that people know the cost of government; and sixth, stability so that people can plan for the future.

The bottom line is that our current Tax Code is not a good system. It is time-consuming. It is peppered with loopholes. It discourages savings. It needs help desperately, and the American people are saying that they definitely want a fair, simpler, and more equitable Tax Code and tax system.

So I am glad to be down here and talking with my colleagues that are

trying to do something about it. I just appreciate you taking this time etching it out of our busy schedules here in the House so that we can talk about what is so important, more important than anything else but the importance to our particular constituents at home and how it is important that we do something, not only get that tax relief, get that reform, but also give some good old-fashioned taxpayer rights to the taxpayers of America.

Mr. CHABOT. I thank the gentlewoman from California. I just want to compliment the gentlewoman on the may votes that she has taken to give tax relief to the American people. We need to keep fighting this battle.

I now would like to yield to the gentleman from South Carolina [Mr. GRAHAM], a gentleman who has been one of the true leaders in the freshman class this year and in fact in the Congress as a whole.

Mr. GRAHAM. Mr. Speaker, it has been a great debate to listen to. It has kind of brought me down here, kind of got my blood stirring.

One thing that was talked about a lot is the two-thirds supermajority vote requirement to raise taxes. And it has been very well articulated why you need that. One observation I would like to make, if you took 435 people at random, any town in America, any district in the Union, and you asked them to vote on this particular measure, the only group I know of that would have less than a two-thirds agreement is here in Congress. You could take 435 people in any town in my district and ask a simple question, should there be a wall between you and the politician to get in your pocket a little higher than the one that exists, they would have jumped on it a lot more than two-thirds vote. It would have probably been unanimous.

Unfortunately, because it was a constitutional amendment, we needed a two-thirds vote. We were about 30 votes short. The idea is alive and well and the good thing about this Congress, it has been an historic Congress. We have not spent much time talking about what we have accomplished because we have been so busy doing it and ducking rocks being thrown at us for having done it.

The line-item veto by itself is probably the biggest change in the last 200 years. The line-item veto allows the President to look over our shoulder for the first time and look at how we spend money.

This tax debate is a good debate to be having, but it needs to be linked up with the spending debate that is going on. One thing is for sure, Americans are going to complain about the umpire and they are going to complain about taxes. If you go back in time at any time in the history of our Republic, you will find people complaining about how much they have to give to the government, I think that is just our nature. But we always give. We always meet our obligations.

But the question that you must ask now, are people complaining for a good reason. I think they are complaining for a darn good reason. When you take money from the American public you should have a game plan in mind on how to spend it. We collect taxes to provide services at the national level. Are we providing quality service? Are we spending an appropriate amount of money, or are we spending too much? Are we doing too many things at the national level? Should some of those things be done at home? Should some of those things be done by the private sector?

That is a great debate that must be joined with the tax debate. I would suggest to you that the money that we are taking from you is too much. The average person, black, white, rich, poor, conservative, liberal, says 25 percent from State, local, Federal taxes is enough taxation on the American family, and the reality is it is almost 40 percent.

So I would suggest to you that not only does the American public believe we are taking too much, there is a new group in Congress that believes we are taking too much. But we are in the minority, but we are growing. Thanks to the vote in 1994, we have grown a lot. And just hang in there with us and get enough people up here to do something about it. We are here talking about it. We need more votes to make it happen.

But the average American believes very sincerely they are having to pay too much. I agree with them. You agree with them. It is about time to start delivering. But we take their money. And what do we do with it? We provide services.

Medicare is a good program. I come from the South where a lot of people who have worked in the textile industry in years gone by did not have good pension plans or health care plans. That is getting better. Medicare was a safety net program for folks that has grown tremendously. Do you know how much we have increased Medicare spending since 1980? We have increased it 2200 percent. Welfare, a tremendous explosion in welfare spending in the last 30 years; $5 trillion have been spent in the name of compassion. And we have more illegitimate children, more poor and disadvantaged people than we have ever had.

I would suggest that the Federal Government could get by with less, that not only are you right when you are saying we take too much from you, you are right when you believe that Congress does not spend your money wisely. We can come up with a Medicare system that will take care of our seniors, that will not grow at 2200 percent every 15 years.

We can provide compassion. We can provide welfare. We can help those people who are disadvantaged without paying them to have children they cannot afford. We can help people of alcohol problems without sending their check to the bar. We can reconfigure this government. We can take less of your money and do a better job. But you are going to have to help us. We have got to reinvent systems that are long overdue to be reinvented, and we can get by on less money. Do not let anyone tell you otherwise, because it is a complete distortion to say that the Federal Government is a few billion dollars short.

I thank the gentleman very much.

Mr. CHABOT. Mr. Speaker, I thank the gentleman from South Carolina for his thoughts on taxation. He also has been a true leader around here in trying to cut the tax burden on American working people in this country.

In summarizing where we have been tonight, I would just like to make a couple of points here. Something that we passed today that I think was a very good move, something in the right direction, was something called the Taxpayers Bill of Rights. And in essence what that does is, if you call the IRS right now, and the IRS gives you bad information, you are responsible for penalties and interest, even though the IRS gave you bad information. That sounds ridiculous. It is ludicrous, but that has been the law.

We passed, however, today a law which basically said that if the IRS gives you bad information, then you cannot be held responsible for interest and penalties due to bad information from the IRS.

I think that is a step in the right direction. Congressman JIM TRAFICANT, who is a Democrat from Ohio, my State, I think has—I am cosponsor of something I think is a very good piece of legislation. It basically would put the burden of proof on the IRS rather than on the taxpayer.

Right now it is supposed to be you are innocent until proven guilty. But with the IRS, basically you are guilty unless you can prove you are innocent. This takes the burden off the taxpayer and puts it on the IRS where it ought to be. Something else that I found kind of interesting in preparing for this issue this evening was the fact that we have got 6,000 border patrol people in this country, 6,000 people on the border patrol to protect our borders. We have got 24,000 employees of the FBI, and we know all the good things that the FBI does for our Nation. So that is 30,000 employees with border patrol and the FBI. With the IRS, the IRS has 111,000 employees, almost four times the number of employees that we have in those other two departments. It really shows you what our government's priorities have been. I think we need to change those priorities.

Another thing that is interesting, as we mentioned, April 15 was just yesterday, taxpayers all across this Nation were trying to figure out how much they owed to make sure that they paid what they owed; 1.7 billion hours were spent by taxpayers figuring their taxes and the next figure is really shocking, $140 billion was spent by taxpayers for attorneys and accountants to figure

out what their taxes were, time basically wasted figuring out taxes, $140 billion. I would argue that that time could be much more productively spent in many other ways.

I had a town meeting, many of the other Members that spoke here this evening mentioned they had town meetings on the weekend. I had a town meeting in my district. I represent the 1st district of Ohio, which is basically most of the city of Cincinnati and some of the western suburban communities. We had about 125 people at the town meeting.

I started out with a question at the beginning: How many people here feel that taxes in this country are relatively low and perhaps we could raise them to balance the budget or do more government programs, whatever? Not one hand went up.

Then I asked, how many people feel that taxes are about right in this country? I expected we might get a few hands. We did not get one hand that said that taxes are anything near what they ought to be. Then I asked, how many people feel that we are overtaxed in this country, we need tax relief? And every single hand in that room went up.

These are just regular citizens from my community, the Cincinnati area, and that is probably true all across this Nation.

We had a couple of groups that were represented there, a group called TEE. We have had some grass roots groups that just formed in the community a few years ago. TEE is one. It is Taxed Enough Already. Brenda Kuhn is the founder of that organization. We have the True Blue Patriots, Pat Cooksey, founder of that organization that was there, and also Tom Brinkman, who is the treasurer of a group called CATS, Citizens Against Taxes and Spending.

So we have actually in my community, in reaction to this high level of taxes, we have actually had regular men and women, average working people form groups to try to petition their government to get off their backs, give them some tax relief. And I think it is time that we did that.

I want to thank all the Members of the House who came here this evening to discuss and participate in this topic which could not be more timely about tax relief. I would like to say finally that I think it is time that we work together, Democrats and Republicans, and, yes, the President of the United States, we should all work together to give tax relief to the American people. It is time we get the job done. Let us get working on it. Let us relieve the American people of the huge tax burden that this government has placed on their backs.

Thank you very much for participating this evening.

TAXES, EXPENDITURES, AND BUDGETS

The SPEAKER pro tempore (Mr. WHITE). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, today I would like to continue the discussion about taxes, let us talk about taxes and expenditures and budgets. But before we do that, there were some tributes by my colleagues to Ron Brown, and I would like to add my tribute to that number. And I think that the chairman of the Congressional Black Caucus, the gentleman from New Jersey [Mr. PAYNE], is here for that purpose, too.

I yield to the gentleman from Virginia [Mr. PAYNE] for his statement on Ron Brown, and then I will follow with my statement on Ron Brown and then go on with the rest of the discussion.

TRIBUTE TO RON BROWN

Mr. PAYNE of New Jersey. Mr. Speaker, I thank the gentleman for yielding to me at this time.

Let me say to Mr. OWENS from New York that following your time, we are going to have members of the caucus come and make expressions. And so what I will do at this time is to yield back until the gentleman completes his special order. And then I will return back to the podium.

I thank the gentleman from New York for yielding to me at this time.

Mr. OWENS. Mr. Speaker, I would like to add my voice to the numerous voices that have been raised to pay tribute to Ron Brown. Ron Brown, the mentor for all public servants, he could teach us all a great deal.

I will enter my statement in its entirety into the RECORD, but I would like to read the statement and comment on it.

Ron Brown was a renaissance politician. He was a jack-of-all-trades who mastered all the trades in politics. He was a mentor for seasoned professional politicians, and he was qualified to tutor most of us.

Ron used his considerable influence and charm to become an extraordinary fund raiser for the Democratic Party. From the complex job of raising money to the details of election day engineering, Ron performed with great enthusiasm.

Ron Brown was the kind of person who could raise funds, and I admire him most for that. He probably had a problem like everybody else but he plunged into the process of raising funds and did a great job of that.

There are some people who do fundraising very well, but they are not good at strategy. They are not good at tactics. They do not have certain other qualities. But in addition to being able to raise funds, which we all admired him for, Ron Brown had the talents that went across the entire spectrum in terms of skills that are needed in public life.

I first met Ron Brown in Chicago while campaigning for Harold Washington for mayor of Chicago. Former majority whip Bill Gray, Ron, and I were in a car on a tour through the public housing projects on Chicago's south side. We had been assigned that area to campaign. At that time Ron was working with a well-known, prestigious, and powerful law firm in Washington.

□ 1900

However, on that day it was simply Ron, the lawyer, friend, campaigning for a fellow democrat. We went into huge, tall, cold, concrete buildings and walked on floors which seemed to be completely out of this world. The deterioration and the garbage inside the halls were unbelievable, even to a poor boy like me, whose father has never earned more than the minimum wage. I had lived in some of the poorest neighborhoods in Memphis, TN, and I had worked in some of the poorest neighborhoods in New York. but never had I seen such despair. The only glimmer of light I saw in those high-rise urban tunnels that day were the Harold Washington posters that the residents waved at us when they saw our familiar signs.

We had connected at that point with the most depressed among us.

As my eyes met Ron's eyes, he broke into his signature smile. This is what politics has got to be all about, he said, as we plunged into the crowd of outstretched hands and marched through the halls reminding folks that tomorrow was the day to go out and elect the first African-American mayor of Chicago.

Ron Brown was the unifying driving force behind the most successful and conflict-free convention the Democrats have had in nearly two decades. Ron was a star who kept his poise. He kept peace among the many party factions and made the Democratic National Committee an effective force to be reckoned with in politics.

Ron Brown was a masterful strategist who began his tenure as party chairman with several special election victories despite great obstacles. He was a great communicator, and he was a great cheerleader who also understood the nuts and bolts of winning campaigns.

Seldom in America does one man so gracefully transcend the racial chasm as Ron Brown did, and in his journey he deeply touched the heart and soul of a Nation.

As our Secretary of Commerce, he was our corporate ambassador to the world. As the chairman of the splintered, fractured Democratic Party, he was the glue that held it together, and in so doing he delivered the White House and became the most beloved chairman in history.

Ron Brown was undaunted and unfazed by challenges. Being a first was not unusual for him. He was the first African-American in his college fraternity, the first African-American counsel for the Senate Judiciary Committee, and the list goes on and on.

Ron was a trailblazer and an eternal optimist. He saw no mountain that

could not be climbed or moved or conquered.

The nation has lost a great leader and statesman. I join Ron's many colleagues and friends, not in mourning his death, but in celebrating his life, his accomplishments, his style and spirit. Ron Brown will be missed, but Ron Brown will never be forgotten.

Ron Brown was an ambassador for corporate America. Ron Brown was about the business of expanding the markets of America across the globe. Ron Brown understood that a prosperous America was an America that would generate the revenues needed to do the things that had to be done in our country for all Americans.

At this point in our year, April 16, it is a day after tax day. April 15 is a dreaded day by most Americans. My colleagues who preceded me in this special order before talked about taxes and the need to lower taxes for American families, and although my colleagues who have spoken before were all Republicans, I want to go on record and have the whole world hear that I agree 100 percent with my Republican colleagues. We need to lower taxes for families and individuals in the United States. We need to lower taxes, and I have talked about that on many occasions here.

The problem is that we are taxing families and individuals too harshly. Families and individuals are paying too much because corporations are paying too little.

In 1943, the corporations were paying almost 40 percent of the total income tax burden in this country, 27 percent by individuals and families, and almost 40 percent by corporations in 1943.

By 1983, the amount of money being paid by corporations under Ronald Reagan's administration fell as low as 4 percent, 4 percent, while individual taxes went up to 48 percent. The share of income taxes paid by families and individuals went as high as 48 percent, while the share for corporations went down as low as 4 percent in 1983.

Today we still have a gross inequity. The share of taxes paid by corporations, income taxes, is only 11.4 percent, while the share paid by individuals and families is four times that amount, 44 percent.

So I agree with my Republican colleagues. I only regret that they spent so much time talking without confronting a few very basic truths.

The basic truth that they refuse to come to grips with is that the corporations who represent the energies in America that are making the greatest amount of money; prosperity has been good to corporations because corporations have known how to take advantage of technological progress. They have taken advantage of all the research and development that has gone forth under the aegis of the taxpayers.

Taxpayers are the ones who have paid for the research and development for computers for radar. Taxpayers are the ones who have led to many who finance transistor research and miniaturization, telecommunications of all kinds. Taxpayers of America have been the driving force behind this. Corporations have known how to organize, take advantage of this and produce products.

So our economy is booming on Wall Street, and corporations are making a great deal of money. And nobody regrets that at all. We applaud that. The corporations should be paying a greater share of the taxes, and, as we move past income tax day, April 15, Americans should think very seriously about the inequities, the imbalance in the share of taxes paid by corporations verusus individuals.

Yes, we need a tax cut.

My colleagues before who were speaking said they spoke to crowds and asked people do you think you are paying enough taxes, and nobody raised their hands and said, yes, I am paying enough. I would agree. I do not—yes, I am paying too much. I mean do you think you pay too much tax? Everybody raise their hand and say, yes, I pay too much. I would agree I am paying too much. Most families and individuals are paying too much, in my opinion.

In order to raise the revenue needed to run this country, we need to have a more equal balance in terms of corporations paying their fair share. We need to have some of the corporate welfare programs taken away. The other side of it is reducing the expenditures.

You know, Federal taxes also, we must understand, spread the wealth in America, and I think my colleagues on the other side who talk at length about taxes did not bother to mention the fact that Federal taxation polices represent some of the greatest generosity in America. Some of the spirit of being my brother's keeper, especially in the case of the east coast, especially even more so in the case of New Yorkers on the east coast; you know, the tradition has been that the wealth first accumulated on the east coast, and Franklin Roosevelt and his tax policies were such that he increased the taxes of people who had the money, most of them residing on the east coast and the Rust Belt States, they call them now, industrialized States. The money was there, and by initiating Federal programs like the Social Security Program and other Federal programs, Rural Electrification Program and a number of other programs that had to be paid for, he can only pay for them with taxes raised on the east coast and in the industrial States where they had the money, and that tradition has continued until today.

New York was one of the States that had to pay out large amounts of money in order to help take care of the needs of the rest of the country, and so it is even until now on many occasions I have stood here and talked about the fact that New York for the last 20 years, as a State, has paid into the Federal Treasury more money than it has received back from the Federal Government in terms of aid.

Federal aid going to New York has always been lower than it has been, than the amount of money that New Yorkers have paid in taxes. New York State in 1994 paid $18.9 billion more into the Federal Treasury than they got back in terms of Federal aid. Before that, in 1993 New York paid $23 billion more in Federal taxes than New York State got back in Federal aid.

Now, many people have asked me, well, you know, what are you talking about, where do you get these outrageous figures, where they come from, and I have quoted before, and I just brought back the booklet today, a study that is done every year. It is called ''The Federal Budget and the States,'' and this study is done every year. It documents everything that I have said in terms of some States are donor States and some States are recipient States. The Federal budgets in the fiscal year 1994 is what I am holding in my hand.

Its introduction is by DANIEL PATRICK MOYNIHAN because Senator DANIEL PATRICK MOYNIHAN of the State of New York has pioneered and highlighted these great inequities for many years.

This study, this report, was done by Monica E. Fryer and Herman B. Leonard, and it is published by the Taubman Center for State and Local Government at the Kennedy School of Government at Harvard University.

So the study is available for anybody who wants to see it. There are many fascinating facts beyond the fact that New York State consistently has paid more in taxes than it has received back. They have looked at aid in terms of salaries of military personnel who live in a given State, they looked at aid in terms of Medicaid and Medicare, dollars that come from the Federal Government; they looked at aid in terms of programs for job training; title I; all the aid lumped together. And they can tell you how much each State received back from the Federal Government versus what the State paid in.

So New York is a big donor State. It has been that way for a long time, and I think Franklin Roosevelt clearly understood that, that Federal taxes spread the wealth, and they have spread it across to places that most of the States in the South. Practically all of the States in the South are recipient States, they get more from the Federal Government than they give back to the Federal Government.

Mississippi receives $6 billion more from the Federal Government than Mississippi pays in taxes to the Federal Government. And some of the gentleman who were speaking before had better beware; if you remove the role of the Federal Government in collecting taxes and you want to leave more of it to the States, the States who will lose the most are States in the South because the States in the South combined receive $65 billion more from the

Federal Government than they pay into the Federal Government. And I will repeat that because I do not want the figure to get lost: $65 billion more is received from the Federal Government than the States of the South collectively pay into the Federal Government.

□ 1915

Georgia receives $2 billion more from the Federal Government than Georgia pays into the Federal Government in taxes. The county in the United States which receives the highest amount of money per capita is the county represented by the Speaker of the House. That county receives more money per capita than any other county in the country in terms of Federal aid. So we should beware, and when we talk about taxes let us talk about all the facts. Let us talk about the most significant facts.

Yes, individuals and families are paying too much in taxes. Yes, the corporate world is not paying their fair share. They are paying too little. They are making the money, but they are paying less.

If we want a tax cut, I am all in favor of a tax cut. I stand here as an acknowledged, unashamed, proud liberal, and I agree with my Republican colleagues on the other side who said that families are being taxed too much. We need a tax cut. It may begin with where President Clinton has begun in terms of a tax cut for education, to aid with tuition, a tax cut for families in terms of creating a situation with families with direct benefits, so much per child, $500. There is agreement between Republicans and Democrats on that.

I think as we do it, we should look at the situation. I would understand that a tax cut should not mean that we end up cutting aid to education or cutting Medicaid. A tax cut for individuals and families means we should balance off the situation and make certain that where the money is needed, it goes there.

We cannot responsibility deal with tax cuts unless we deal with the expenditure side, what is happening with respect to the budget. The budget and the waste in the budget must be dealt with also, and I have a great disagreement with my colleagues on the other side about where you ought to begin dealing with the waste. The waste is not in aid to education, the waste is not in Medicaid, although there is waste and corruption in health care programs. The real waste is in other places. I have cited some of that waste before.

I have gotten some questions over the recess, and people said, ''How dare you say that the CIA has $2 billion that they did not know they had and $2 billion that are just sitting there while the deficit grows and programs are being cut''? And my answer was, ''Yes, they probably have more than $2 billion, because the public figure that has been stated, not confirmed by the CIA but not denied by the CIA, has been $2 billion. They probably have more. It was in the coffers over there, petty cash, slush fund, whatever you want to call it. Folks have challenged that. I have said I am only quoting from the New York Times and the Washington Post.

There were several articles that appeared on the pages of the New York Times and the Washington Post. Many of my friends did not see them. Even some of my colleagues here in Congress, when I asked them to sign a letter to the President asking him to use that $2 billion to restore the funding for title I and for Head Start and for summer youth employment, they questioned me, ''Where did you get your figures from?'' I told them, off the front pages of the New York Times and the Washington Post.

One article that appeared talked about the President firing two people who had been considered responsible for this. This was in February, on February 27, 1996:

> The top two managers of the National Reconnaissance Office, a secret agency that builds satellites, were dismissed today after losing track of more than $2 billion in classified money.

It goes on to talk about how no audit had been done for a long time, and this agency had accumulated these funds. And $2 billion, you know, if there is $2 billion there, then the question is how many other entities, sacred cows in the government, also are sitting on funds? That popped into my head, how many others.

And then, lo and behold, just a few weeks ago a report came out which said that the Federal Reserve, the Federal Reserve that is responsible for our economy, who are responsible for advising us how to run the economy most effectively and efficiently, the Federal Reserve has $3.7 billion, $3.7 billion in its slush fund.

An audit by the GAO shows that the Federal Reserve has $3.7 billion in what they call the surplus account. A surplus account. Now, if that $3.7 billion was returned to the Treasury, think of how much interest we would not have to be paying on the debt. The interest on $3.7 billion worth of money would be relieved and we would not have to pay that. It could reduce the deficit by $3.7 billion, but it is sitting in the Federal Reserve coffers. It is called a surplus account. The General Accounting Office makes this statement:

> Although the surplus account is intended to absorb possible losses, the Federal Reserve has recorded substantial net profits for 79 consecutive years.

Do Members hear what I am saying? The surplus account is kept, the Federal Reserve says, because they may have losses in their operation. It is a self-sustaining operation. They loan money, they charge interest for that, they charge money for services. They might lose money 1 year, so they say they keep the $3.7 billion around because they might lose money and they need to make that up. It is a rainy day fund for the Federal Reserve.

But they have not lost any money for 79 consecutive years. ''Even though the likelihood of the system's incurring losses, exceeding its revenues, appears remote,'' I am reading from the GAO report, ''the total surplus increased 79 percent in the 1988 to 1994 period, rising from $2.1 billion to $3.7 billion.''

The Federal Reserve has $3.7 billion lying around, doing nothing, as a rainy day fund. So yes, you are paying too much taxes. You are paying too much taxes, because we do not have corporations that have carried their fair share. You also pay too much taxes because we have waste in government.

When the President says and all of the leadership says, and I agree, that the era of big government is over, we have different meanings. The era of big government ought to be over. I think the government should be downsized, but the commitments of the government maybe should be increased in certain areas. But in the process of downsizing, how do you not see $3.7 billion in the Federal Reserve?

Why is the search for funds only conducted in job training programs? They go looking for programs that do not operate effectively and efficiently. Why do they go looking there? Why do they go looking in the AFDC programs, Aid to Families with Dependent Children? Why do they go looking in the WIC programs? Why do they always go looking in the programs where the poorest people are served? Why do they go looking in the Medicaid program? Why do you not look first at the CIA? Why do you not look at the Federal Reserve?

The head of the Federal Reserve, Mr. Greenspan, was up for reconfirmation. He has already been there for a long time, so he certainly would be derelict if he did not know about the $3.7 billion that the Federal Reserve has lying around. If he did know, then he ought to answer some questions about, ''Why is this sitting in your coffers as a rainy day fund when it could reduce the deficit?'' But I do not think he was asked those questions because he is an icon of some kind, and he is not a welfare mother. He is not on WIC. We do not treat all people equal in this Government.

It is tax time, Mr. Speaker. It is tax time. We ought to all be concerned with taxes. I hope that the result of our concern with taxes will mean that we will insist on an overhaul and a total reform of our tax system. In the past I have talked about the fact that progressives and liberals have ignored the revenue side too much. We have dealt with expenditures, meeting the needs of people, meeting the needs of the environment, doing what has to be done to make certain that all Americans share in the prosperity of America. All of that is highly desirable, but we have not looked at taxation enough. We have not looked at revenue enough. Revenue is everybody's business.

I propose a Commission on revenue reforms. We ought to take a look at

the proposals for flat taxes. We ought to take a look at other proposals that have been offered; a consumption tax, a value-added tax. We ought to take a look at tax possibilities that exist in terms of taxing the sale of the spectrum, taxing the air above us that belongs to all the people. All of these things should be examined.

This past weekend at the Omni Shoreham Hotel, a conference is being held called a Summit on the Politics of Meaning. I spent a few hours of the last 3 days at this summit. I want to congratulate the organizers of that summit, particularly Michael Lerner, who is the editor of Tikkun magazine.

I would like to congratulate him for being the guiding light and the spearhead for this organization of this summit, because it brings together people from a lot of different areas who are concerned about values, and they are concerned about values and how those values and how love, compassion, can be applied to public policies.

They are concerned about public policies without being necessarily concerned about which person implements those policies. They do not want to get into the dirty business, in quotas, they call it a dirty business, of electoral politics, endorsing candidates, et cetera. I do not think politics is dirty. I think electoral politics is very necessary. I think more good people need to get into electoral politics.

But I agree that it is very useful to have groups and individuals who are concerned primarily about issues, and this particular summit on the politics of meaning, which was called by Michael Lerner, the editor of Tikkun, focused on how do you apply a concern for your brother, for your neighbors, in an effective manner in the present situation, when marketplace values dominate, and people talk about family values, but they really do not come to grips with the fact that too many times, the market values dominate our thinking.

How do you apply compassion, how do you apply love, how do you apply concern for your fellow human being if there is a health care industrial complex taking over health care services, and if private health care providers, drug companies and insurance companies, are buying up health maintenance organizations, and health maintenance organizations are set up to make a profit, in addition to providing a service? It has been hard enough for health care providers to just provide a service, but now, in addition to delivering a service, they have to make a profit.

It may be good, it may be an improvement, but we are moving so rapidly in this area that it is clear that a government health care industrial complex is about to take over, and it is not moving in a way which gives anybody else an opportunity to have developed this new emerging health care system for all the people. So how do we apply love and compassion to the problem that is confronting us?

I want to just read part of Michael Lerner's call for people to come and join this summit on the politics of meaning. They brought together people from all walks of life, they brought together people from all religions. It is very interesting to see people of the Jewish religion with people who are in every denomination of the Christian religion: Unitarian Universalists, Baptists, Methodists, Catholics. I heard all kinds of people speak. I heard a lesbian minister speak.

They were all there asserting the fact that human beings have hearts, and human beings, at their very best, are capable of great compassion, and human beings need to return from the values of the marketplace and assert those values of love and compassion in their daily lives and in public policy development. It was quite a summit. It is closing out tonight.

I just want to read a few sections from the call for the summit, in tribute to what Michael Lerner and his colleagues have done. I am quoting Michael Lerner:

Like many people, I am distressed at the deep ethical and spiritual crisis facing this country. The attempts to dismantle social support for the poor without setting up anything else in its place is only the latest stage of the continued erosion of fundamental human values.

It is not clear that the Democrats have adequately grasped why people have turned to the right. In addition to my normal job as editor of Tikkun Magazine, I am a psychotherapist, and for 10 years I did extensive research leading 12-week groups for middle-income working class people, focused in part on why they were turning to the Right. What I found was this. People turn to the Right because it speaks, although in a distorted way, to the hunger people have for meaning and higher purpose.

The fundamental problem with liberal and progressive forces is that they don't understand this hunger for meaning, and so they come up with programs and policies which are narrowly technocratic and don't speak to the soul.

I am quoting from Michael Lerner, the convener of the summit on the politics of meaning.

I continue to quote:

Faced with a society whose dominant ethos is selfishness and cynicism, many people conclude that the best way to protect themselves is to narrow their ''circles of caring'' to themselves and their immediate families and narrowly-defined communities. My research suggested that many people actually wish for a very different kind of society, one based on Biblical values of love, justice, and mutual recognition, the ability to see others, and be seen oneself, as an embodiment of the image of God. Yet everyday in the world of work people are rewarded for precisely the opposite, the ability to see others as objects, the supposed commonsense that ''looking out for No. 1'' is the only reasonably way to live, and the ethos of selfishness, materialism, and cynicism.

Continuing to quote Michael Lerner:

Ironically, it is this very ethos, learned in the world of work, which becomes the central source of people's unhappiness in personal life. Surrounded by others who live by that very same ethos, people increasingly come to feel that everyone is only out for themselves, and that they had better do the same. A ''rip-off mentality'' begins to pervade the social order, and people increasingly come to feel frightened, alone, and cynical about others. No wonder that it becomes hard to hear those who call upon them to ''love thy neighbor,'' when doing so seems so counterintuitive to the ''real world.''

There is no way to change this without a frontal assault on the ethos of selfishness, materialism, and cynicism in our society, and that is precisely what the politics of meaning advocated by the Foundation for Ethics and Meaning attempts to do. The goal of the politics of meaning is to ''switch the bottom line'' in American society away from measuring productivity or efficiency primarily in terms of the degree to which institutions maximize wealth or power to a new criteria: the degree to which an institution helps to foster ethically, spiritually, and ecologically sensitive human beings capable of sustaining long-term committed loving relationships.

I continue to quote Michael Lerner:

This may all sound very visionary and far-off, but in fact it is actually far more practical short-term politics than the various attempts to protect this or that item in the budget at a time when the dominant climate is calling for dramatic budget and tax reductions. It is far more likely that large sections of the American public will respond to an alternative vision to the conservative one that is increasingly dominating both parties than to a nit-picking approach that accepts the dominant assumptions and seeks to minimanage how it is implemented.

It is not that these details are totally unimportant, and the response of many Americans to Clinton's willingness to stand up to the Republicans gives us some indication of the power his presidency might have had had he been willing to fight for something at other points along the way. But the basic problem is that Clinton is not putting forward a different set of principles, and eventually most people get weary of staying tuned to the details of implementation of assumptions that both sides seem to share.

''The first stage'' of a strategy to change this ''is to convene a gathering of people who may be interested in becoming the core group for a politics of meaning strategy. This is the 'ground floor' meeting. We are calling it the national Summit on Ethics and Meaning at the Omni Shoreham Hotel in Washington, D.C. April 14–16, 1996. This summit will bring together a wide variety of people who wish to challenge the materialism and selfishness in American society, but who have previously not thought of themselves as part of a political movement to do so. The Summit will serve a dual function. On the one hand, it will be an opportunity to explore the ideas of a politics of meaning in some detail,'' to refine the politics of meaning ideas,'' and to refine the strategy around them.

I end the quotation from the call put out by Michael Lerner for the Politics of Meaning Summit, and I mentioned that because I found the summit very inspiring. They expected 600 people to show up, to turn out for the summit and they got 1800 instead of 600. There is a hunger for meaning and there is a hunger for values. There is a hunger for ways to express compassion and love in the making of public policies, and I think that the summit on the Politics of Meaning is a great beginning in the movement in this direction.

I say all of this because in the present budget battles, we talk about

taxes and I said before when you talk about taxes and the need for taxes, taxes are kind of a necessary evil. If you are going to deal with a fairer taxation system, then we should get on with the business of trying to make certain that corporations pay their fair share, because corporations are entities that are now making large amounts of money and they can afford to pay that share.

In the absence of fairness, in the absence of an approach which reaches out to those who can afford to produce the revenue and get the adequate amounts of revenue, we have a situation where an attempt is being made to make up for what the corporations are not paying, their fair share, by cutting the expenditures for programs that help the people who need the most help. This has produced a crisis in this country. There is a crisis in neighborhoods like the neighborhoods that I represent because people are very much concerned and they are very much appropriately alarmed by the speed at which certain programs that have existed for the last 30 years or 40 years are being taken away. Medicare and Medicaid are merely 30 years old. Medicaid and Medicare are now being threatened. The entitlement for Medicaid is under a great threat because the governors of all the States, both Democratic governors and Republican governors met and they decided that the entitlement for Medicaid should be removed, that the Federal Government should no longer assume the responsibility for providing health care to everybody who is poor enough to meet a means test which says that they are eligible to have the health care that they need when they meet it. The States will not assume that responsibility of providing health care to everybody who needs it when they need it. The States will only spend as much as they have. They want a block grant. They want the Federal Government to give them the money in a block grant and they will decide how to spend the money, they will decide who is eligible for it, and when the money runs out, they have no vehicle. Most States operate on balanced budgets. They must not spend any more than their revenues take in. When they run out of money, then if there are any sick people or any people who need to go into nursing homes because two-thirds of the money that Medicaid spends provides nursing homes for people who cannot afford their own nursing home expenses. Many people who are middle class and they are on Medicare, when they get very ill and they are forced to spend large amounts of money beyond what their insurance provides, they end up being poor by the time they are required to go into a nursing home because their health has degenerated. When they are required to go into nursing homes, they have no more funds, so it is Medicaid that picks up the cost. Two-thirds of the money spent by Medicaid goes to pay for nursing homes for elderly people.

So we have a situation where people are alarmed because that is threatened. Medicaid has been here now for 30 years. Medicaid is the only step we have taken in this country toward universal health care. All of the other industrialized nations except South Africa have some form of universal health care, health care for every citizen who needs it. But we do not have it. Medicaid represented a step in that direction. If they take away the entitlement for Medicaid, which is very much a possibility, right now here in Washington, if they take away that entitlement, we are in serious trouble. We have not only lost a service that is a vital need for the survival of many Americans, we have also taken an ideological step backwards. We will never have universal health care if we allow that retreat to take place. So people are concerned that this crisis has been created and we are acting as if the country is going to go broke if we do not have drastic cuts in public housing money, drastic cuts in education, drastic cuts in Medicaid, Medicare, drastic cuts in job training programs.

That is what the Republican majority has done in the last 15 months. They have generated an atmosphere of crisis. That atmosphere of crisis is being used as an excuse to cut the safety net programs that have been built up since World War II and really started before that with President Roosevelt's New Deal. They are going to take all that away. At the same time they are going to spend large amounts of money on new fighter plane systems, on a new antimissile system and continue to spend large amounts of money on the defense budget. All of this is a crisis that they have created and it is very interesting to note some of the effects of that crisis. Some of the effects is that the people in our communities instead of understanding the need to rise up and fight this kind of artificially created crisis and to fight the people who have created the crisis, they are turning on themselves. In health care we have situations where hospitals in New York City are being proposed to be sold. Some are being proposed for leasing. One hospital that is a State institution primarily, Kings Borough Hospital in my district, has been told they will shut down by August. They are going to shut the hospital down, which is primarily a hospital for the mentally ill. In this process, we find some other hospitals in the area nearby willing to speed up the process of closing their fellow institution by agreeing to take over various parts of their activities, even when it is not feasible.

Brooklyn is a community with 2.5 million people. Brooklyn if it were a city would be the sixth or seventh largest city in the country. But in Brooklyn there is one mental hospital of this kind. So 2.5 million people need that hospital. We do not need to be told we can travel somewhere else. We have the population concentration. We need it. The institution should not help the Republican governor balance his budget on the backs of the mentally ill by taking parts of the functions of this hospital.

So I have asked all the hospitals to take an anticannibalism pledge, don't cannibalize the institution, and I have asked other hospitals in other parts of the city, as we fight to maintain decent health care in the communities that need health care most, let us not cooperate with the mayor, the Republican mayor who wants to sell hospitals and lease hospitals, let us not cooperate by cannibalizing each other. Hospitals should not cannibalize each other. They should take a pledge that New York City, with 8 million people, needs all of its hospitals. If it does not need all of the beds, then we do not have to have all the beds. We can restructure health care in various ways. But we basically need all the hospitals. And we can provide health care for people who are from outside the city. An accumulation of the best experts in the medical fields has taken place in that city and health care should be seen as an industry as well as a service, and that industry can serve areas from outside the city as well as inside the city. So the cannibalism should not take place. I caution every American who is wary and concerned and even panicked by the budget cuts that have been generated by the Republican majority not to participate in cannibalization. I have seen examples of it in the area of education recently.

There are people who want to see special education programs closed down or drastically reduced because they want more money for the regular education program. Well, the regular education programs and the people who advocate them, as we all do, the regular education programs should confront the people who have created the crisis. We do not need cuts in title I. We do not need cuts in the teacher training programs. We do not need those cuts. We need instead the kinds of increases for education that President Clinton has proposed.

Education is ranked very high in the polls by Americans every time polls are taken. So why are we cutting back on the education budget and why are people in the education community willing to engage in cannibalism? Don't try to eat the special education programs. Let us fight for more funds, both for special education programs and for title I programs and for any other programs that are needed. Let us fight the State governments, let us fight the city governments, let us fight the Federal Government to get the fair share of the allocated dollars for education.

The cannibalization of special education is under way now. There is a bill that is being introduced by the Republican majority in the community that I serve on, and they are trying to take advantage of the fact that shortsighted people out there are moving to try to

rush into a shutdown of special education programs because they cost more than other education programs do and my answer to them is let us all put our heads together with reason and some hard examination and scrutiny, and let us try to come up with the best possible program we can come up with. Let us make cuts of waste where it exists.

□ 1945

Let us not cannibalize education programs. Let us not destroy good special education programs. Across the country, I hope that the people in the community of people with disabilities understand the kind of hostility that has been generated by this Republican majority here in the House of Representatives toward all programs for people with disabilities. What is happening to the special education programs right now and the legislation is indicative of the kind of hostility that is shown by the Republican majority. We have to meet that hostility with a demand that adequate amounts of money be made available for all education.

Let us celebrate today, the fact that according to reports that have appeared in a number of places, it has not been voted on, on the floor yet, but the cuts in title I are no more. Title I will not be cut in this budget, I am told. This year's budget will be at the same level as last year's budget. Let us celebrate, all of the people out there who have been so anguished by the assault on education programs, know that we have fought the good fight.

We have kept our promise and stopped the extremists from rolling over us and the extremists have decided to retreat. There will be no cut in title I. Title I will be kept at the same level as last year. There will be no cut in Head Start. Let us celebrate. Let us celebrate the fact that we have kept the faith. We have stopped the extremists.

There will be no cut in Head Start in this annual budget. Let us celebrate the fact that the money is now almost assured for the Summer Youth Employment Program. It is less than it should be, but it is about almost at the same level as last year, last summer. Let us celebrate, a few weeks ago, there was zero in the budget and no talk of remedying that problem. So let us celebrate what the great fight has proposed. Let us celebrate the fact that by fighting, by standing up, Democrats have kept their promise of stopping the extremism.

Extremism, the manufactured crisis, the artificial crisis, the unreal crisis created by an extreme majority in this Congress, has not prevailed in the area of education. So let there be no more cannibalization. Let all the people in the education world, the superintendents, the State education commissioners, the principals, let us stop sharpening our knives for the funds that may be available if drastic cuts are made in special education programs. We do not need to do things which we would be ashamed of in a few years. We do not need the atrocities of throwing children out of classes because of the fact that they are disruptive, we have not been able to deal with it. But we mainly want to use that as an excuse to cut down on the number of children in special education programs.

We do not want to abandon the free-education doctrine that has prevailed for so many years. We do not want to abandon the right of parents to follow a due process procedure and to have legal assistance in doing that in going through that process. We do not want to cannibalize special education programs any more than we want to watch health care programs cannibalized also.

On May 19, in New York City, we have declared that it is Hospital Support Sunday, Sunday, May 19. On that Sunday, we are trying to bring out as many people as possible to show that everybody cares about health care. It is not just the unions who have people who work in the hospitals. It is not only the doctors and the professional staff who have a vested interest in the hospitals. But it is everybody. It is the patients, it is the community, the people surrounding the hospital. It is everybody who cares about hospitals in New York City. They want to come out.

Mr. Speaker, we want to have a set of demands established. The No. 1 demand is that every process of change in the hospital system in New York, whether it involves HMO's or hospitals or clinics, all of those things should be frozen and let the people come forward to participate. We want a citizens' committee instead of cannibalization to make up for what is being cut. We want the people to participate in the restructuring and in the fight to get additional funds where they are needed.

New York is often criticized for spending more money on Medicare and Medicaid than other States. But that same New York, as said before, gives to the Federal Government $1.9 billion more than it gets back. In 1994, we gave $1.9 billion more than we got back. In 1993, we gave $23 billion more in taxes to the Federal Government than we got back.

If we were to let New York have its own money, leave the taxes that we pay to the Federal Government in New York, we could have decent health care. We could have lots of other programs. We could have adequate funding for our colleges and our universities, adequate funding for our schools. We can do a lot with $1.9 billion that does not go somewhere else across the Nation.

That generosity once was a proud gesture for New Yorkers. But we have been spat upon so much and criticized so much, there is so much ingratitude throughout the Nation, especially in the recipient States, that we do not want to continue that any longer. We would like to find a way to have revenue justice.

Let the revenues come back. Let us have some kind of formula where States that year after year pay more into the Federal coffers in taxes than they get back would receive some kind of rebate to go back into their own treasury to meet the needs of their own people. We will not have people so distressed and so distraught that they are stampeded into cannibalizing institutions and taking valuable resources from one much-needed institution in order to put it over here to another.

Mr. Speaker, teachers, principals, commissioners, administrators should not indulge in that in education. Doctors, hospital administrators should not indulge in that kind of practice in the area of health care. We do not need to eat each other. Instead we should fight for a fair share of the resources that are available, and we should fight to make more resources available by having the corporations pay their fair share of the taxes.

We started the discussion with taxes. Let us close it out with a discussion of taxes. I have an article here, April 15, 1996, Mr. Robert D. Novak. I do not usually quote Mr. Novak. The article is entitled GOP Deficit Trap. In this article, Mr. Novak says that it appears from reports from the Congressional Budget Office that we will have a balanced budget by the year 2002, without all of these drastic cuts that are being made and proposed by the Republican majority. It appears that the deficit can be erased without one dime from entitlements. Members do not have to take one dime from social security, Medicare and Medicaid alike.

That is what Mr. Robert D. Novak said, who is not a proud liberal on my end of the spectrum. He is on the other end of the spectrum. And Mr. Novak goes on to talk about what he calls a GOP deficit trap. He says the GOP has been, unfortunately, obsessed with ending the deficit and balancing the budget. They made a great mistake. We are going to be able to balance the budget and have funds for everybody on a reasonable basis without having to make the Herculean, drastic kind of cuts being proposed.

So I end by saying yesterday was tax day. Today every American should take it very seriously. Take a harsh look at your Government. Examine how we are being taxed, how unjust the tax system is, how uneven the tax system is, how the corporations are paying only 11 percent while individuals are paying 44 percent, four times as much as the corporations are paying.

That is part of the answer. The other part of the answer is; where is the waste? Where do these expenditures need to be cut? Go look in the coffers of the CIA. They have $2 billion in a slush fund, a petty cash fund. Go look in the coffers of the Federal Reserve. They have $3.7 billion. Then they are jamming some of these other agencies. We better take a look at a lot of the

others, the space agency, the nuclear commission. All of these icons of Government need to be closely examined to see where is our money. The Department of Agriculture, which gives away money, has forgiven $12 billion in debts to farmers, for Farmers Home Loan mortgages.

Mr. Speaker, it is tax time. It is a time we take seriously where the revenues come from and where the expenditures go. Every American ought to get involved. They ought to get involved with compassion and love and concern for their fellow man.

Mr. Speaker, I include Mr. Novak's article of April 15, 1996, for the RECORD:

[From the Washington Post, Apr. 15, 1996]

GOP DEFICIT TRAP

(By Robert D. Novak)

As Republican congressional leaders on March 28 were poised to flee Washington for a two-week Easter break, they failed to notice a ''preliminary report'' on the government's long-term fiscal outlook prepared by their own Congressional Budget Office (CBO). But President Clinton's eagle-eyed number crunchers quickly perused it and could scarcely contain their delight.

The report estimated the federal budget deficit for the year 2002 down to $107 billion—miraculously, $37 billion lower than the CBO number just three months earlier. Thus, the president and the Republicans are but a short, easy hop away from balancing the budget in seven years as measured by the CBO, as they each have agreed to attempt.

Good news? for Clinton, yes. For the Republicans, no. The hop to budget balance is too short and too easy. By this route, the deficit can be erased without one dime from entitlements—Social Security, Medicare, Medicaid and the like—whose immense growth could eventually ruin the economy. What's more, the deficit would be eliminated without downsizing the present massive structure of the federal government or relieving the onerous tax burden.

The Republicans are in a deficit trap. In their first experience controlling Congress in 40 years, they have gradually lost emphasis on revolutionary change in government by obsessing on the deficit. The president is on the brink of a major victory—achieving a zero deficit without significantly altering the federal leviathan and without providing real tax relief.

This became clear to Clinton's budget experts when they read the CBO's March 28 report forecasting the effects of a freeze at 1996 dollar levels of ''discretionary'' spending—amounts affected by the congressional appropriations process, as contrasted with entitlements.

The 2002 deficit estimate of $107 billion was reduced from the $144 billion in CBO's December 1995 update. Its reason: ''largely'' the piecemeal reductions in appropriations painstakingly passed by Congress that were not vetoed by Clinton. Assumed lower interest rates that would result from a balanced budget also were factored in.

The president's aides immediately telephoned their Republican counterparts in Congress, pointing out the new numbers and proposing: Let's get together now and make a seven-year budget deal!

The components of such a deal are not hard to envision: the small reductions in Medicare and Medicaid growth already proposed by Clinton, plus a few more cuts in discretionary spending. The package might also include a modest tax reduction (with some capital gains cuts) drafted by the Joint Tax Committee and tentatively endorsed by administration officials.

But Capitol Hill was empty of Republican policy-makers for the last two weeks, and what the White House was proposing was above the pay grade of GOP staffers still there. Such a budget deal would have far-reaching effects on the presidential election. Deficit reduction, budget-balancing and even tax reduction would be neutralized as issues for Republicans.

Senate Budget Committee Chairman Pete Domenici, campaigning for reelection in New Mexico, has been informed. So has Sheila Burke, chief of staff for Senate Majority Leader Robert J. Dole. House and Senate GOP budget staffers met last week.

But as Congress reconvenes this week, it is safe to say that there is no Republican policy for dealing with these numbers. In fact, only Bob Dole is in a position to make this decision now that he is the party's prospective presidential nominee.

In his long-accustomed role as a self-described ''doer'' rather than a ''talker,'' the decision would be easy for Dole: Make the deal and accept the congratulatory signing pen from Bill Clinton at the Rose Garden.

It is more difficult now that he must confront Clinton in a broader arena. He must determine whether he will rule out a quick budget agreement and insist that the deficit is not everything and that it is essential to reduce entitlements and taxes for the sake of the economy.

He might even propose a package that adjusts the Consumer Price Index in a way that would cut entitlement payments but also increase tax payments, so that it would have to be accompanied by significant tax reductions. This course might rescue the Republicans from the deficit trap constructed by congressional leaders, including Bob Dole.

THE REPUBLICAN BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. GRAHAM] is recognized for 60 minutes.

Mr. GRAHAM. Mr. Speaker, I think probably a good lead-in to this debate is the last comment of the gentleman from New York [Mr. OWENS] that every American should get involved with what is going on in Congress, and I think compassion and understanding are very good guides to have, and I think reality needs to be in there somewhere.

Let us talk about the budget real quickly, then we are going to get into something near and dear to everyone's heart in this country, and that is education. The Federal role in it, what we have tried to do at the national level in this Congress, I think to improve education, and to have an effective delivery system that recognizes the need to educate our children, to balance the budget, and what role money should play in all that, what role the Federal Government should play.

Mr. Speaker, I find it very interesting that we can balance the budget and remove the deficit without affecting entitlements. That is very curious. I need to read the article by Mr. Novak. As I understand the dynamic that we are facing, two-thirds of the Federal budget that we deal with is on auto pilot. Sixteen percent of the Federal budget is interest payments. We paid more in 1997, will pay more in 1977 for interest on the national debt than the entire Defense Department, over $400 billion.

Forty cents of every individual income tax dollar collected in this country goes to pay the interest element of the national debt. Over 50 percent, I believe it is 51 percent of the Federal budget consists of entitlement spending, such as Medicare, Medicaid and welfare. Medicare has gone up 2,200 percent since 1980.

When we look at the Federal deficit and the national debt, the national debt is over $5 trillion, and I ask people at home what a trillion is. It is a number, it is a term that really is beyond imagination. I think a lot of people can relate to a million. They may not have a million, I certainly do not. But they can relate to the concept of a million dollars. If you spent a million dollars a day, Mr. Speaker, it would take you 2700 years to spend 1 trillion. If you collected $1 trillion in taxes from the American public, it is the equivalent of $3,814 from every man, woman and child in America, and we know that every man, woman, and child in America is not paying taxes. So those of us that are are paying a lot.

Let us talk about the Federal budget now that we understand what 1 trillion is. The Republican budget that Mr. OWENS criticized so harshly and the President vetoed appropriated $12 trillion to run the Federal Government over the next 7 years. That is right, the Republicans have spent $12 trillion at the national level over the next 7 years compared to the last 7 years. That is a 26-percent increase in Federal spending, a 64-percent increase in Medicare alone over the next 7 years, from a $4,800 per senior citizen expenditure this year, to the year 2002, it will grow to $7,100. A tremendous amount of money is being spent on welfare and Medicaid, an over 50-percent increase.

Student loans in the education area, we have increased student loan funds by over 50 percent in the next 7 years. What the Republican budget has done is tremendously increase spending over a 7 year period 20 percent, 6 percent across the board, tremendous increases in entitlements, but less than the projected amounts, because the projected amounts are going to be well above 50 percent, well above 63 percent. Those of us who say that we want to balance the budget, I think we need to start being honest with each, and I know my colleague from Florida has been a real champion in this cause. If Members really want to balance the budget, I think it is time to address why we have debt to begin with.

Why did America get into $5 trillion worth of debt? Was it because Ronald Reagan increased military spending during the 1980's where the deficit did grow? Well, the truth is that he did. I was in the Air Force from 1982 to 1988. After the Carter years, the military was a place that needed expenditures. Spare parts were in short supply. We had squadrons of airplanes grounded.

The Navy could not sail ships because of lack of funding. So Ronald Reagan decided to increase military spending during the 1980's, and Congress allowed him to do so but they required an increase in social spending.

The truth be known, it is not because Ronald Reagan wanted to increase military spending. It is not because Tip O'Neill and Tom Foley increased social spending at the rate of 3 to 1 during the 1980's. The truth is that the national debt grew to such large proportions as it exists today because during the 1980's, entitlement spending went through the roof. One program, Medicare, increased 2200 percent since 1980.

□ 2000

And all of the other entitlements, Medicare and Medicaid, have grown tremendously. Medicaid is growing at 19 percent a year since 1990. So if you want to blame anybody, I think you can blame both parties, because we have sat back and we have watched entitlement spending go through the roof to the point now it is over 50 percent of the Federal budget.

If nothing changes in this country in the next 17 years, the Federal budget, the Federal revenue collected from the taxpayers at the national level, will be spent in two areas: entitlement spending and interest payments on the national debt. It is already two-thirds of our budget. In 17 years it will consume the entire revenue stream. There will be no money left to fund the Defense Department, Education Department, the Commerce Department, and environmental agencies that exist at the Federal level. And that is not a Republican statement. That comes from Senator KERRY, a Democratic Senator, who has been involved in entitlement study and reform. And the facts are just what they are, facts. Entitlement spending is out of control and it is going to consume the entire revenue stream unless we do something about it.

We have tried to do something about it, and I think in a very responsible manner. What we have done is we have allowed increased spending in Medicare alone 2½ times the inflation per year, a 63 percent increase in a 7-year period, a tremendous amount of increase, but we are going to create options available to senior citizens that are more efficient than this 1965 fee-for-service Medicare model that is full of fraud.

We are going to give people something they very rarely get from the Federal Government, and that is a choice. A choice to pick a program that may deliver more effective medicine, less bureaucratically, and a better deal for the taxpayers. It is time to give people choices that mirror private sector growth in health care.

The private sector programs are growing at 3 to 4 percent, the government programs, like Medicare and Medicaid, are growing at 13 and 19 percent because they are very inefficient, they are full of fraud, and they have the wrong incentives. It is hard to get preventive medicine reimbursed under Medicare. The number one expenditure in Medicare is diabetes, but you cannot get insulin paid for.

So it is a system that is really overdue for an overhaul. And we have allowed private sector programs to be placed on the table and let senior citizens make choices, and we are going to give them four to five different options to Medicare as it exists today. But they have to choose. And if they do not want to make a choice, they stay in Medicare as it exists now. And that is just one example.

In Medicaid, we are going to allow the States to take the increased spending at the Federal level and manage care the money. Right now our Medicaid programs are growing at 19 percent. If you are a Medicaid recipient and you go to the hospital and have a $300 visit for a cold, something private insurance would not allow you to do, Medicaid reimburses people for medical conditions four and five times the expense that the private sector manages those same illnesses.

So it is time now to start allowing States to put into place managed care programs for the Medicaid recipient that are good, that are compassionate, but that have cost controls on them so it does not grow at 19 percent.

If you want to improve education in my State of South Carolina, which I do, and I think everybody who is listening to me in South Carolina would like to see that happen, let us change Medicaid. Because when Medicaid grows at 19 percent at the national level, that is the health care for the disabled and the welfare recipient, when it is growing at that rate for the State of South Carolina, to get any Medicaid money from the Federal Government they have to put money on the table. It is a matching formula.

So when the pot of money at the Federal level grows at 19 percent, then for South Carolina to get its Medicaid money, its share grows at the same rate, so you are robbing our State budget to get Medicaid money from the Federal Government. And if we do not change, if we do not change that dynamic, every State's budget is going to be consumed by getting matching portions of Medicaid.

And as the gentleman from New York, MAJOR OWENS, indicated, the Governors in this country, Republican and Democrat alike, have gotten into a room and said: Enough. You are bankrupting our State. We are having to spend most of our budget to get Medicaid dollars because the pot of money at the Federal level is growing so large, the mandates are so onerous, we have no flexibility. Please, give us a break. We can get by on less money if you will give us flexibility to create programs that mirror the private sector.

And unless we do that, ladies and gentlemen, you will not balance the budget. If we do not address the reason Medicare grows at 22 percent every 15 years, it does not matter if you spend less in 7 years to get the numbers right, you are going to be back in debt. It does not matter if you slow the growth of Medicaid down temporarily, as the President's budget does. If you do not change the reason it grows at 19 percent, you are not going to keep the budget balanced. And it does not matter what you do in welfare reform if you do not address the reason people stay on welfare 10½ years.

So what I am looking for is a budget that addresses the reason we got in debt, a budget that addresses the underlying problem, which is entitlement spending. Let us reform entitlements up here in a fair and compassionate way so that we can deliver you a balanced budget that will stay balanced. Let us create a welfare system so that the average person does not stay on it a decade.

I believe most people want to get off welfare, go into the private sector and live with dignity and not be dependent on the Federal Government, but it is darn hard to do that. If you live together as man and wife under our current system, we look at both incomes and deny benefits. If you get a part-time job we will start taking benefits away from you when you start moving up the economic ladder. We are trying to keep your vote, but we are not allowing you to be free from government control.

I am looking for a welfare system that helps people who need help, that will give you training, give you educational assistance and will allow you to get a job. And the way you create a job is not by me talking about it on the floor of the House, it is by lowering taxes so people have more money to invest and grow their businesses.

Capital gains tax reductions will be good for this country. It will create jobs and bring in additional revenue to the Federal Government. It did in the 1980's when we lowered capital gains tax rates, it will in the 1990's if we can ever get it passed.

But the way you create a job is to change this model that currently exists of where we are overtaxed, we overlitigate, and we overregulate. And the ultimate hope of welfare reform is a system that allows people to help themselves, that pushes them forward, that will not pay them to have children they cannot afford, but will have a job waiting on them. And to do that you need to change this bureaucratic model that we have created for the last 40 years that is strangling American business. I think that is compassionate.

I think that is the way to truly deal with the Nation's problems, because the poor in this country want the same thing as anybody else who is an American: the hope of having it better for themselves and their children than the last generation, a chance to have a private pension plan, a chance to have health care that they own and is now given to them by the government. We all have the same values, we just have a different belief on how to get there.

The special order topic really tonight is about education. And nothing is going to change in this country until we provide an educational system that brings the best out in our kids, and that is a school environment where you can go to school and not worry about being beaten up or having a drug deal occur under your nose.

The national role in education since 1979 has grown dramatically. Test scores have gone down. Education quality is stagnant. We are not moving forward by having more control at the national level. The Department of Education's budget in 1979 was about $16 billion. It is $32 billion now. Six percent of all education dollars spent in this country comes from the Federal level. Ninety-four percent of education funding comes from the State and local level.

When you talk about education reductions at the national level, it has to be put in perspective of the total funding. The bad deal is that 50 percent of the mandates, how to spend the money at the local level, comes from the Federal Government. We give you very few dollars, but we put a lot of requirements on our local educators, our State and local systems, and we are not getting a quality product.

The only model that will work, in my opinion, is to have parents and teachers and the community leaders involved, and the current Federal system does not allow that to happen. It is a wall between quality education and the State and local community. I do believe that we have an overly intrusive Federal role in education that is not bringing out the best in our kids, and that we have programs on the books that are very inefficient, all done in the name of compassion.

Title I, that Mr. OWENS mentioned, is a program that started in the 1960's to help school districts that had a disproportionate number of disadvantaged and poor students, to give them a leg up, a little extra tutorial time. That program has grown now to almost where 80 percent of school districts in this country receive title I money. It has become a candy store.

Title I money is spent on disadvantaged students, and the definition of disadvantaged has grown greatly. And the facts are that 80 percent of the people who provide this extra tutorial time are not certified teachers, they are teachers' aids. It is becoming an employment opportunity for the major cities in this country.

The test scores of the children receiving title I assistance have not moved up any. What we are doing is basically we are taking an average of 10 minutes a day extra time for a title I student, getting no return on our money, giving the money to someone who is not a professional educator, trained as a teacher, taking them out of the class and spending $6 billion a year doing that. That is not a good deal for the taxpayer and we are not moving forward.

The gentleman from Florida is going to tell us a bit about Head Start and how unsuccessful that program has been when measured by objective criteria. It is a good idea. It is a compassionate idea, but eventually you have to look to see if the idea is delivering a quality product. Title I is not a good investment educationally or financially, and Head Start, I believe, falls under that same category when you look at the return for your money.

I would yield now to the gentleman from Florida to tell us a little about title I, then we will talk about student loans.

Mr. MICA. I thank the gentleman from South Carolina for yielding, and also I must take a minute and thank him and his other 72 colleagues of the 73 new freshmen in the House of Representatives. How refreshing it is to have people come from all walks of life. Not just attorneys, but somewhere in the neighborhood of three-quarters of this class, this new class of freshmen, come from business. Three-quarters of them have never run for a political office or served in other political office. And they took time from their lives and their family obligations and business and professional obligations, and leaders like the gentleman from South Carolina, Mr. LINDSEY GRAHAM, have come here and looked at how our Government is operating. They brought a message from the people in this last election that the people were not pleased with paying more and getting less, as I often say.

I have only been here 37 months in Congress, so I consider myself part of that new breed, but I commend the gentleman and his colleagues for what they have brought to the Congress and their recommendations. If you consider what we are doing tonight, Mr. LINDSEY GRAHAM from South Carolina is doing tonight, he is here late at night talking about education. He is a Republican, he is a member of the new majority, and the Republicans and Mr. GRAHAM and every one of my Republican colleagues are very committed to good sound education, improving education in this country. We cannot make any better investment. But ask any American, ask any parent, ask any student, ask any teacher about education in the United States today, and they are going to tell you that education is in crises.

Republicans have always been strong supporters of education. Being business men and women and professionals and people who are highly educated, they know that education is really the key to the success of the problems in this country. They know that if you go into the jails, if you go into the unemployment lines in this Nation, if you go into the homes of welfare recipients, you find that they did not have a good education opportunity. But Americans and Republicans and Democrats and independents and anyone who lives and pays taxes in this Nation must be concerned about paying more for education and getting less.

Now, I always drive the other side of the aisle crazy and the Democrats crazy, because I like to deal with facts, and sometimes they come out here and say things and they do not base them on fact. But let me tell you about where we are in education and the facts about paying more and getting less. The fact is, and these are not my statistics, these are published statistics, the fact is SAT scores dropped from a total average of 937 in 1972 to 902 in 1994. The fact is we are spending more and getting less.

The fact is 17-year-olds scored 11 points worse in science in 1970 than in 1994. The fact is reading of 17-year-olds, 17-year-olds who do not read at a proficient level, their reading scores have fallen since 1992. Spending more, getting less.

The fact is, in math, United States students scored worse in math than all other large countries except Spain. The fact is we are spending more and getting less for education.

The fact is 30 percent of all college freshmen must take remedial education, and in my district in central Florida, and I come from a fairly prosperous and successful central Florida area, some of our community colleges, one of the presidents told me over 50 percent of his students entering community college need remedial education. And then I was stunned to read that at another local community college, 71 percent of the entering freshmen need remedial education.

□ 2015

This is the fact. These are the facts. We are paying more and we are getting less in education. That is what this is about. It is not just how much money we come here and spend, and the people just getting home today and are working and yesterday paid their taxes. And they are sending this incredible amount of their money here to Washington. This is the result of your dollars.

We need to look at how; we came here to look at how effectively we were spending those dollars. I looked at Head Start. Let me again deal with some facts. Let us talk a little bit for a minute about the history of Head Start.

Every Member of this Congress, Mr. Speaker, and every citizen of this country should pay attention to this, because first of all they think Republicans are cutting spending in these areas. The fact is, in education we are proposing increasing expenditures of almost $25 billion over the next 7 years. I tell people that and they say, I thought Republicans were cutting education. The fact is, for possibly illegal aliens, you will not be getting education. That is part of what this debate is about. You do not hear that talked about here. But let us talk about one program that I took some time spending, spending some of my staff work and my personal time in looking at a Head Start program.

Back in the schools that I attended at the University of Florida, I remember serving as the secretary of academic affairs and student government. This is back in the early 1960s. I was committed to trying to make a change and to do some positive things. I remember one of the things we worked on was a project called Project Begin Here, because we knew we had a university, the University of Florida, a great institution, here we had a town, Gainesville, where students did not have opportunities to learn. So we started this Project Begin Here to take the resources of this great university school of education I was a part of and bring it into the community and help give kids an opportunity and an uplift.

We knew that was a key way back then. I supported Head Start Programs back then in the early 1960s. I support Head Start Programs today. The concept is basically good. The problem is look at what has happened.

Look at the time from 1990 to 1995. Head Start funding increased 128 percent. Washington spent over $31.2 billion on the Head Start Program. Those are the types of increases. The House proposed, the House proposed $3.39 billion for 1996, only a minimal reduction from $3.52 billion that was appropriated for 1995. Now, that is not a very big difference. There is a reduction, and let me talk about the purpose for the reduction in a minute. But the funding for this program has grown almost five times as fast as the number of children served. The growth has resulted in a sloppy, I mean disgusting management of the program. This is not what I am saying. This is not a Republican report I am going to detail here. And again, we must look at how we are spending these dollars and what the effect is and what are we getting for the program.

Now, these programs, and again, not Republican reports, and I only want to deal with facts because, as I said, it drives the opposition crazy, this report is the Office of Inspector General, Department of Health and Human Services, evaluating Head Start expansion through the performance indicators. These are 1993. This one is 1993, Head Start expansion grantee experiences.

Let us talk about what we found here. Head Start is 30 years old, and yet there is little evaluation of the program's effectiveness. This is not what I am saying. What there is suggests that academic gains made by kids in the program are in fact temporary. That is what we find. The HHS report found that, one, children may not be fully immunized before leaving the Head Start Program. I mean here we spend hundreds of millions on immunization programs, a government program, and we cannot even get our government program to cooperate with the administration's program to immunize, so number one grade success.

Grantees frequently do not identify families social services needs, another criticism of this, and wait until you hear how we spend the money on trying to identify this.

Grantee's files and records are incomplete, inconsistent and difficult to review. And wait until you hear how I detail what is required as far as administration of this program in one small program in my district.

The HHS report also found that there was no educationally meaningful differences between Head Start children and nonHead Start children by the end of the second year of grade school. Numerous independent studies confirm that the present Head Start Program has only short-term benefits for poor children.

This is not what I have said. This is the report of the inspector general. These are the facts. So this is how they evaluated the program.

So I was contacted by a parent who was a single mother, divorced, I believe, situation with two children and she put her children into the Head Start, had, I think, one or two children in Head Start Program. And she was having a difficult time personally but wanted to give her children every advantage. I commend her for her effort. But then she came to me and said, Mr. MICA, she is a very intelligent woman, a very educated woman. She said, I have had my children in this program and it is a disaster. So I thought, well, I better look at what is going on.

So I went and I looked at the Head Start Program. Let me give you one Head Start Program in one community, and there are some, there are others that are not run in this fashion, but let me tell you what is going on in my area of Florida.

Last year this one program that serves 378 children received over $2 million for the Federal Government, another $550,000 from the State, that is over $2.5 million. The cost per student for a part-time preschool program is $7,325. That is just the local administrative cost, the figures I have, not including this huge bureaucracy they have built in Washington, not including the bureaucracy that they have in Atlanta. I could send the student to the best preschool program, a stellar one in central Florida for this amount of money. And then with the money that bureaucrats are wasting in administration, I would have money left over, plenty of money left over. In addition, I know that the program would be, first of all, longer in duration because this is an abbreviated program. The teachers, there would be at least some certified teachers in the program. And the child would have a much better experience.

This program in central Florida has been found to be deficient by HHS in serving children for the past two years. My attempts to try to change it are totally useless because you have to deal with a bureaucracy in Washington and Atlanta and all kinds of regulations. It is amazing that they can run this.

Listen to the best part. This agency, again the local Head Start Program, one program, 378 students, employs 25 teachers and 25 assistants. Now, that is not bad. But first of all, not one of the teachers that I know of are certified. Not one of the assistants are certified. They have come up with some cockamamie certification program, but basically what you have is a minority employment program.

So then they gather all the minority children together in this program with no certified teachers to basically provide day care services. It is an incredibly expensive price tag. And are these students getting a cultural advantage? Are they getting an educational experience? The answer has to be no.

Now, you have not heard the most outrageous part of this entire story. I asked for the budget for these 378 students. For the 25 teachers, there are nearly 25 administrators. Listen to this: One director gets almost $40,000; an area coordinator gets almost $29,000; another area coordinator, $29,000; an education coordinator, $26,000; a family services coordinator, $26,000; a nutrition coordinator, almost $26,000; mental health disability coordinator, $26,000; another health coordinator, $26,000; personnel training coordinator, $19,000; an educational specialist, $29,000; another educational specialist, $24,000. It goes on and on, $20,000, they go on and on. Then you have family services specialists. It is absolutely mind-boggling.

Then you get to the teachers, the teachers. Here is the teacher, first teacher, $12,000 a year, $14,000 a year. We might even have a teacher in here, there is one for $15,000. I do not have a certified teacher. This is a national disgrace, Mr. Speaker, that my disadvantaged students, 378 of them, that we have this bureaucracy.

Now, it would not be bad if you just had this bureaucracy for this little program, but this incredible amount of money. Let us face it, this is what the debate is all about, Mr. Speaker. I am chairman of the House Civil Service Subcommittee that oversees the Federal employees. So I asked the staff to tell me how many employees there are in the Department of Education. There are 4,876. Now, of all of the departments, I think they probably take the cake, but there are 3,322 just down the street from here, 3,322. I really think the Secretary of Education, Mr. Riley, was taking great pride in how he had reduced the number of people in the Department of Education from some other year. So I ask our staff to also investigate, and they told me that there are thousands upon thousands of contract employees that are not now counted in these figures. But we have 3,322 bureaucrats here pumping out rules and regulations and they pump them out to Tallahassee, my State capital, and other State capitals. They pass then onto Atlanta, and they must pass them on. So we have 25 administrators making twice the amount of money anyone in the classroom made in this program, and we wonder why our students cannot read and why there is this debate. But it is all about spending more and getting less.

□ 2030

Again, these are the facts. Anyone who would like copies of these, any of my colleagues, this is how the programs are run. These are the evaluations. These are not Republican evaluations.

Mr. Speaker, Members can see I get a little bit hot under the collar when they accuse Republicans of cutting education. I have two children. I am concerned about education.

I heard the gentleman from South Carolina talking about Title I. I do not know a lot about it, but I know how important it is to have it as a follow-up program. If you have Head Start and you do not have Title I, we know if the kids cannot read by third grade, as my superintendent so ably says in Seminole County, FL, the school superintendent, he says, they are lost. They cannot read, they cannot write, they cannot do basic math. If we are not spending the money in the classroom on the students, in the programs that need it, for the teachers, we have a problem.

A teacher just came up to me in a Title I Program and stated, ''Mr. MICA, I want you to know, they told me I am going to lose my job, but they are hiring another administrator.'' I almost got sick when I heard that. Here is a teacher in a Title I Program, and Title I programs are important. We need to make sure that for the students who need Title I, that we have a consistent pattern of education; that we just do not do minority grouping with minority employment and give these children a disadvantage. They need an advantage, the very best advantage. Then we need to follow up in first grade and second grade and third grade, so they can read and write, and of course do basic skills.

Mr. Speaker, I want to talk, if I may, just for a minute more. If the gentleman will continue to yield, when I get on these subjects, again, as a former graduate of the University of Florida School of Education, I just get so upset and concerned about the direction of education.

Mr. Speaker, if we take a minute and look at what we are doing to employ students who need skills for real jobs, and I am not talking about $5-an-hour-paying jobs. We know people have difficulty living on minimum wage. But we are talking about jobs that give people an opportunity to be self-sustaining, good-paying jobs. When we start to look at what we are doing with our job training programs, the same accusations, Republicans are cutting money for job training programs.

Again, Mr. Speaker, we must look at what we are doing. The American people must stop, listen, and learn about what is going on with their money. Here is one program for job education. I know this comes under the Department of Labor. Here is an article that says, ''Audit faults job training program.'' This is in Puerto Rico. We also pay for job training there, but the same thing happens in the United States. This report says, ''the department spent about $305,000 for each participant placed in a job-related employment whose employment lasted over 90 days.

Mr. Speaker, this caught my eye just recently in the Washington Post, but there was an article within the last month or so in the Orlando Sentinel that absolutely was flabbergasting. It talked about the State of Florida and job training and education programs. Get this. The State of Florida, one State out of the 50 States, spends $1 billion in their job trainings programs, $1 billion. This was a State audit of those programs.

The State audit said basically that the programs were, almost every one of them, a disaster. It said, in fact, that only 20 percent of the students who entered these job training programs ever completed them, 20 percent who entered. Then, of those who completed the job training program, only 37 percent got a job. Then, of the 37 percent, and remember, that is of the 20 percent who have entered who got a job, they got just above a minimum wage job. Then they found that within 6 months the people were out of a job.

One billion dollars that people spent yesterday in paying their taxes, Floridians and other Americans, to send to Washington for education programs that do not make sense, for job training programs that do not make sense. Again, the reports go on and on.

I served on the committee that oversaw some of these programs, the EPA and some of the others in the previous Congress. I would sit at the hearings and just about fall off my chair to hear how taxpayer money was wasted and abused. But this message is not getting out to the Congress, Mr. Speaker, it is not getting out to the American people, that they are paying more and getting less.

I know in their hearts and in their guts, the American people know this is wrong. They know there is something wrong with the system, and they are dedicated. People are interested in education. Everyone I have met, whether it is someone working in a grocery store or someone who is a high professional in my community, is interested in education. Every Republican wants education. But what we do not want is this huge bureaucracy, this huge ineffectiveness that has cast a spell across the entire country.

What we want, too, are some other things that we may not be able to legislate. We may begin to want to look at how we can restore some true caring, some love, some spiritual values, some values, some discipline in these schoolrooms. You talk to the teachers, I have talked to teachers who have been struck twice. Instead of another art course or a music class, as in where some of my children went, they are putting in security guards. There are police people. We do not have new math teachers or cultural teachers, we have more policepeople. We are putting in metal detectors in our schools. There is something wrong. There is something dramatically wrong. If this does not tell a little bit of the picture, I do not know what does.

Mr. Speaker, I know there are other problems: the welfare system that we have created over 40 years. When children go to school and they have never seen a father, they come from a home that is in total disruption, they have no sense of values, then we wonder why we get into these situations. We are dealing with the problems that we have self-generated in 40 years of decline of family values, of discipline in our schools; of the professionism of education, rather than a 9 to 5 job: If I can just make it through one more day and keep these kids under some control, and keep the discipline to where they do not physically abuse me during the day, I have made it through another day in my classroom. It has to stop.

I just came here for a short time. I do not plan to stay forever. But I am dedicated, and if the gentleman from South Carolina [Mr. GRAHAM] is not here next time or the other freshmen are not here, I know the American people will send more people to get this job done, because they are concerned, and we are concerned. We do not care about the next election, we are concerned about the next generation. When we have to take our children out of schools and we are paying taxes and seeing this result, it is sad. It really is sad.

Mr. Speaker, I thank the gentleman for yielding to me. I get wound up in these debates, but these are all things that I take personally. I am a Republican who cares about education and does not like to have people tell me that we are gutting or cutting education. We are trying to improve, we are trying to re-examine education as it has been done and correct these mistakes, and do a better job with taxpayers' very hard-earned money. Again I thank the gentleman for yielding.

Mr. GRAHAM. Mr. Speaker, I thank very much the gentleman from Florida for talking about facts, because sometimes facts get in the way of a good story. Head Start is a good idea, but when you look at the facts you described, you have to wonder if the program is working as efficiently as the taxpayers deserve for it to work.

It is obvious that you care about education, that you have made it your life's work, but you also care about the national debt, the $5 trillion debt, and the role that money plays in education and the debt have to be examined. I would suggest to you that the education problems in this country are not all about money. They go a lot deeper than that. They are about the breakdown of the home, they are about relying on someone else from far away to solve all your problems, just like a lot of problems exist in America today, and we, the people, are responsible.

You can blame Congress, it is a fashionable thing to do, and we do deserve

to be blamed for allowing this Nation to get so far in debt. We should be allowed to talk openly about improving the educational climate in America and balancing the budget without having people throw rocks at you, because you heard the gentleman from Florida, Mr. MICA, speak. I hope you are convinced, I know I am, that he is sincere about providing a quality education, but he has a responsibility to manage the taxpayers' money wisely and to provide that quality education.

I would suggest that you are not getting a return on your investment, as he has indicated. Let us talk abut student loans for a minute. You have heard a lot of talk about student loans. I know the gentleman from Florida has, and our Speaker is very knowledgeable about the student loan situation in America.

I am the first person in my family to go to college. I am not a country club anything in that regard. I am the first Republican in my district in 120 years. They hung the other guy, so I think I am doing a little bit better. But things are changing down South. It is a district with an average per capita income is $13,200. It is not a wealthy district. It is a very proud district where people want to pass on their hopes and dreams and make it better for their children.

I received student loans. My parents died when I was a junior and senior in college, and I had a 12-year-old sister who received student loans. They worked very hard to give me an education, and I helped my sister, and the Government helped us by allowing student loans, making student loans available to us. That is going to continue, because most of the people in my district who are qualified students to go to college will go into a banker's office and say, I would like to go to college, and the banker will say, what do you own? The student probably owns very little, and sometimes the parents do not have the assets to make a loan on the up and up, so the Federal Government comes in and guarantees that loan. That will continue, as long as I am in Congress, because that is a very much-needed dynamic in this country.

What will not continue is to lend money blindly, to waste money in the name of compassion, and to take the hard-earned taxpayers' dollars from two-thirds of the children, the kids who graduate high school and go into the work force and never get a student loan. We have some obligation to run the student loan program like a business.

Here are the facts. The Republican budget increased student loan spending from $24 billion to $36 billion over the next 7 years, a 50 percent increase in the amount of money available for student loans. The number of students eligible for a student loan has grown from $6.6 million to $7.1 million over the next year under the Republican plans. We have increased Pell grants to the highest level ever. $2,440 will be available for eligible students to receive a Pell grant, money that you receive that you do not pay back.

My sister, when my parents died, was eligible to get a Pell grant. That program continues and is fully funded. There is more money in the program than in the history of the program. We are looking at the number of people eligible, but trying to ratchet down the income levels, so the money will go to the people who need it the most. You cannot be everything to everybody and balance the budget. That is a bad dynamic to create, even if we were not in debt.

The supplemental education opportunity grants program that helps disadvantaged students is funded at the same level it was last year. The college work-study program is fully funded at $617 million. The Perkins loan program remains at $6 billion, just like the President requested. The Trio program for minorities and disadvantaged students is fully funded at $463 million. That is the Republican budget.

What we did try to do is we tried to look at the student loan program and see if we could improve it and make savings to help balance the budget, because I think we have a moral obligation to look at the way we spend money and to craft programs that help people, but not overly waste money for the two-thirds of the students that never borrow it to go to college to begin with.

We were able to save $10 billion in about 2 days of talking. Unfortunately, most of those savings will never go into effect, but I am going to tell you, in just about 2 minutes, how you can save $10 billion and I believe not hurt a soul, help the taxpayer, and make this student loan program more energetic.

Mr. Speaker, we were going to save $5 billion by doubling the risk that the bank shares in the event of a default. Under the current student loan program, when a bank lends the money the Federal Government guarantees the loan, and if there is a default, the bank gets 98 cents on a dollar. Do you think they spend a whole lot of time chasing that loan down? That is not a good business deal for the American taxpayer.

I want banks to make money. I think banks should be the primary lender of student loans. They should be able to get into the student loan business and make money, but the Federal Government needs to do a better deal than 98 cents on the dollar. Under the Republican reform, we double the risk the banks will accept in the event of a default. They will still be able to make money, but there is less risk for the taxpayer, there is more risk-sharing. That saved $5 billion, and had nothing to do with anybody who is getting a student loan. It had to do with the banks.

Mr. Speaker, we saved $1.2 billion by eliminating a program the President is pushing called direct lending.

□ 2045

The student loan guarantee program where we underwrite loans of the private sector needs to be improved. It is not a good business deal for the taxpayer. It is inefficient. The risk is not shared in a fair amount. We are going to improve that. We are going to double the risk. We are going to stop subsidizing the guaranteed agencies to the extent that they are subsidized now. We are going to do a better business deal for you, the American taxpayer, and still help students.

The President, who is critical of the guaranteed program, wants to go the opposite direction. What he would like to have happen is the Federal Government become the primary lender, become a bank. Can you imagine the Department of Education becoming the third largest consumer bank in America?

The bureaucrats that the gentleman from Florida [Mr. MICA] has described would have a huge loan portfolio available to them. They would replace the private sector. We would go borrow the money, the Federal Government. We are broke, we do not have money, we would have to borrow money. We would let the Department of Education become the lender and the collection agency. It would be a disaster.

It may be easier to get the money, somewhat more efficient, they say. That is not true. We would have a government bureaucracy at the Department of Education with unlimited growth potential. They would be the third largest consumer bank in America, and a bureaucratic Department of Education gets paid whether they collect the loan or not. It is not their money.

The banks are lending their money. They have a reason to go collect the money. They are in a business. The Department of Education are not bankers, they are not in the banking business, and the President wants to replace private sector capital with public borrowed money, replace bankers who are in the business of collecting money for a living with bureaucrats.

That is the worst idea I have ever heard of in this Congress, and it shows us how much he believes in big government. I will never ever vote, I will never ever allow that to happen, to take a private sector program that should and could be improved and replace it with a dominated Federal program where the default rates are going through the roof.

If we think there is a problem now with defaults, let the Federal Government be the lender and the collection agency. They could care less. They want your vote, not your money back, not the money back. That would be a disaster, and it is not going to happen. It is not going to happen if we control this place.

It will happen if the other party takes over, unfortunately, and there are Members of the other party who think this is a bad idea. Please do not allow the Federal Government to become the third largest bank and replace private capital with government

borrowed money. That is a horrible idea.

The Congressional Budget Office has told us if we would get the Federal Government out of the lending business in education, we would save $1.2 billion. That shows us how big a bureaucracy has grown up over a 10 percent share of the market, where direct lending has 10 percent of the student loan business now, there is a $1.2 billion savings if we wiped it out. The President wants to do 100 percent direct lending, but we save $1.2 billion in our budget by wiping it out, $5 billion by doubling the risk of banks.

One thing we did do for students, that under the current program, Mr. MICA, if you graduate from college, we forgive the interest payment of your loan for a 6-month period when you graduate. We have proposed to allow the interest element of your loan to continue to run. You do not have to pay it if you do not have the money, but we are going to let the interest continue to run, not forgive the interest for a 6-month period. That would save $3.5 billion to the American taxpayer. It would mean to the average student a $4 a month increase, but it would save $3.5 billion for this Nation. I could tell you right now if we got to the point where we cannot forgive the interest for a 6-month period and that be devastating to education and a student cannot incur a $4 a month charge, then something is wrong and we are never going to balance the budget. That is not too much to ask. That is an appropriate thing to do to save $3.5 billion for the American taxpayer, and that is part of this package. We save $10 billion and I have just described to you, we increase the interest rates for parents who are not eligible for the guaranteed program to borrow the money at Treasury rates plus a percent, we increase that 0.1 percent, that will result in about half a billion dollars. We save $10 billion for the American taxpayers and the only thing to happen to a student is that they would have to pay $4 a month more because they are going to have to pay their interest for the 6-month period after they get out of college. We are not going to forgive it. To me that was very reasonable and responsible. It helped us balance the budget, and I think it improved the student loan program that needs to be improved.

Those two-thirds of high school students who never go to college, who never go on and receive a student loan, they deserve our time and attention, too. Because they are the ones paying the bill and we can have a quality student loan program. Access to education is a must. I will always vote to ensure that money is available to help needy students and families who cannot go it on their own have money available to go to college. But as long as I am here, we are going to run it more like a business, we are going to ask the private sector to share the risk, we are going to improve the quality of the student loan program, we are going to negotiate a better deal for the taxpayer and we are going to save money in the process, and we are going to ask those students who borrow the money to pay it back. We have reduced the default rate by 50 percent and it has got nothing to do with direct lending. It has got to do with a Congress who has finally gotten tough and tells the school that has a 25 percent default rate, ''You're going to get out of the program.'' There are schools in this program that have 50 and 60 percent default rates. They should not be allowed to participate. We are going to start asking people to pay the money back, we are going to ask schools to get involved and run it more like a business at their level. We are going to renegotiate a relationship between the student loan program and the American taxpayer that will ensure access to education, but we are going to save some money because we are wasting money now and they are not contradictory principles. You can have efficiencies in government and improve the quality of people's lives, and that is the goal of this Congress, in education and every other area. I am proud to have been a part of it. Instead of getting criticized, I think we should be applauded for taking on programs that have not been looked at since 1965.

Mr. MICA. If the gentleman will yield, I think the gentleman makes a very good point and he has detailed this evening, Mr. Speaker, some of the differences in the philosophy between the Republicans and Democrats on this issue. Education is important but it is not just a question of spending more money, it is how we spend that money. This is really the fundamental debate in this entire Congress. It transcends not only education but every other area. I spoke this afternoon on the floor about the EPA and Superfund program. We spend more, we get less. We are spending more in those programs and we are cleaning up fewer and fewer of the sites, and we are not even cleaning up the sites that pose the most risk to human health and safety. We have detailed tonight how just in a few programs, student loans, title I, in Head Start and some of the other programs the disaster that we have come across as new Members of the Congress and found in my 37 or 38 months here and in Mr. GRAHAM's tenure, so each of those areas we have tried to look at how a businessperson, how a parent, how a teacher, how someone interested in education would make changes. Because if you just continue the way we have, you have thrown more money at the problem, you are not really addressing the fundamental changes that need to be made in the programs. Again, whether it is education or environment or other areas, these are the fundamental debates. As a parent, I want a good education. As a parent, I want our children to be able to read their diplomas and to stop the decrease in these scores, and to stop this bureaucratic administration. Again 3,322 Federal Department of Education employees in Washington, DC. Not in the classroom, not out there teaching. But their job is to pass on rules and regulations and that is why we have a big bureaucracy in Atlanta and other regional offices, that is why you have a big bureaucracy in my State capital and in other State capitals. That is why your school boards are required to hire more administration people. That is why Head Start is top heavy with administration. It all starts here. This may be the last opportunity that this Congress has and the American people have a real opportunity to make changes in these programs. And that is the fundamental debate. Do we want to continue to pay more and get less? I think it is time to reverse that trend. I think it is time to improve education, improve the environment, improve the way taxpayer money that again came here yesterday in incredible amounts and is deducted from people's paychecks in incredible amounts. I thank the gentleman for his leadership on this issue.

Mr. GRAHAM. I thank the gentleman from Florida for participating and providing facts that I think show very clearly that the efficiencies in government that we are seeking can be found without looking very deeply. That if you had an opportunity to come up here yourself, the ones listening to me tonight and look at these programs and spend a few minutes analyzing how they are run, you could save $10 billion pretty quickly, also. It is not that hard to do. The hard thing is to convince people that when you are trying to improve the student loan program for the two-thirds of the students who never get in it but pay the taxes for it, that you are not being mean.

When you try to stop Medicare from growing at 2200 percent so you can keep the budget balanced, that you are not being mean, because you can provide quality health care from Medicare to seniors in this country without allowing the program to grow 2200 percent every 15 years. The amount of money and the efficiency do not relate. We are spending more money than we need to. We can deliver a better quality program, a better quality of life and save money in the process. That is not only something we can do, it is something we must do. If you allow us, we will do it.

VOTING RIGHTS ACT OF 1965

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from Louisiana [Mr. FIELDS] is recognized for 60 minutes.

Mr. FIELDS of Louisiana. Mr. Speaker, I rise tonight to talk about the Voting Rights Act of 1965 and all of its amendments thereto.

Yesterday, Mr. Speaker, I had the opportunity to go before a panel and present different legal arguments as relates to redistricting in Louisiana and

perhaps redistricting across the country. Tonight, I would like to take a little time to talk about where we are today and how we got to this point. I am very pleased to be joined by my good friend and colleague from the 12th Congressional District of Illinois, Mr. JACKSON.

Tonight, I want to from a historical perspective talk about the Voting Rights Act, why it was passed and where we are today with it and then try to talk a little bit about the cases that are pending in the Supreme Court and give some sense of logic to what State legislatures should be doing and particularly in the State of Louisiana. Because I think many of these redistricting challenges are not based on constitutional law as much as they are based on financial gain, for lawyers and for plaintiffs, and I plan to talk about that later in this discussion.

But at this time, Mr. Speaker, I would like to yield to the gentleman from Illinois as much time as he may consume.

Mr. JACKSON of Illinois. Let me take this opportunity to congratulate the distinguished gentleman from Louisiana [Mr. FIELDS] for the vigilance that he has shown and the people of the Fourth Congressional District of Louisiana as they have fought to uphold the law of the 1965 Voting Rights Act which has in part and in no small measure created the kind of diversity in the Federal Government, the kind of diversity in State government, the kind of diversity in political legislative bodies all across our country. There has never been since Plessy versus Ferguson was decided in 1897 which ran 22 African-Americans out of this distinguished body and ran African-Americans and other minorities out of State legislatures around this country the kind of representation that African-Americans, Latinos, women, and other minorities in this country presently have come to appreciate.

□ 2100

I want to offer certainly a level of congratulations again to the gentleman from Louisiana for those State legislators who are presently in Louisiana filibustering the attempt by that State legislature to undermine the Fourth Congressional District of Louisiana. I want to offer this evening an historical perspective and then hear from the gentleman from Louisiana and then engage the gentleman in a colloquy about the sustenance of the Voting Rights Act of 1968.

In June 1993, the Supreme Court handed down a decision that threatened to return this country to the days of separate but equal. The decision in voting rights mocked the reality of persistent racial inequality in America in the name of a color-blind society. Using the Constitution's guarantee of equality, the Court has given the green light to willful racial exclusion in the political process.

In the past, damaging interpretations of civil rights laws could be minimized by congressional amendments to clarify the law. The Court's ruling in these voting rights cases calls into question our ability to seek redress in this, the body of the people. In Shaw versus Reno, after the creation of majority African-American congressional districts in North Carolina, blacks elected the first African-American to Congress since Reconstruction. Even with two majority African-American districts, white voters who make up 76 percent of that State's population, continued to control more than their share, 83 percent, of North Carolina congressional seats. Yet the Court suggested that one majority black district, because it was irregular in shape, was nothing more than an effort to segregate the races, and I quote, for the purposes of voting.

It said that such a district would, quote unquote, threaten to carry us further from the goal of a political system in which race no longer matters. The Court is, in fact, saying that racial injustice no longer exists. In reality, we live in a political system that is so racially divided that race matters more than any one factor in a voter's choice of candidates in American. Political encumbents whose main goal in redistricting is to insure their own reelection, they know this. And when they draw the district lines, computer technology can tell them the racial composition of every census block. Indeed, many majority white districts are drawn to exclude African-Americans and preserve white constituencies in the last reapportionment, they look as unusual as the black districts singled out by the Supreme Court. In many cases, compact minority districts are hard to draw because African-Americans and Hispanics are concentrated in isolated communities.

The census blocks in these communities were defined long ago by legalized residential segregation. This was the target of Dr. King's last civil rights march in 1966.

Creating majority black districts does not harm white voters. Indeed, there is no State in the country in which whites are underrepresented in State legislatures or in this body, the 104th Congress. Even with enforcement of the Voting Rights Act, African-Americans and other minorities continue to be barred from their fair share of political power nationwide. Given the racial division among voters and the bitter history of African-American electoral exclusion, African-American districts provide the most widely accepted means of allowing black voters full participation, a bear minimum for citizenship in this democracy. Concern with the shape of a district should obviously pale in comparison.

When Shaw versus Reno was decided, too many in the voting rights community initially sought to characterize it as a narrow decision which, while potentially damaging, it was not a fundamental attack on the constitutionality of the Voting Rights Act of 1965. I was very concerned about this opinion because I viewed it as a signal that it would encourage those opposed to the Voting Rights Act to challenge it everywhere. This is exactly what has happened since the Shaw decision.

Mr. Speaker, voting rights and the law protecting these rights were one of the few areas to remain largely intact following the Reagan and Bush onslaught. In voting rights cases, they must first prove intentional discrimination on the part of the State to succeed in a Voting Rights Act case. Congress disagreed with the City of Mobile versus Bolden and they disagreed with the Supreme Court's interpretation and ruling in the Bolden case, and in 1982, they amended the Voting Rights Act to specifically overrule that decision. In fact, Congress strengthened the Voting Rights Act on a bipartisan basis to make it plain that discrimination against minority voters continued to persist and that an important test was not intent, which is often difficult to prove, but instead was the effect on minority voters. In 1986, the Supreme Court upheld the constitutionality of the 1982 amendments in Thornburg versus Gingles, and it was against this background that the State legislatures determined the Constitution required that majority-minority districts be drawn to avoid violating the law.

The Shaw decision resurrected the intent question by turning the Voting Rights Act on its head in order to recognize the right of white plaintiffs, who do not even live in these congressional districts, to challenge districts that were intended in the first place to lead to greater minority representation in this body, in the Louisiana State Legislature and the North Carolina Legislature, in State legislatures around this country. The objective of the Voting Rights Act was to desegregate the institutions of power that heretofore historically had been denied to African-Americans, women, and to other minorities.

Most recently, in the Fifth Circuit decision in Hays versus Louisiana, they sought to apply Shaw to answer a totally different question: Is there a compelling State interest in designating a congressional district using race as one of many criteria so that racial minorities have an equal opportunity of winning? The court in Hays concluded that the Louisiana plan, the seat of the gentleman from Louisiana [Mr. FIELDS] was not narrowly tailored to further a compelling State interest.

Hayes was obviously troubling for a number of reasons. To recognize the standing of white citizens to attack majority-minority districts, the court cited regents of the University of California versus Bakke in 1978, in addition to Shaw and Croson. Thus, the fact of a color-blind Constitution and country was elevated by the case in Louisiana, Hays versus Louisiana, to strike down the Louisiana plan. The Hays court relied on a 1964 decision, Wright versus Rockefeller, a case that was decided before the Voting Rights Act of 1964, to

define a racially gerrymandered districting plan as one that, quote unquote, intentionally draws one or more districts along racial lines or otherwise segregates citizens into voting districts based on their race.

The court also cited Bolden in support of this point. The Hays court seems to have ignored the fact that the 1982 amendments by this Congress overturned Bolden. The only citation the court makes of those amendments is to assert that section 2 expressly declares that proportional representation is not required.

On Thursday, June 30, 1994, exactly 1 year to the day after the Shaw versus Reno decision undermined a North Carolina redistricting plan designed to give African-Americans greater representation after Reconstruction, the Court struck again. In two separate opinions, a Florida case, Johnson versus DeGrande, and a Georgia case Holder versus Hall, the Court sought to limit a broad interpretation of section 2 of the Voting Rights Act. Section 2 outlaws all forms of voter discrimination.

Congress intended a broad interpretation so as to be able to address the various and subtle forms of voter denial, but the Court appears increasingly unwilling to use an interpretation that expands the notion of democracy for all Americans. As a New York Times editorial said, the Court was driven by a core of justices who evince no respect for Congress whatsoever. Justice Clarence Thomas and Mr. Antonin Scalia are leading the challenge against the Voting Rights Act.

And so today, there are legislators in Louisiana who are engaged in a filibuster so that the Fourth Congressional District of Louisiana will remain intact.

I brought, today, a map to show the changes that the Fourth Congressional District of Louisiana has gone through in the last year. In the Louisiana case, the Court said racial gerrymandering was unconstitutional. In a State 30-percent black, only two Congresspersons have been elected since Reconstruction. The first Louisiana plan, 65 percent black, 35 percent white. The second Louisiana plan after this plan was thrown out created a new congressional district, 55 percent black, 45 percent white. And now the State legislature in Louisiana is presently filibustering to keep the third plan from becoming a matter of law, thus moving this district 70 percent white to 30 percent black.

So a district that is almost 50 percent black and 50 percent white has been declared unconstitutional, but now we have a district that the court, Reagan-appointed judges and Nixon-appointed judges in Louisiana are now saying that a district 70 percent white but with 30 percent minorities is constitutional.

I would like to yield back the balance of my time to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. Mr. Speaker, I thank the gentleman for yielding, and I thank the gentleman for sharing this special order with me.

I want to also talk a little bit about some of the history, not only in Louisiana but all across this country, as relates to the Voting Rights Act. As the gentleman knows, the Voting Rights Act was actually instituted by this institution simply because of the denial of due process in the voting arena. Individuals of color, as a matter of fact women as well, could not participate in the electoral process simply because they were women and simply because they were Hispanic, simply because they were black or African-Americans and, therefore, this esteemed body thought enough of this country to pass something called a Voting Rights Act.

Did the gentleman know that there were individuals who would try to register to vote, but simply because they were African-Americans, they were not able to vote? And after it was illegal to deny a person the opportunity to vote, State legislatures passed statutes that had prohibitions in terms that made the registration process more complicated. For example, I can recall talking to one of my professors at Southern University that mentioned the fact that in order to register to vote in Louisiana, you had to state the Preamble to the Constitution. That was one thing that eliminated several voters, several potential voters from the voting rolls, not only in Louisiana but all across the country, particularly in the southern part of our country.

Individuals had to state how many bubbles were in a bar of soap. Asinine questions like that were presented to individuals before they were able to gain access to the voting rolls. And then this Congress, this esteemed body, decided that was enough of discrimination, that was enough denial of due process and voting opportunities in this country and they passed the Voting Rights Act.

That is what this whole discussion is about tonight. I want to talk about Louisiana from a historical perspective as related to this Congress. The State of Louisiana, we have sent over 184 individuals to this body. One hundred eighty-four individuals from Louisiana have had the opportunity to serve in this esteemed body. Of the 184, only 3 of those individuals have been African-Americans, in spite of the fact that Louisiana has always had a substantial minority population. I mean even today, Louisiana's minority population is over 31 percent. Sending 184 people to sit in this Congress, the people's House, the House of Representatives, and not having but three of those individuals come from that State of African-American descent. And then to have one of the districts that are presently under attack, presently drawn to give an African-American an opportunity is absolutely, absolutely unconscionable.

In 1812, Louisiana was admitted to the Union. Louisiana was admitted as a State in 1812 to be a part of this great Union. Louisiana went from 1812 to 1875 before it elected its first African-American to Congress. So Louisiana went 63 years. From the time it was admitted to the Union to 1875, 63 years without sending one African-American to Congress. And the first African-American to ever serve in this body was Charles Nash, who was elected in 1875 and served only one term. He served from 1875 to 1877, and the reason why he was not reelected, it wasn't because he did not want to come back to Congress and to serve his constituency in the State of Louisiana and to do a good job and to represent not only the people in his district but people in his State. It was because the State legislature in Louisiana decided to pass laws to prohibit many of his constituencies the opportunity to vote, to register to vote.

They passed laws like literacy tests. They passed a poll tax. They not only disenfranchised blacks, but they disenfranchised whites, as well. Anyone who was poor in the State, as it was in many States across the southern part of our country, could not gain access to the ballot box because they did not own property. So Charles Nash, despite the fact that he wanted to return to Congress, could not return to Congress because many of the people who voted for him could not vote for him any longer. So Louisiana went from 1877 to 1990 without electing one African-American to Congress. That is 113 years. 113 years the State of Louisiana did not have one African-American, despite the fact that Louisiana had over 30 percent African-American population.

□ 2115

Why? Because districts were gerrymandering to exclude minority votes and not include minority voters. And as a result of that, they never had the mere opportunity, not a guarantee but just a mere opportunity, to run in a district where they could run and win.

So Louisiana's African-Americans, went a total of 176 years without having one single voice here in this Congress from that esteemed State. Now, today, the big debate in the State legislature is whether or not we continue to have a Fourth Congressional District.

I am going to at this time yield to the gentleman, because I know he is on a tight time schedule and will be joining me later in the special order for a few minutes to further talk about some of—I see he has a map display, so I will yield to the gentleman.

Mr. JACKSON of Illinois. I want to thank the gentleman for yielding. I do want to apologize, because I am going to step away for a few moments.

I wanted to show you a map of congressional districts around the country, particularly southern congressional districts that are now being challenged as a result of the decisions that are coming out of Louisiana, that are coming out of North Carolina, and

that are certainly coming out of Florida.

It is really interesting to note, when we look at the district formerly held by Barbara Jordan, Mickey Leland, and presently held by SHEILA JACKSON-LEE, and the districts held by Representative FIELDS, and by Mrs. MEEK and ALCEE HASTINGS in Florida, when we look at the district of CYNTHIA MCKINNEY, we note that these districts were drawn to desegregate the institution of Congress, to give African-Americans in a State where they have significant populations, like the State of Louisiana, an equal opportunity of winning.

If there is any one thing that can be said about the present attacks on the Voting Rights Act, it is that the Voting Rights Act of 1965 has been effective. It has indeed worked. The reality is between 1863, after the slaves had been freed, between 1863 and 1896, 22 African-Americans were elected to serve in this Congress, and because, quite frankly, in a bipartisan way many Democrats and many Republicans during first Reconstruction sought to conspire to undermine the progress that many African-Americans had made in first Reconstruction. That was the Tilden-Hayes Compromise of 1877.

By 1896 they had stacked the Court, a conservative Court. They gave us Plessy versus Ferguson. And by 1901, even through we had 22 African-Americans in Congress, a gentleman stood right here on this floor and said, ''We will be back.'' By 1901 there were zero blacks in Congress.

It was not until the 1954 Brown versus The Board of Education decision establishing the principle of equal protection under the law was decided by the Supreme Court that the Voting Rights Act then took the impetus from the Supreme Court, along with the Civil Rights Act and a whole host of other legislation that sought to apply the principle of equal protection under the law to every facet of American life.

Therein lies the foundation of the Voting Rights Act of 1965: lines drawn in such a way as to create an equal opportunity for African-Americans, for Latinos, and for others to serve not only in this body but in State legislatures around the country.

Let me just at this point say that even with the enforcement of the Voting Rights Act, African-Americans and other minorities continued to be barred from a fair share of political power nationwide. For example, there are now slightly over 7,500 African-American elected officials, but African-Americans are about 12 to 13 percent of the population and there are nearly 500,000 offices.

Thus, 12 percent of 500,000 is roughly 60,000 political offices that should be rightfully held by African-Americans. Seven thousand five hundred is a mere 1.5 percent of the offices that should be held by African-Americans if elected on a fair basis, if they did not have to go through annexations and gerrymandering and constant political games, if you will, that are played by many State legislatures around this country.

Mr. FIELDS of Louisiana. Would the gentleman yield on that point?

Mr. JACKSON of Illinois. I certainly would.

Mr. FIELDS of Louisiana. The gentleman mentioned diversity, and mentioned how the whole purpose of the Voting Rights Act or one of the purposes of the Voting Rights Act was to integrate the political system, such as the U.S. Congress and State legislatures across the country. The gentleman is absolutely right.

Even today there are 535 Members that serve in the U.S. Congress, as you know, there are 435 that serve in this esteemed body and then 100 across the hall in the other distinguished body. And of the 535 Members, only 40 of them are African-Americans. So for anyone to even opine the thought that a person's rights have been violated simply because there are 40 African-Americans in the U.S. Congress, in a body that consists of 535 people, is absolutely wrong.

Mr. JACKSON of Illinois. If the gentleman would yield for a moment, there is also an assumption that African-Americans are incapable of representing people beyond just African-Americans. My district, for example, is about 65 percent African-American, about 30 percent white, 5 percent Jewish, and others. So I am capable, as a Member of Congress, of representing a diverse district, as you are capable of representing a diverse district. All the shape of these districts do is allow us an equal opportunity of competing.

When Democrats in the State legislatures or Republicans in the State legislatures get finished drawing lines in the State to accomplish their political wills, African-Americans are never even considered, Latinos are never even considered. The Voting Rights Act of 1965 mandates that these State legislatures take into account race as a factor, not the factor in drawing congressional districts.

We have some Members of this Congress whose districts are drawn in such a way to be economically gerrymandered. That is, they only represent large industries and big businesses. You have others whose districts are drawn representing primarily farmland. Well, our districts primarily are inner city and they must take into account the needs of the inner city, which more than likely are represented by African-Americans.

Mr. FIELDS of Louisiana. If the gentleman would yield, because the gentleman is correct about diversity, and continuing on the point about diversity, because many of the individuals, particularly the press, they declare districts, the district that you represent and the district that I represent and the district that many African-Americans in the Congress represent, they declare them as, quote-unquote, black districts, when in fact these are the most diverse districts in the entire country.

These districts are not superminority districts, these districts are very diverse districts. The district I represent and the district you represent is not overwhelmingly—I mean not 70, 80, and 90 percent African-American. They are very diverse. The district I represent is 55 percent black, 45 percent white. So how can one say the creation of these districts segregates voters? As a matter of fact, these districts desegregate voters and integrate voters. It brings voters together.

To say a district that is 98 percent majority is constitutional and is integrated, and a district that is 55 percent minority and 45 percent majority is unconstitutional and segregated, defies all logic. That is one of the reasons why State legislatures ought to leave this decision to the courts.

I think the courts are still tussling with the idea of how to deal with redistricting. Let us go back to Shaw versus Reno. In Shaw versus Reno the Court went to great pains not to say that the creation of a majority-minority district is unconstitutional in and of itself. Sandra Day O'Connor used, I think in the dictum of the opinion, it is an appearance of racial apartheid.

But they never said the creation of the district in North Carolina, the 12th Congressional District which is represented by our colleague, Mr. WATT, was unconstitutional. They simply said that if a district is drawn, if a district looks so bizarre as to suggest that race was the predominant factor in the creation of that district, it does not mean it is unconstitutional, it simply means the State must show a compelling stated reason why they draw it. And, second, that plan must be narrowly tailored.

As soon as Shaw versus Reno was ruled on by the Supreme Court, plaintiffs all across the southern part of the country rushed to their courthouses and filed lawsuits, and started saying that if a district is majority black or majority Hispanic it is unconstitutional. That is not the declaration of the Court.

Then the Court came back in Johnson versus Miller, when they ruled the district in Georgia was unconstitutional. They did not say it was unconstitutional because it was majority black, they said it was unconstitutional because race was the predominant factor as they saw it, and the plan was not narrowly tailored.

Now, one of the problems that we have, one of the legal problems that we have in this whole discussion is if plaintiffs are allowed to file lawsuits in courts because they are of the minority, then that opens up the floodgates of litigation that every citizen in this State will have standing in the courts to file lawsuits, even tonight, if they feel that their district was created based on race. Just the thought.

For example, in the State of Louisiana, the three judges in Louisiana did

not even discover an injury, but they gave plaintiffs standing to file a suit, and a suit went all the way to the Supreme Court. Later they found that those plaintiffs did not even have standing. The basic requirement to even get into court. The threshold requirement.

Everybody is rushing to judgment on these cases, and the Supreme Court has yet to really deal with this issue in a definitive way.

You talked about diversity and Members representing all their constituency. I am proud of the fact that I represent the most diverse district in the State of Louisiana. I take great pride in that. My district is almost a 50–50 district.

When I view my constituents, I do not view them as black constituents or white constituents or Hispanic constituents or Jewish constituents. I view them as constituents. When they have a problem, they have a problem and they need the assistance of their Congressman and his congressional office. That burden that the press and other people try to put on Members, not only African-Americans but Hispanic——

Mr. JACKSON of Illinois. Would the gentleman yield for a question?

Mr. FIELDS of Louisiana. I would be glad to yield.

Mr. JACKSON of Illinois. Why is it that your district in Louisiana, why is it you feel your district has been singled out above all other districts in that State?

Mr. FIELDS of Louisiana. I can state several reasons why I feel that the district has been singled out, one being the fact that it is a majority-minority district. In Shaw versus Reno the Court, when it ruled, it gave an invitation to plaintiffs all across or people all across this country, that if you live in a majority-minority district and you do not like the appearance of it, then you have the right to file a lawsuit and you have a right to be heard. So I think plaintiffs, as a result of Shaw versus Reno, filed this lawsuit, and simply because it was a majority-minority district.

Now, these plaintiffs, you have a picture of a map of the Louisiana district, and the gentleman had another map earlier that showed the second phase of the Louisiana district. As you can see, Louisiana is the only State in the Nation that has changed its congressional district twice within 2 years. First they started with the Zorro plan, and a lot of people considered that the Zorro plan because the minority district was shaped by a Z.

I put evidence in the record in the Louisiana State Senate only yesterday to show that the Zorro plan was not created in the 1990's. The Zorro plan, in fact, was created in the 1970's, but it was not a majority-minority district. It was a majority-minority district and it was not called Zorro then, it was called a congressional district, and it was about 80 percent majority. But because it is majority-minority, now it is Zorro. It looks bad.

The Louisiana legislature, and I give great credit to the Louisiana legislature, these men and women, after the Court ruled on Zorro, went back to the drawing board and redrew the lines. They wanted to comply. They went to great pains, they wanted to comply with the three judges in Shreveport, LA, and they drew the Second District, which is just like former and previous districts in Louisiana.

They did not want to deviate from redistricting principles in the State, so they drew from the old eighth Congressional District because the Court said this district is 66 percent minority, it ought to be 55. they made it 55, and the Court still ruled that it was unconstitutional.

Mr. JACKSON of Illinois. Would the gentleman yield?

Mr. FIELDS of Louisiana. Certainly.

Mr. JACKSON of Illinois. For another question. The gentleman had a distinguished career serving in the Louisiana State legislature before becoming a Member of this august and esteemed body. I would like to ask the gentleman if he could articulate some of the considerations as a State legislator that you confronted when you came into the census and the reapportionment period in your State legislature.

It clearly was not just racial considerations. There clearly were other considerations. Could the gentleman lay out some of those?

Mr. FIELDS of Louisiana. Absolutely. And for anyone to even think that a redistricting plan, and I do not care if it is congressional, I do not care if it is legislative or even a city council's plan or a school board plan, to think that politics does not play a role, a significant role in the drawing of these plans, is someone who is off base.

You certainly cannot take the politics out of politics. When these plans were drawn in Louisiana, they were drawn based on incumbency protection, first; second, they were drawn based on the fact that Louisiana moved from eight congressional districts to seven. So, of course, districts were going to increase in size and not decrease in size. That is just a logical thing for them to do.

□ 2130

They were also drawn based on commonality of interest. What people in north Louisiana have in common with people in south Louisiana, we have always had districts that connected urban and rural communities together. If we do not do that, we will not be able to live up to the deviation of zero deviation or one man-one vote requirement by the Constitution of the United States of America.

We are required by the Constitution to have proportioned districts. Legislatures have to apportion districts based on the number of people in each, and each district must have as close to an equal amount of people in one as it does in the other in order to pass the deviation requirement.

I was talking about Shaw versus Reno, Mr. Speaker. Shaw versus Reno did not rule that districts were unconstitutional if they were majority minority. Plaintiffs all across the country decided to file lawsuits. Going back to the State of Louisiana, because I have tried to deal with the question of how is a voter injured in my district, because I walk into this body and to these halls and to this august building every day and try to do my very best. I go home every week and I try to represent my constituents to the best of my ability. I try to have a staff that is zealous and caring and concerned.

I have held more town hall meetings than any other Member of Congress from my State and perhaps in this whole Congress. So I have tried to go beyond the call of duty not to give any constituent rhyme or reason to say that I have not represented my constituents to the best of my abilities.

When the lawyers started to take depositions, the deposition of these plaintiffs who said, I have been injured because I live in Congressman FIELDS district or the district that he represents, we took the deposition. Let me tell my colleagues about these injuries: How do you feel about Congressman FIELDS? Well, he is a great guy. He works hard. I like him personally. But he is liberal.

That is injury No. 1. Plaintiff No. 2, under oath, what is your injury? Well, he is a Democrat and I am a Republican. So I am injured.

The plaintiff No. 3, what is your injury? This is under oath, in the record, I ran for Congress and I was defeated. So I am injured.

Not one person who filed a lawsuit against the constitutionality or against this district has been able to allege any real significant injury or any injury at all.

Mr. Speaker, I started toying with this whole notion of what is wrong with the district, what is wrong with me as a Representative. I first dealt with the district thing and I said, listen, Louisiana has been creating districts, extended over 200 miles since we have had congressional districts. So you cannot say because the district is over 200 miles you are injured because four other districts in the State extend over 200 miles. So that is not an injury. And you cannot allege that. Well, it is irregularly shaped. Well, Louisiana has always had irregularly shaped districts. For crying out loud, look at the State of Louisiana, it is not a perfect square or a perfect box, it is a boot. So you tell me how in the world you are going to have seven perfect squares or circles in the State of Louisiana when the State itself is shaped like a boot.

I mean most States do not look like squares and boxes. They look like animal cookies. So there is no injury there. Then when we finally got this case to the Supreme Court, I was as excited as anybody else because I, for

one, want to put this issue of redistricting behind me once and for all.

Now, right now in the Louisiana, the Fourth Congressional District is in the Supreme Court and the plaintiffs insist to the Governor of their State that he put redistricting in the court, when there are very important issues in the State of Louisiana that must be dealt with, issues like education, issues like deficit reduction, real issues that must be dealt with for the survival and the future of our children in the State of Louisiana.

And I wondered, why would they put redistricting on the calendar when redistricting right now, the lawsuit is in the Supreme Court, which will ultimately make the decision anyway. And then I started to do my research, Mr. Speaker.

I found out that it really was not about injury, that it was not about it and is not about a plaintiff really being hurt. This whole issue is about money. It is about how plaintiffs receive damages, how they receive money.

This is beginning to be a trend. It really bothers me that people would have the audacity to file lawsuits not only in Louisiana but across this country for financial gain. The Hays versus Louisiana case, Hays being the main plaintiff who filed the lawsuit, prevailed in the lower court, went to the Supreme Court, lost. Back to the three judge panel in Shreveport, now is before the Supreme Court again. And I often wondered why Hays is still a plaintiff because Hays has been ruled by the Supreme Court that he does not even have standing. He just does not have justiciability.

Mr. Speaker, then I pulled the records from the court. I found that Hays' attorney, the plaintiff's attorney, decided to withdraw from the case. Mr. Speaker, why did he withdraw from the case? It was because he did not want to deal with this constitutional issue anymore. It was not because he did not want to see the case through to the final appeal. It was because these plaintiffs, according to this affidavit that was filed in the Federal court, wanted money.

I thought these plaintiffs had a problem with the constitutionality of the district and they were injured because their rights were violated. I wanted to share with the Speaker and Members of the House this affidavit that is public record, has been filed in the Western District of Louisiana. This affidavit, I will not go through the entire affidavit, but I would like to talk about two sections of it, sections 2 and 3.

Section 2, the counsel said, these are his words, counsel withdrew from further representation of the plaintiffs in this matter because of the demands made by plaintiffs Ray Hays and Gary Stokley that the fee application in this matter to be submitted under 42 USC 1988 include fictitious paralegal fees, fictitious activities allegedly performed by the plaintiffs Ray Hays and Gary Stokley and that counsel split. For crying out loud, I really thought the plaintiffs thought they were injured. I thought this was a constitutional question, that the counsel split with the plaintiffs Ray Hays and Gary Stokley all attorney fees awarded to counsel in this litigation and the redistricting litigation in Texas.

Mr. Speaker, how in the world can a plaintiff, a nonlawyer, who has alleged to the court and to the United States of America that he is injured because he is in a majority minority district, the most diverse district in his State, and he is injured because it was created based on race? Now say to his lawyer, I want half of the legal fees.

Why it is that the Louisiana legislature would push so hard, some Members, one of the Members, Mr. Speaker, one of the authors of the bill to change the district and moot the old redistricting plan is one of the lawyers in the lawsuit. Want to talk about ethics? Want to talk about injury and what is really going on in Louisiana? I suspect that that is not only taking place in Louisiana but it is probably taking place in other parts of the country.

Let us go to section 3. These are the lawyer's words who withdrew from the Hays case. These unreasonable demands were initially made by the plaintiffs shortly after the court's order on December 28, 1993, setting aside the original congressional district in Louisiana. These demands are confirmed by letters from plaintiffs Ray Hays and Gary Stokley and a written refusal by counsel to agree to such demand.

Plaintiffs who are pushing right now in the Louisiana legislature that this plan be adopted so that they can benefit from anywhere from $4.2 million in legal fees.

The last point of this affidavit I want to point to, Mr. Speaker, is section 7. The motion by the plaintiffs requesting that the court delay the determination owed in professional services. Under that they cite the law firm Kirkland & Ellis. Mr. Speaker, last time I checked, that law firm is the same law firm that is associated with Kenneth Starr, the independent counsel for the Whitewater investigation. Kenneth Starr's law firm, according to this affidavit that I will put in the RECORD, are the lawyers of record for these plaintiffs in Louisiana.

Mr. Speaker, I will be quite honest with my colleagues and then I will yield my time. I do not have a problem with the Supreme Court of the United States of America deciding the constitutionality of the 4th Congressional District or any congressional district in this country because as lawmakers we make the law and, as the court, they interpret the law. And we have to live with the laws we make and we have to live with their interpretation.

Until we change the law, we have to live with the interpretation of the Supreme Court because that is their role. But I am not going to sit and/or stand idly by and let just a few selfish plaintiffs and a few greedy lawyers railroads a plan through the Louisiana Legislature and subject my State to over $4 million in legal fees for personal gain. This is not a decision of the legislature. This is not a decision of a three judge panel. This decision, Mr. Speaker, is a decision of the Supreme Court of the United States of America.

I want to thank the Speaker for allowing us to share in this special order. I want to thank him for his time.

Mr. Speaker, I include for the RECORD the following information:

EXHIBIT ''C''

AFFIDAVIT

(By Paul Loy Hurd)

BE IT KNOWN that on the 1st day of May, 1995, before the undersigned witnesses, and Notary Public duly authorized in the Parish of Ouachita, State of Louisiana, personally came and appeared PAUL LOY HURD, a person of full age of majority, domiciled in the Parish of Ouachita, State of Louisiana, Hereinafter referred to as ''Counsel'', who after being duly sworn did depose and state that:

1. Counsel was originally the lead counsel for the Plaintiffs in this matter from its initial filing until December 1994, when this Honorable Court granted Counsel's motion to withdraw.

2. Counsel withdrew from further representation of the Plaintiffs in this matter because of the demands by Plaintiffs, Ray Hays and Gary Stokley (i) that the fee application in this matter to be submitted under 42 U.S.C. 1988 include fictitious ''paralegal'' activities allegedly performed by the Plaintiffs, Ray Hays and Gary Stokley, and (ii) that Counsel split with the Plaintiffs, Ray Hays and Gary Stokley, all attorney fees awarded to Counsel in this litigation and the districting litigation in Texas.

3. These unreasonable demands were initially made by the Plaintiffs shortly following the Court's order of December 28, 1993 setting aside the original congressional districts in Louisiana. These demands are confirmed by letters from Plaintiffs, Ray Hays and Gary Stokley, and the written refusal by Counsel to agree to any such demand.

4. The attorneys presently representing the Plaintiffs were fully appraised of the unreasonable demands being made by Plaintiffs, including both the demanded fee splitting and the submittal of unperformed ''paralegal'' activities.

5. This dispute culminated in the Plaintiffs offering to allow Counsel to argue the appeal in the United States Supreme Court if he would agree to the financial demands of the Plaintiffs. Counsel refused these demands again, and was removed as lead counsel in the fall of 1994.

6. The Plaintiffs are fully aware that Counsel's personal financial condition has been greatly taxed by the failure of the Plaintiffs to reimburse Counsel for out of pocket expenses as previously agreed, and by the continuing delay in the payment of the attorney fees owed in this matter. With this full knowledge, the Plaintiffs, Ray Hays and Gary Stokley, have asserted their intention to take all possible steps to deny to Counsel any compensation in this matter, and to delay as long as possible the receipt by Counsel of any compensation to be received in this matter.

7. The Motion by the Plaintiffs (i) requesting that this Court further delay its determination of the fee owed for the professional services rendered by Counsel, and (ii) requesting that Counsel not be allowed to defend his application before this Court, and (iii) requesting that all fees paid by the Defendants be paid to Kirkland & Ellis to be

dispersed at the sole direction of the Plaintiffs, is filed by the Plaintiffs to effectuate the threats previously made against Counsel.

THUS DONE AND PASSED on this the 1st day of May, 1995 before the aforesaid witnesses and Notary Public.

LEGAL FEES QUESTIONED IN REMAP CASE

(By Brad Cooper)

BATON ROUGE—Two Lincoln Parish residents who challenged Louisiana's congressional districts demanded their former attorney ask a judge to award fees for fictitious legal work, court documents allege.

That's the allegation Monroe attorneys Paul Hurd levies against Ray Hays and Gary Stokley of Ruston in an affidavit filed in federal court in Shreveport.

Hurd represented Stokley, Hays and two others until December 1994 in the constitutional challenge to Louisiana's congressional districts.

A three-judge federal panel threw out the districts because they were rigged to ensure election of a minority candidate.

Stokley and Hays denied Hurd's charge, saying they are not trying to make a profit from their lawsuit. Stokley called the charges ''upsetting'' and destructive to his reputation.

The state could be responsible for paying the legal fees in the case—possibly more than $4 million by some estimates—if the Legislature approves a new set of congressional boundaries that eliminates a second district with a majority of black voters.

A bill that would do that is a step away from final approval. A Senate committee signed off on a new set of congressional districts Monday and sent them to the full Senate to consider.

The affidavit surfaced at the committee meeting.

''It's all about money,'' said state Sen. Dennis Bagneris, New Orleans. ''According to the affidavit, there has been no motivation based on . . . who is fairly represented. It's all about the bucks.''

Hurd, who is seeking about $728,000 for his work, states in his affidavit that Hays and Stokley wanted him to apply to the court for fees to cover ''fictitious'' paralegal expenses.

He also accuses Hays and Stokley of wanting a slice of the legal fees from the case as well as part of the legal fees from his lawsuit agianst Texas' congressional districts, which were thrown out by a lower court becuse they were racially gerrymandered.

Hurd, who declined comment on Monday, withdrew as counsel after the four Lincoln Parish plaintiffs enlisted the help of a high-powered Washington, D.C., law firm.

The plaintiffs said they hired the firm because it was more experienced in dealing with constitutional issues. Hays said Hurd's accusations are retaliation for the plaintiffs' decision to bring another firm to argue the case before the Supreme Court.

''His feelings are hurt and he got mad,'' Hays said. ''He is angry and popped all that stuff out.''

Filing a false claim with the federal courts could possibly lead to perjury charges if it is verified under oath. Or the applicant could be forced to serve jail time for criminal contempt of court, court officials said.

The judge also could levy a fine if the application is found to be fraudulent, court officials said.

Hays and Stokley were confounded by the allegations. They said Hurd deserves to be paid for the work he did.

''We didn't ask as plaintiffs for any awards, damages or anything like that. This has not been about money,'' said Stokley, a sociology professor at Louisiana Tech University.

''Money has never been an issue with me. If it was I wouldn't have been a teacher,'' Stokley said.

ITEMS IN THE CONTRACT WITH AMERICA

The SPEAKER pro tempore (Mr. COLLINS of Georgia).

Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I want to take this time to speak with my colleagues about the items in the Contract with America and other items that have received legislative approval in this House for which I think there can be bipartisan pride. Many items have come forward to this House and have received almost unanimous Republican support and overwhelming support from the Democratic side of the aisle as well. I think they are worth repeating tonight so that people could put a perspective in this House where we have gone and how far we need to go.

Mr. Speaker, the first item I want to mention would be that we have passed the congressional accountability law. That is a law introduced by Congressman CHRIS SHAYS to make sure that the laws that we in fact have passed that affect everyone else, I am speaking of civil rights laws, the Fair Labor Standards law, OSHA, prior Congresses, bills were passed and Congress, congressional employees were in fact exempt from the benefits of those laws.

□ 2200

Mr. KINGSTON. Before yielding to the gentleman from Arizona [Mr. HAYWORTH], I want to make one final point. None of that money was raised in your district. It all came out of Washington, DC from special interest groups.

Mr. HAYWORTH. I thank my friends for yielding, and lest, Mr. Speaker, those viewing on television and in the gallery would misunderstand what we are saying, we do not have any problem with good, honest debate in the American political system. We do not have any problem with honest differences of opinion. But it is more than ironic, indeed I daresay it is hypocritical of those on the left who would repeatedly use the lexicon of special interests and big money and power and extremism applying to members of the new majority and yet as my colleague from California has outlined, actually take money from outside States and congressional districts, take Washington money and pour it into a certain district.

There is one other further distinction. Because, Mr. Speaker, the people of the United States who have come to view this endeavor quite cynically might honestly ask, well, what is the difference? There is a major difference. When union bosses take union dues and without the permission of union members take those compulsory dues and donate them directly to the Democrat National Committee, and indeed even as we have derided the increase in taxes, even as we have pointed out the Arkansas shuffle from a campaigner-in-chief who spoke of balancing the budget in 5 years only to renege on that promise, from a campaigner-in-chief who spoke of tax breaks for the middle class, only to renege on that promise, from a campaigner-in-chief who talked about ending welfare as we know it, only to renege on that promise, veto those measures in all three instances, now again comes another irony of saying one thing and doing another. The Beck decision, a mechanism my good friend from Pennsylvania, well versed in the law, is aware of, effectively said to end that practice of compulsory, nonvoluntary donations. And yet this President and his Justice Department refuse to enforce that decision.

So, Mr. Speaker, I do not blame the American people for their cynicism, but I believe a little background is in order. For the difference is if people can freely give to candidates of their choice, then so be it. But it should be a donation freely made. Not in the realm of compulsory action.

Mr. KINGSTON. Let me ask the gentleman about this Beck decision. Are you telling me that a paper mill worker in my district who is prolife, antigun control, and anti-NAFTA has his money, his dues going to, say, President Clinton's reelection campaign, and he does not have a say-so in it, the union employee does not know his money is being used for those causes, even though they may be things that he does not stand for?

Mr. HAYWORTH. If the gentleman will yield further, that is exactly what I am saying. Or the experience I had on one occasion, flying here and some of the folks on the flight, some of the flight attendants involved in their union made clear their displeasure with the incumbent President and members of the liberal minority and said that they called the local chapter of their union to put in their two cents worth and those members of the union were amazed to hear that a portion of their dues were going, even really without their knowledge, to guardians of the old order, guardians of the special interests, folks who would put bureaucracy above people and folks who would trust Washington, DC more than the American people. Those folks were absolutely flabbergasted. That is exactly what I am saying and to my friend from Georgia, I will say something else. It has been noted that Boss Sweeney of the AFL–CIO has asked for what sounds like the Clinton tax hike, an increase in those dues. Even as they bemoan the so-called stagnation in earning power, these bosses are asking for an increase in those dues, ergo a compulsory donation to the guardians of the old order without one whit of personal conviction from many members of unions. Indeed by some estimates almost half the members of unions are conservatives who vote consistently with the new majority. It is one of the ironies of life here in Washington.

Mrs. SEASTRAND. It is interesting the gentleman mentioned that. I had earlier commented about the ads playing in my district, on the 800 number. This has been going on for a year, but it has been interesting because I field calls in my office, being a Californian, here in Washington, DC, we have a 3-hour edge so the folks back home, it is 7 o'clock, it is now 10 o'clock, so when I am working in the office, people will call, I will answer the phone and it is interesting because they said, ''I just saw that ad on television, it's an 800 number, I have to go through shenanigans to get to it.'' I guess they are hooked up to the union switchboard. They take their name and address I guess for future fund-raising efforts. ''But I want you to know I'm outraged to know my dollars are used in this way. I'm a union member, always have been and believe in some of these things, but I also agree with you that we have to get big government under control.''

It was interesting to note when I was home these last 2 weeks, there was a very well-organized protest outside my district office in San Luis Obispo. But it was interesting to note that the people that came were the union organizers. They came from San Francisco, there was one from Los Angeles, one from San Jose. And then the executive secretary of the local union who is the hired bureaucrat and another gentleman were all part of this. Everybody else, the union members, the ones they work for, are hard at work trying to make a living for their family. I agree. They say 40 percent of members are good Republicans, pleased with what we are doing and it is firsthand knowledge, that is what I am hearing. In fact one went on television to tell the world that she was very upset to see her dollars being used in such a way for union ads when she was pleased about what we are doing here in the House.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Allow me to compliment and put in perspective what these freshman Members of Congress, and we have two with us tonight, have done. And not only the freshmen but the gentleman from Georgia [Mr. KINGSTON], a Member of the 103d Congress. In the 102d Congress when I came in, we had a Congress that had been controlled for almost 50 years at that time by one party. We had a situation where in the House bank, Members were writing checks freely. They were not paying the money back. They were laundering money and selling drugs from the post office, which is not a U.S. post office. We are not making these things up. There have been numerous convictions and investigations to prove this to be true. That party from this side that had controlled the House for so long could have reformed it. They did not. Seven of us, became known as the Gang of Seven, started unraveling the twine with a request for an investigation. We finally after 8 months forced an investigation because the people of this country demanded it and we started with the investigation into the House bank, which followed in the post office and made the changes.

Even after all of that became known, we could not make the changes in Congress that needed to be made until this 104th Congress and our majority with our freshman class came on board. And now during the last 18 months for the first time in the history of the country, we have had an audit, an audit that has disclosed discrepancies in the past in the House. We have had numerous changes with the Contract With America that was offered. This House has passed most every aspect of that, certainly with the majority in Congress, and has sent it on, most of it has been sent to the President who has vetoed tax reform, tax relief for people in this country. They have vetoed welfare reform and other areas that the freshmen of this group have put through. There answer to the American people has been not to join and do what the American people want, not to pass the reforms the American people have demanded and that this freshman class and this Republican majority Congress has given. It has been to try to go back to the dirty politics side, try to run ads with millions of dollars against freshman Congressmen and try to win back control.

What will they be winning back control to do? To return back to the same situation we had before, where house bank scandals and house post office scandals were common.

I commend their class for the work you have done. Those of us that fought in the 102d Congress and later when the gentleman from Georgia [Mr. KINGSTON] came in the 103d Congress and fought, are being joined by you, and I think the people will make the same decision. In my first race, I won by about 3,000 votes. They immediately gerrymandered my district and put 30,000 votes against me by taking 15,000 from one party out and putting 15,000 new in. And although the President, President Clinton, carried by district, I won in a hard campaign by 55 percent. Last year all the liberal organizations joined, the Democratic women's organization of Emily's List that you are going to find and those contributions do not have to be reported. They can be bundled and slip under the law in a method that allows hundreds of thousands of dollars to go to campaigns unreported. And we won 61 to 39 percent.

What I am saying is the people out there are living and listening to what is happening and the things you are doing and I think they will, with knowledge of what is going on, return you to office in order that reform may continue in this body, that you are carrying out and have been working on. I want to commend you for the work you have done.

Mr. HAYWORTH. I will ask the gentleman from Georgia to yield so I can respond to my friend from North Carolina.

Mr. KINGSTON. Yes.

HAYWORTH. First of all, Mr. Speaker, let me thank the gentleman from North Carolina for his membership and his actions as part of the Gang of Seven, and I point out now there is a gang of 73 and a new majority, and the gentleman from North Carolina is quite right. For in the midst of this talk of reform comes one legitimate question that the gentleman from North Carolina touched on, Mr. Speaker.

If this newfound embracing of reform by the liberals in this House were so genuine, where was it during their long years of domination of this institution, their complicity with the forces of big government and the forces that would always use the same tired equation, the answer of tax-and-spend, tax-and-spend, tax-and-spend. Where was that commitment? And make no mistake. If we retreat, Mr. Speaker, one can imagine a new liberal majority coming to this institutions, having learned its lesson in what through misleading claims and the politics of fear and the complicity of many liberals in the journalistic endeavors might wish to take place here, they would turn on this institution and that notion of reform in a heartbeat. Their notion of reform would be as the actions taken by ancient Rome against the Carthaginians. They would move metaphorically to lace the soil with lime to ensure that the full honest flour of reform would never take root again in this Chamber for the foreseeable future, and to return to an iron grip with rules completely out of proportion, a majority that would border on tyranny. In short, the same type of tyrannical majority we saw in this institution at the tail end of those 40 years of one-party domination.

Mrs. SEASTRAND. If the gentleman would yield, if you watch, you talk about the reform, how there would be no reform, let me tell you, if you look at these ads, negative ads, there is no hope. Everything is negative, negative, negative in the attack I am taking. Bad balanced budget, bad welfare reform, bad tax relief, bad this and that. There is no hope in these ads. And because there is nothing, let us fact it, their ideas are bankrupt after 40 years. There is no hope in their ideas. And so what do they do? All they have left is to just condemn and to attack. And it would be something if they could offer alternatives to the situations at hand today for the problems that need to be solved across this Nation, but it is all the same.

□ 2215

Their answer is usually more, bigger, more dollars here from Washington, DC.

Mr. KINGSTON. Let us talk about some of these basically Republican solutions, but they are anti-Washington

bureaucrat solutions, some of the things that I think that we have been trying to work for: more choice in medicare, a balance in environmental policy, more local control in education, more State flexibility in poverty and welfare programs.

Thinking of the Medicare policy, here we have in April last year, a Clinton trustee saying Medicare is going bankrupt and in two years, it will be out of money. Well, they missed that by 11 months. In February for the first time in the history, Medicare ran out of money. So we went in there, said okay, people want traditional Medicare, we understand that. But if our seniors want options, like physician service plans, and if they want to join a managed care plan or take an individual medical savings account, let us give them those options, and by offering the options we can reduce the growth from 11 percent each year in Medicare to 4 percent and head away from the insolvency and the bankruptcy. We can save, protect and preserve Medicare and increase spending per recipient from $4,800 to $7,100 at the same time.

Mr. Speaker, a key component of that, as you two know, is cracking down on fraud and abuse. I have with me a Derma-Gran bandage, which a friend of mine in business has sent to me. He said this bandage actually cost 94 cents to produce. It is sold to health care providers for $6. And Medicare, on this 94-cent $6 purchase, gets $36.44 with it.

Now, your mother is paying for that and your father is paying for that, and it is going at the price of their health care, a diagnosis or something down the road. My friend's math on it, he just pointed out to me, that does not sound like that much of a problem, does it? But the fact is potentially, listen to this. Potentially 20,000 nursing home patients each day use this. That would mean this is costing American taxpayers at that $36 rate $21 million per month or, $262 million in nothing but waste and almost fraud but certainly abuse in Medicare. And this is what we were trying to resolve, and this is what the President vetoed, cracking down on these.

Again, we are just giving seniors choices and protections that we need for the program.

Mr. HAYWORTH. If the gentleman would yield, I think it is important again to articulate something, because it is lost in the politics of hyperbole, in the grand political theater of the propaganda on the Nation's radio and television stations right now. And incidentally, I would challenge my former colleagues in television to do their reality checks that they often reserve for the political campaigns. I would challenge my former colleagues in television news around the country to apply the truth ads to these cynical, manipulative, untrue announcements and maintain the vigilance now that they reserve for the election campaign.

But the gentleman from Georgia brings up an interesting point. I do not know anyone, despite the extreme rhetoric of those outrageous claims made on television and radio, I do not know anyone in the new majority who would for a moment wish that his parents would have inadequate health care, desire for his grandparents inadequate health care, purposely move to starve children and deprive them of the basics of life, nor doom America to drinking dirty water and breathing impure air. The claims are outrageous, and my colleague from Georgia correctly points out the challenge is met.

The challenge is presented by the waste, fraud, and abuse in the current vacuum in a Washington-based, one-size-fits-all system that is devoid of the very compassion it claims to give to people, for it denies the most essential element of our freedom: The opportunity to choose. When my parents turn 65 next year, when that happens, there will be no federally provided shopper to accompany them out of their homes and to decree what department store they will visit, what clothing they will buy, what car they will drive. And yet in the current health care system, in the one-size-fits-all anachronistic plan of the 1960's, which we hope to update, improve, transform and, yes, even save, a vacuum exists. A massive bureaucracy exists that invites the very waste, fraud and abuse that the gentleman spoke of.

Mrs. SEASTRAND. If the gentleman would yield.

Mr. HAYWORTH. I yield to the gentlewoman.

Mrs. SEASTRAND. It is interesting that the gentleman mentions the waste, fraud, and abuse, but I think one of the things, particularly in the ads from the big labor unions, the statements they make is we are cutting Medicare. My mom is on Medicare, and she was concerned about this, that her daughter was going to be doing something that she was in need of. And I just want to tell people that that is the worst thing to say, to scare our senior citizens. And I know some of them actually, people went into with their propaganda into nursing homes to scare our older and elderly that are in nursing homes and convalescent homes across the Nation.

I just want to set the record straight. We actually increased Medicare spending from $4,800 per beneficiary starting now to $7,100 in 7 years. Now, I am just an old fourth-grade school teacher that did a lot of old math without calculators. But if we subtract that, we get a difference, and that difference has a big plus sign in front of it. Very, very hard to get that point across, especially to some of the reporters today. I guess they were brought up on new math.

But we are increasing Medicare spending over the next 7 years by $2,300 per beneficiary, and that is with more and more seniors coming into the system. So you can tell we are spending a lot more. And that is one of the falsehoods in the ads that is hitting and attacking some of the freshmen, myself included, today on television.

Another interesting point was I know in the ads, and we heard it all, we hear it from the other side of the aisle, that we are just taking care of our rich friends with tax relief. Well, you know, I have been through this litany. What am I doing here for the rich? A $500 per child tax credit that would benefit 29 million families; a capital gains tax credit that will create 6.1 million jobs; relief from the marriage penalty that would allow 23 million taxpayers to receive $8 billion in tax relief; an adoption credit that would have allowed parents to claim a $5,000 annual tax credit for up to five years in order to help with their child adoption expenses; or how about an elderly care deduction that would allow 1 million taxpayers a $1,000 deduction for the care of a parent or family member?

Mr. Speaker, now maybe for some of those union bosses that live high on the hog here in Washington, DC, that do not understand what the working families back in each of our districts have to face, this is what I voted for and what we proposed is for working families across this nation, and I do not know about any rich people.

Mr. KINGSTON. The gentlewoman had mentioned also about some of the putting common sense into some of the environmental laws. One of the things that happened in California that we know of, Riverdale, California, the endangered kangaroo rat. Now, you know, my view is I do not want to lose a species. I am committed to the Endangered Species Act. Riverdale, CA had kangaroo rat, and the EPA would not let them cut fire breaks in the residential area because it would endanger the habitat of the kangaroo rat. So what happened? A fire came and it destroyed 30 homes.

But in addition to that, it also destroyed 25,000 acres of kangaroo rat habitat. So we have got lose-lose policy for both the private property owner and the kangaroo rat. We see this kind of impracticality over and over again. In fact, I think it was in Arizona, may have been New Mexico, where the Boy Scout was lost last year in a wilderness area.

They discovered him I think 48 hours later, and the Park Service would not let a helicopter land there because it was a motorized vehicle. And under the Wilderness Act, you cannot have any sort of motorized vehicle in the park area. So here is this kid 14 years old, 12 years old, I am not sure of the age, and he is hungry, he is starving, he has been sleeping on rocks, and the helicopter comes and it won't rescue him. You know, it is just out of balance.

The other thing is, the decision to dig fire breaks in Riverdale, California, or to rescue a 14-year-old in a western State does not need to be made out of Washington by a Washington bureaucrat. I think that the Park Service people and the local county commissioners

and the residents can probably figure it out, keep it in Federal guidelines. They can solve their own problem without Washington bureaucrats.

Mrs. SEASTRAND. Well, if the gentleman would yield, I think a lot of the bureaucrats that work here in Washington, DC have never been to our districts. Unless they read National Geographic, they have never come to the middle kingdom of California to see the Monterey Bay Sanctuary or the Channel Island Sanctuary. So what do they do? They do regulations that one size fits all, and it does not fit our particular needs at the local level.

Mr. Speaker, every one of us wants clean water, a better environment. After all, we are going to leave this place and I hope to leave it in a better way for my children and my grandchildren than I found it. But it is interesting, another area that when we are dealing with the environment is to look at the Superfund. And the folks back home say, hey, my tax dollars are going and where are the Superfund sites being cleaned up? And what do we find out? We are spending it on bureaucrats in Washington, DC, who are attorneys and using those dollars to litigate, litigate, litigate. In the meantime, the sites remain dirty. And we want to cut through that so we can take those precious tax dollars, put them into the sites, clean them up and get on with the business of the day at hand.

Mr. HAYWORTH. If the gentlewoman would yield, indeed the current Superfund legislation, in stark contrast to the genuine reforms the new majority would propagate, which we advocate, the current Superfund legislation could well be renamed the special interest and lawyer subsidy act with an incidental tip of the cap to the environment to camouflage its true purpose. I mean that is a long title, but that is in essence what has transpired here. Come to think of it, may not be entirely grammatically correct. I would bow to my friend who taught the fourth grade so capably for many years in that regard.

But regardless of the fractured syntax, it does not take away from the validity of the observation of the gentleman from Georgia.

Mr. Speaker, I can recall on another occasion just prior to our recent recess when we returned home to the districts, where I came to this floor along with the gentleman from Georgia, a gentleman from Maryland, a gentleman from Michigan. No, we do not agree on every jot and tittle of what should transpire with meaningful reform to conservation and environmental legislation, and yet there were some common themes. One just rearticulated by the gentleman from Georgia dealing with the notion of local control and State control now being perhaps the most capable way to address many of these problems.

Indeed, I do not believe anyone would argue of the necessity of the action taken in the early 1970's in the Nixon administration to create an Environmental Protection Agency. The question now becomes, however, with 50 States with their own departments of environmental qualities, in other words, 50 State-run EPA's, in effect, a legitimate question can be asked, should everything be centered in Washington? Indeed, the gentlewoman from California referred to one of the main problems, and let me pause here so no one will misunderstand. I do not discredit the millions of hard-working people who are in the employ of the Federal Government. I realize many of them work hard to do the jobs they are given. But sometimes those jobs are ill defined, or worse, the dynamics or the situation into which these employees are thrust leads to impracticalities, such as the notion of being deskbound instead of in the field looking at problems.

On an occasion which we were discussing Indian housing, and there are more native Americans living on reservations in the Sixth District of Arizona than anywhere else in the continental United States, one of my constituents offered the story. There was a body of water on the reservation land in that district that the people had come to call Twelve Mile Lake.

□ 2230

Well, there was some contentious debate with an EPA administrator, I believe from San Francisco so the story goes, according to my constituent. And during many telephone conversations, the EPA official in San Francisco behind a desk was adamant, certainly there must be significant wetlands protection for that body of water known as Twelve Mile Lake. The tribal administration, my friend who recounted the story, said, sir, you don't understand, it is not a significant body of water, it is a tiny body of water. It is akin to a mud puddle. Oh, certainly you exaggerate, said the EPA official. There must be these safeguards.

Well, miracle of miracles, the U.S. official, the San Francisco bureaucrat, left that beautiful city by the bay and traveled to the reservation land, and the tribal officials took him to what in essence was a mud puddle. My constituent said, evoking images of Madison Avenue, it made for a Kodak moment to see the expression of stupefaction that crossed the bureaucrat's face. He said something to the effect of, you're right, it is a mud puddle. Why do you call it Twelve Mile Lake? And the tribal official said, well, you see, sir, that's what we've been trying to tell you. The reason this particular small body of water is called Twelve Mile Lake is not because of its dimensions but because, you see, it is 12 miles from the center of town to this particular body of water.

And I think the story speaks volumes, and I daresay a disturbing tendency would be the overzealousness to abandon the context of what is reasonable to have almost the unbelievable advocacy of saying that mud puddle should be equated with a navigable water and should be a wetland that is protected. And that is the next course of action that has been taken on many different fronts. What should always undergird our mission in this Congress is a standard test of the law of Western civilization. What is reasonable? What would a reasonable person do?

Mr. KINGSTON. Our friend Frank Luntz uses this illustration. Do you know that the State of Indiana does not participate in daylight savings time? They do not spring forward and fall backward.

Mr. HAYWORTH. If you would yield for a second, let me also say the great State of Arizona does not subscribe to savings time either.

Mr. KINGSTON. Did you know that Indiana did not? I did not know that of Arizona. Did you know that?

Mrs. SEASTRAND. Yes, I did.

Mr. KINGSTON. You two are exceptionally brilliant. Four hundred thirty-five Members, I can almost promise you that 90 percent of us do not know that. But don't you think that is relevant to the people in Arizona and Indiana, that they do not spring forward and fall backward on their time? And don't you think that would be relevant for a business doing commerce in either of those two States, or a visitor or a government?

And isn't it ironic that I can vote, as can any other Member of Congress on things affecting the people of Arizona and Indiana, and not even know such a fundamental thing about their culture? And yet we do it routinely, just like you talked about with the Twelve Mile Lake.

The bureaucrat in Washington can set the rule, having no idea that the lake is not 12 miles wide, simply that, and not knowing that it is just simply 12 miles from town. But they are experts on everything, and they are from the government and they are here to help and they are going to tell you how to run your town and your State.

Mrs. SEASTRAND. It was interesting, I have just been appointed to the Speaker's Environmental Task Force. I am serving on the steering committee. And during the recess, I naturally organized a task force for my two countries of my district and invited, as a jumping off period, a first meeting, some 28 people from different agencies and local groups that are active within the environment. And when you start thinking about this, this is vast. We can have a lot of great discussions, and I am looking forward to our monthly meetings.

But it was interesting at that first meeting, an attorney who makes his living on litigation said, I hate to say this because I make my living this way, but I deal every day trying to make sense of the regulations from Washington, DC. And because some of these laws were written some 20, 25 years ago, technology is advanced,

science knows so much more, and we need to look at science, we need to look at the technology today and reform and change some of these laws. Not throw them out, but let us change what can fit 1996 for a better way, a better environment.

It was interesting, one of the Federal agencies' representatives said, you know, in my job I have a standard, and I have the State official from the agency following me right behind, and we are doing the same work. In other words, repetition. The taxpayer is not getting good use of people sharing resources.

Another gentleman said from one of the other Federal agencies, you know, I would do anything to be able to have a local advisory group to give me input as to what they feel about situations that affect what I am doing here. So it was interesting, in that short 1-hour beginning meeting of a task force, I was able to learn and get from other people that have to deal in this area every day, their feelings of what we have talked about in this new Congress with this new attitude.

We want to give incentives to people, not penalize them so if they find an endangered species on their property, they are worried about it and they do not want to tell anybody. I want them to be able to tell a government official about it, so that they can get an incentive and figure out how they are going to continue having the endangered species on their property and still have property rights to see that they can utilize that land.

So it is interesting. We have a long way to go. It will be an exciting time to be part of the environmental task force so that we can come together and discuss the policy for the 21st century.

Mr. KINGSTON. Now, one of the things I hear, and you mentioned earlier on the Superfund, is that Superfund is 15 years old. We have spent $25 billion on it and yet we have only cleaned up 12 percent of the national priority polluted sites.

Mr. HAYWORTH. Would you yield just a second? I want you to repeat the amount of money spent on this over 12 years, over 15 years.

Mr. KINGSTON. Over 15 years we have spent $25 billion on environmental cleanup and only cleaned up 12 percent of the sites.

Mrs. SEASTRAND. And may I add, if the gentleman would yield, I want to add this statistic. The Justice Department spent over 800,000 man-hours just on Superfund litigation between 1990 and 1992. That is a lot of hours.

Mr. KINGSTON. I understand that translates to about 43 cents on the dollar going to the cost of litigation. Now, it does not matter where you are on the environmental debate, we all should come together and say this is broken and we need to fix it.

Mr. HAYWORTH. And if the gentleman would yield, numerous examples from the great Grand Canyon State of Arizona, one in particular from a couple of years ago, bears out what I talked about in an abbreviated fashion this morning in responding to my good friend from Georgia on this floor, and what we have talked about tonight, and indeed what is one of the basic tenets of this new practical, realistic, common sense majority, and that is one size does not fit all.

Phoenix is not the same as Philadelphia, nor is Flagstaff the same as Fargo, ND. And, indeed, something that transpired 2 years ago in the desert City of Tucson, Arizona, offers a stirring example.

There was a violent windstorm in the desert. Those wind storms blow up great dust devils, great amounts of dust in the air. Visibility is poor. There was a car crash on Interstate 10, one of those long 20-car tangos, if you will. But also, even as that was transpiring on the interstate, moving through Tucson, Arizona, technical data collection, equipment provided by the Federal Government to monitor the Clean Air Act, showed that at the same time Tucson was technically in violation of the provisions of the Clean Air Act.

Now, the particulates in the air on that day did not come from the cars involved in the accident on the interstate, it came from the particulates in the air. When you live in a desert and a windstorm blows up, there will be more particulates in the air; ergo, Tucson is not the same a Tacoma. Different places, different areas of this Nation, different climatic conditions offer different challenges.

And, yes, while there are some technologies that are common, certainly the circumstances of those respective areas should be taken into account, not for Washington standards but for local standards that are realistic, reasonable and move to protect the environment.

Mr. KINGSTON. And with the Federal presence, guidance, and oversight, but not necessarily Washington bureaucratic micromanagement.

Now, I think probably the biggest failure of the Washington bureaucracy to manage a problem is local poverty control. You know, the folks on welfare in Savannah, GA, have to do what the bureaucrats tell them to do in Washington, and it is the same bureaucrats telling your folks in California what to do, and the people in California in Mrs. SEASTRAND's district have to do what the folks in Arizona in your district do, and you have one Washington bureaucracy command controlling poverty. As a result, since 1964 we have spent $5 trillion on poverty. The poverty rate then was 14 percent, and the poverty rate now is 14 percent. It has not worked. We need local control and flexibility.

You know what? I cannot solve Mrs. SEASTRAND's poverty problem, and I cannot solve Mr. HAYWORTH's, and maybe I cannot solve mine. But you know what? I can do a heck of a lot better job on mine than I can on yours. Just give me the tools and I think I can do it.

That is one reason why you want State block grants. Cut out the poverty brokers and put the control in the hands of the local people.

Mrs. SEASTRAND. If the gentleman would yield. I had a firsthand experience in what you are saying. I served in the State assembly in California. And so often the folks back here in Washington, DC, in this House, would vote a particular bill, legislation, change the law, and then it would come down to us and they would hold the hammer over our head. If you do not follow these rules the way we want you to do it, we are going to hold back on transportation funds or welfare funds or whatever.

And we knew that we could do it a better way; that we here in California perhaps did not match what you needed to do for your folks in Savannah, GA, or the people in Arizona. And that was day in, day out that we were constantly told if we did not adhere to the new mandates from the Federal Government they would hold back something from us.

So many times I would vote no to just protest, and then most of the folks, though, would vote yes and we would receive another mandate from the Federal Government that many times did not make sense to us at the State level.

Mr. HAYWORTH. And if the gentlewoman would yield, it is worth noting that one of the genuine reforms and one of the few times in which the gentleman at the other end of Pennsylvania Avenue in the big white house was willing to work with us was on this notion of unfunded mandates, where Washington bureaucrats decreed to local government officials you will do it this way.

The frustration of that system has led the mayor of Winslow, AZ, to coin a new phrase. He calls it the idiocracy. The idiocracy which would mandate an action being taken without taking into account the realistic, common sense, reasonable notions of the good people who live right there in the area and also want to redress the problem but on their own terms, reflecting their own priorities, with no less of a commitment to solving that problem. That is what we must remember.

Mrs. SEASTRAND. If the gentleman would yield. I know our time is coming to a close, but I would just say that all of Americans across this Nation I think have to be reminded that so many of them voted for a change in 1994 and that change has begun, but it is not going to be completed in such a short time. We have to chip away at so much that has been built after 40 years and we have to keep driving for that change.

You know, I am pleased, being from California, that we have seen, in passing legislation off this floor regarding immigration reform, we talked about lowering taxes, and we talked about earlier the line item veto and returning government decisions to state and

local levels and to continue our push for a balanced budget. But we have to continue to do that. And I just would say that what we have seen happen here, there are forces that do not like what we have accomplished.

□ 2245

They are going to try their very best to more or less take some of us out in this next election so that they can take back that old status quo of big bureaucratic Washington-controlled government. I just am going to fight it, as I know you gentlemen will, too.

Mr. HAYWORTH. I would close with an observation by one of my constituents in the Navajo Nation, having spent Sunday in Window Rock, Arizona. A lady told the story of a young homemaker in a Navajo household cutting off a substantial portion of a hand. Kids asked her why. She said, I do not know; mom did it. So she went to great-grandma and she said, why did you cut off a major part of your hand. She said, well, it used to be a smaller pot and so I had to cut that off to make it fit in the pot, an example of a tradition for tradition's sake that defied common sense and needed to be changed, in much the same way we need to make changes here. Not because Washington said so, but because technology and the people living in those areas are willing to make the changes of their own volition. History does not occur in a vacuum and history is on the side of freedom.

Mr. KINGSTON. Mr. Speaker, let me conclude with this. Last week a teacher in Darien, Georgia told me that in an 8-hour day she spends two to three hours filling our paperwork, about 50 percent of it is for the Federal Government. That is 10 to 15 hours a week that is not spent teaching Johnny how to read, write, and do arithmetic. She can teach her children better than the bureaucrats who are making her fill out the paperwork in Washington.

What we are asking with that and all these other examples, let the local people do what they know how to do best and let the Washington bureaucrats stop the micromanagement, return freedom to the people and increase personal responsibility along the way.

I thank Mrs. SEASTRAND of California and Mr. HAYWORTH of Arizona for being with me tonight.

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 Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

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

Mr. UNDERWOOD, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. GEPHARDT, for 5 minutes, today.

(The following Members (at the request of Mr. BLUTE) to revise and extend their remarks and include extraneous material:)

Mr. GOSS, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

Mr. FRANKS of Connecticut, for 5 minutes, today.

Mr. MANZULLO, for 5 minutes, today.

Mr. MICA, for 5 minutes, today.

Mr. DORNAN, for 5 minutes, today.

Mr. DIAZ-BALART, for 5 minutes, on April 17.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WATT of North Carolina, for 5 minutes, today.

(Mr. FOX of Pennsylvania (at his own request), for 5 minutes, today.)

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) and to include extraneous matter:)

Ms. NORTON.

Ms. PELOSI.

Mr. RICHARDSON, in two instances.

Mr. LEVIN.

Mr. STARK.

Mr. VISCLOSKY.

Mr. MILLER of California.

Mr. ACKERMAN.

Mr. VENTO.

Mr. STOKES.

(The following Members (at the request of Mr. BLUTE) and to include extraneous matter:)

Mr. WATTS of Oklahoma, in two instances.

Mr. CAMP.

Mr. BURTON of Indiana.

Mr. BILIRAKIS.

Mr. EWING.

Mr. TORKILDSEN, in two instances.

Mr. KING.

(The following Members (at the request of Mr. GRAHAM) and to include extraneous matter:)

Mr. MARTINI.

Mrs. ROUKEMA.

Mr. VENTO.

Mr. LATOURETTE.

Mr. BURTON of Indiana.

Mr. KING in two instances.

Mr. SOLOMON.

Mr. TIAHRT.

Mr. KANJORSKI.

Mr. LANTOS.

Mr. SHUSTER.

Mr. MASCARA.

Mrs. MEEK of Florida.

Mr. ORTON.

Mr. POSHARD.

Mr. STOKES.

Mr. WARD.

Mr. OBEY.

Ms. ROS-LEHTINEN.

Mr. SMITH of Michigan.

Mr. HASTERT.

Mr. DEUTSCH.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following dates present to the President, for his approval, bills and joint resolutions of the House of the following title:

On March 20, 1996:

H.J. Res. 78. Joint resolution to grant the consent of the Congress to certain additional powers conferred upon the Bi-State Development Agency by the States of Missouri and Illinois.

On March 28, 1996:

H.J. Res. 168. Joint resolution waiving certain enrollment requirements with respect to two bills of the 104th Congress.

H.R. 2969. An act to eliminate the Board of Tea Experts by repealing the Tea Importation Act of 1897.

On March 29, 1996:

H.R. 3136. An act to provide for enactment of the Senior Citizen's Right to Work Act of 1996, the Line-Item Veto Act, and the Small Business Growth and Fairness Act of 1996, and to provide for a permanent increase in the public debt limit.

H.J. Res. 170. Joint resolution making further continuing appropriations for the fiscal year 1996, and for other purposes.

On April 3, 1996:

H.R. 2854. An act to modify the operation of certain agricultural programs.

On April 5, 1996:

H.R. 1833. An act to amend title 18, United States Code, to ban partial-birth abortions.

H.R. 1561. An act to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for U.S. foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 10 o'clock and 47 minutes p.m.) the House adjourned until tomorrow, Wednesday, April 17, 1996, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

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

2378. A letter from the Assistant Secretary of Defense, transmitting the Department's report on automated information systems of DOD, pursuant to Public Law 104–106, section 366(c)(1) (110 Stat. 276); to the Committee on National Security.

2379. A letter from the Deputy Secretary of Defense, transmitting three reports pursuant to the National Defense Authorization Act for fiscal year 1996, the report are as follows: ''Improving the Combat Edge Through Outsourcing,'' in response to section 357; ''Policy Regarding Performance of Depot-Level Maintenance and Repair,'' in response to section 311(c); and ''Depot-Level Maintenance and Repair Workload,'' in response to section 311(i); to the Committee on National Security.

2380. A letter from the Secretary of Defense, transmitting the Department's report to the Congress entitled ''Nonlethal Weapons,'' pursuant to Public Law 104–106, section 219(c) (110 Stat. 223); to the Committee on National Security.

2381. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Indonesia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

2382. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 1994 report required by section 918 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, pursuant to 12 U.S.C. 1833; to the Committee on Banking and Financial Services.

2383. A letter from the Chairman, Federal Deposit Insurance Corporation, transmittng the 1995 report required by section 918 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, pursuant to 12 U.S.C. 1833; to the Committee on Banking and Financial Services.

2384. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Board's report on finance charges under the Truth in Lending Act, pursuant to section 2(f) of the Truth in Lending Act Amendments of 1995; to the Committee on Banking and Financial Services.

2385. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 2969, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

2386. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 2854, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

2387. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 3136 and H.R. 1266, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

2388. A letter from the Secretary, Nuclear Regulatory Commission, transmitting the Commission's major rule—revision of fee schedules; 100 percent fee recovery, fiscal year 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2389. A letter from the Secretary of Health and Human Services, transmitting the Department's annual report entitled ''Public Housing Primary Care Program,'' pursuant to section 340A of the Public Health Service Act; to the Committee on Commerce.

2390. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96–20: Suspending Restrictions on United States Relations with the Palestine Liberation Organization, pursuant to Public Law 104–107, section 604(b)(1) (110 Stat. 756); to the Committee on International Relations.

2391. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's report entitled ''Assistance Related to International Terrorism Provided by the U.S. Government to Foreign Countries,'' pursuant to 22 U.S.C. 2349aa–7(b); to the Committee on International Relations.

2392. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–216, ''Early Intervention Services Sliding Fee Scale Establishment Temporary Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2393. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–240, ''Health Services Planning and Certificate of Need Program Temporary Amendment Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2394. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–242, ''Business Improvement Districts Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2395. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11–243, ''Public Charter Schools Act of 1996,'' pursuant to D.C. Code, section 1–233(c)(1); to the Committee on Government Reform and Oversight.

2396. A letter from the U.S. Commissioner, Delaware River Basin Commission, transmitting the Commission's report in compliance with the Inspector General Act of 1978, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

2397. A letter from the Chairman, Farm Credit Administration, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1995, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

2398. A letter from the Chairman, Farm Credit Administration, transmitting a report of activities under the Freedom of Information Act for the calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2399. A letter from the Acting Administrator, General Services Administration, transmitting a report of activities under the Freedom of Information Act for the calendar year 1995, pursuant to 5 U.S.C. 552(e); to the Committee on Government Reform and Oversight.

2400. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the 1995 annual report in compliance with the Inspector General Act Amendments of 1988, pursuant to Public Law 100–504, section 104(a) (102 Stat. 2525); to the Committee on Government Reform and Oversight.

2401. A letter from the U.S. Commissioner, Susquehanna River Basin Commission, transmitting the Commission's report in compliance with the Inspector General Act of 1978, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

2402. A letter from the Administrator, Federal Aviation Administration, transmitting the Administration's list of the foreign aviation authorities to which the Administrator provided services in the preceding fiscal year, pursuant to Public Law 103–305, section 202 (108 Stat. 1582); to the Committee on Transportation and Infrastructure.

2403. A letter from the Secretary of Transportation, transmitting the Department's second annual report on the activities of the Department regarding the guarantee of obligations issued to finance the construction, reconstruction, or reconditioning of eligible export vessels, pursuant to section 1111(b)(4) of the Merchant Marine Act of 1936, as amended; to the Committee on Transportation and Infrastructure.

2404. A letter from the Secretary of Veterans Affairs, transmitting the Department's report on the evaluation of health status of spouses and children of Persian Gulf war veterans, pursuant to 38 U.S.C. 1117 note; to the Committee on Veterans' Affairs.

2405. A letter from the Chief of Staff, Social Security Administration, transmitting the Administration's final rules on statement of earnings and benefit estimates (RIN 0960–AD74), pursuant to 5 U.S.C. 801a); to the Committee on Ways and Means.

2406. A letter from the Secretary of Health and Human Services, transmitting notification that the Department is allotting to States, the District of Columbia, Indian tribes, and territories emergency funds made available under section 2602(e), of the Low—Income Home Energy Assistance Act of 1981, pursuant to 42 U.S.C. 8623(g); jointly, to the Committees on Commerce and Economic and Educational Opportunities.

2407. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96–19: Determination Pursuant to Section 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104–107), pursuant to Public Law 104–107, section 523 (110 Stat. 729); jointly, to the Committees on International Relations and Appropriations.

2408. A letter from the President, U.S. Institute of Peace, transmitting a report of the audit of the Institute's accounts for fiscal year 1995, pursuant to 22 U.S.C. 4607(h); jointly, to the Committees on International Relations and Economic and Educational Opportunities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GILMAN: Committee on International Relations. H.R. 3121. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes (Rept. 104–519 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MEYERS: Committee on Small Business. H.R. 2715. A bill to amend chapter 35 of title 44, United States Code, popularly known as the Paperwork Reduction Act, to minimize the burden of Federal paperwork demands upon small businesses, educational and nonprofit institutions, Federal contractors, State and local governments, and other persons through the sponsorship and use of alternative information technologies; with an amendment (Rept. 104–520 Pt. 1). Ordered to be printed.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1965. A bill to reauthorize the Coastal Zone Management Act of 1972, and for other purposes; with an amendment (Rept. 104–521). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Rules discharged from further consideration. H.R. 3121 referred to the Committee of the Whole House on the State of the Union.

BILLS PLACED ON THE CORRECTIONS CALENDAR

Under clause 4 of rule XIII, the Speaker filed with the Clerk a notice requesting that

the following bills be placed upon the Corrections Calendar:

H.R. 3049, a bill to amend section 1505 of the Higher Education Act of 1965 to provide for the continuity of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development.

H.R. 3055, a bill to amend section 326 of the Higher Education Act of 1965 to permit continued participation by Historically Black Graduate Professional Schools in the grant program authorized by that section.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3121. Referral to the Committee on Rules extended for a period ending not later than April 16, 1996.

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. EVERETT (for himself and Mr. EVANS):

H.R. 3248. A bill to amend title 38, United States Code, to revise and improve certain veterans programs and benefits, to authorize the American Battle Monuments Commission to enter into arrangements for the repair and long-term maintenance of war memorials for which the Commission assumes responsibility, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ABERCROMBIE (for himself and Mr. WICKER):

H.R. 3249. A bill to authorize appropriations for a mining institute to develop domestic technological capabilities for the recovery of minerals from the Nation's seabed, and for other purposes; to the Committee on Resources.

By Mr. BEREUTER (for himself, for Mr. FORD, Ms. LOFGREN, Mr. MCINTOSH, Mr. PICKETT, Mr. DELLUMS, Ms. WOOLSEY, Mr. STARK, Mr. FAZIO of California, Mr. COSTELLO, Mrs. MEYERS of Kansas, Mr. EHLERS, Mr. SCHAEFER, Mr. MOLLOHAN, Mr. LEACH, Mr. GILCHREST, Mr. BOEHLERT, Mr. CASTLE, Mr. CLAY, Mr. VENTO, Mr. SKELTON, Mr. EVANS, Mrs. MORELLA, Mr. RAHALL, Mr. SKAGGS, Ms. MCCARTHY, Mr. HEFLEY, Mr. WELLER, Mrs. VUCANOVICH, Mr. BUNNING of Kentucky, Mr. BAKER of California, Mr. BEILENSON, Ms. NORTON, Mr. HASTINGS of Florida, Mr. HAMILTON, Mr. FROST, Mr. WAXMAN, Mr. BARRETT of Nebraska, Mr. ORTON, Mr. NEY, Mr. LANTOS, Mr. FAWELL, and Mr. MILLER of California):

H.R. 3250. A bill to amend the National Trails System Act to create a new category of long-distance trails to be known as National Discovery Trails, to authorize the American Discovery Trail as the first national trail in that category, and for other purposes; to the Committee on Resources.

By Mr. LIGHTFOOT (for himself, Mr. LEACH, Mr. NUSSLE, Mr. GANSKE, and Mr. LATHAM):

H.R. 3251. A bill to amend the Internal Revenue Code of 1986 to expand the applicability of the first-time farmer exception; to the Committee on Ways and Means.

By Ms. McKINNEY:

H.R. 3252. A bill to amend the Internal Revenue Code of 1986 to discourage American businesses from moving jobs overseas and to encourage the creation of new jobs in the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. PARKER (for himself, Mr. WICKER, Mr. TAYLOR of Mississippi, Mr. THOMPSON, Mr. EDWARDS, Mr. COOLEY, Mr. EVERETT, Mr. DOYLE, Mr. HUTCHINSON, Mr. CLEMENT, Mr. SMITH of New Jersey, Mr. EVANS, Mr. MASCARA, Ms. BROWN of Florida, Mr. FILNER, Mr. KENNEDY of Massachusetts, Mr. TEJEDA, Ms. WATERS, Mr. NEY, Mr. CLYBURN, and Mr. EMERSON):

H.R. 3253. A bill to name the Department of Veterans Affairs medical center in Jackson, MS, as the ''G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center''; to the Committee on Veterans' Affairs.

By Mr. QUILLEN:

H.R. 3254. A bill to suspend until January 1, 1998, the duty on Fybrel [SWP]; to the Committee on Ways and Means.

H.R. 3255. A bill to amend the Harmonized Tariff Schedule of the United States to correct the tariff treatment of certain iron and steel pipe and tube products; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 3256. A bill to establish the Nicodemus National Historic Site in Kansas, and for other purposes; to the Committee on Resources.

By Mr. ZIMMER (for himself and Mr. FRELINGHUYSEN):

H.R. 3257. A bill to develop model curricula appropriate for elementary and secondary students; to the Committee on Economic and Educational Opportunities.

By Mr. MILLER of California:

H. Con. Res. 162. Concurrent resolution recommending the entitles which were instrumental in developing the ''Friday Night Live'' and ''Club Live'' programs and which have created, are operating, and are working to expand the ''Rotary Life Club'' program; to the Committee on Economic and Educational Opportunities.

By Mr. ARCHER:

H. Res. 402. Resolution returning to the Senate the bill S. 1463; considered and agreed to.

By Mr. GEPHARDT:

H. Res. 403. Resolution in tribute to Secretary of Commerce Ronald H. Brown and other Americans who lost their lives on April 3, 1996, while in service to their country on a mission to Bosnia; to the Committee on Commerce.

By Mrs. MEEK of Florida:

H. Res. 404. Resolution in tribute to Secretary of Commerce Ronald H. Brown and other Americans who lost their lives on April 3, 1996, while in service to their country on a mission to Bosnia; to the Committee on Commerce.

ADDITIONAL SPONSORS

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

H.R. 99: Ms. WOOLSEY.

H.R. 118: Mr. SALMON.

H.R. 188: Mr. SANDERS.

H.R. 248: Mr. UPTON.

H.R. 491: Mr. TAYLOR of Mississippi, Mr. STOCKMAN, Mr. PETERSON of Minnesota, Mr. DEAL of Georgia, Mr. FUNDERBURK, Mr. GREENWOOD, and Mr. HALL of Texas.

H.R. 822: Mr. SALMON.

H.R. 833: Mr. BARRETT of Wisconsin and Mr. GUNDERSON.

H.R. 1110: Mr. SALMON.

H.R. 1462: Mr. PAYNE of New Jersey.

H.R. 1483: Mr. MINGE, Mr. WATTS of Oklahoma, Mr. ANDREWS, and Mr. STEARNS.

H.R. 1757: Mrs. THURMAN.

H.R. 1776: Mr. REGULA, Mr. BARCIA of Michigan, Mr. LANTOS, Ms. LOFGREN, Mr. OBERSTAR, Mr. CLAY, and Mr. SCHUMER.

H.R. 1791: Mr. OLVER.

H.R. 1797: Mrs. MEEK of Florida, Mr. FOGLIETTA, Mr. FOX, Ms. WATERS, Mr. FROST, Ms. NORTON, and Mr. DEUTSCH.

H.R. 1819: Mr. GEPHARDT.

H.R. 1856: Mr. RADANOVICH.

H.R. 2011: Ms. JACKSON-LEE, Mr. BECERRA, and Mr. DINGELL.

H.R. 2270: Mr. HUTCHINSON.

H.R. 2272: Mr. BONIOR and Mr. BROWN of California.

H.R. 2306: Mr. KILDEE and Mr. WISE.

H.R. 2391: Mr. STENHOLM.

H.R. 2508: Mrs. MEYERS of Kansas.

H.R. 2531: Mr. WHITFIELD.

H.R. 2566: Mr. KENNEDY of Massachusetts and Mr. RICHARDSON.

H.R. 2740: Mr. GEKAS.

H.R. 2741: Mrs. FOWLER, Mr. HOBSON, and Mr. ROYCE.

H.R. 2746: Mr. REED, Mr. SMITH of New Jersey, Mr. POMBO, Mr. DELLUMS, Mr. OBERSTAR, Mr. UNDERWOOD, Mr. LANTOS, Mr. ABERCROMBIE, Mr. BROWN of Ohio, Ms. NORTON, Mr. FRANK of Massachusetts, Ms. SLAUGHTER, Mr. CONYERS, Mr. HALL of Ohio, Mr. MANTON, Mr. ROMERO-BARCELO, and Ms. FURSE.

H.R. 2777: Mr. SCOTT.

H.R. 2798: Mr. LUTHER and Mr. POMBO.

H.R. 2834: Mr. ANDREWS.

H.R. 2900: Ms. FURSE, Mr. COX, Mr. PARKER, Mr. WYNN, Mr. GANSKE, Mr. BROWDER, Mr. NEUMANN, and Mr. PALLONE.

H.R. 2925: Mr. FORBES, Mr. CHRYSLER, Mr. WAMP, Mr. CASTLE, Mr. CALLAHAN, Mr. TEJEDA, Mr. MCKEON, Mr. LAZIO of New York, and Mr. MONTGOMERY.

H.R. 2943: Mr. OBEY, Mr. EMERSON, Mr. ROMERO-BARCELO, and Mr. SHAYS.

H.R. 3059: Mr. OLVER, and Mrs. THURMAN.

H.R. 3084: Mr. ACKERMAN, Mr. FROST, Mr. DORNAN, and Mr. TEJEDA.

H.R. 3108: Mr. FROST.

H.R. 3114: Mr. ENGEL, Ms. NORTON, Mr. BARRETT of Nebraska, and Mr. BALLENGER.

H.R. 3161: Mr. HOUGHTON.

H.R. 3170: Mr. TORRICELLI and Mr. MANTON.

H.R. 3180: Mr. CHAPMAN, Mr. FOGLIETTA, Mr. GREEN of Texas, Mrs. MALONEY, and Mr. DEUTSCH.

H.R. 3201: Mr. ROSE, Mr. MYERS of Indiana, and Mr. PETE GEREN of Texas.

H.R. 3217: Mr. PALLONE, Mr. HINCHEY, Mr. VENTO, Mr. CARDIN, and Mr. FARR.

H.R. 3236: Mr. JOHNSON of South Dakota, Mr. PETERSON of Minnesota, Mr. STENHOLM, Mr. HILLIARD, Mrs. CLAYTON, Mr. HOLDEN, Mr. BALDACCI, and Mr. POMEROY.

H. Con. Res. 47: Mr. HAMILTON.

H. Con. Res. 50: Ms. NORTON.

H. Con. Res. 103: Mr. ENGEL, Ms. MOLINARI, Mr. MILLER of California, and Mr. TORRICELLI.

H. Con. Res. 156: Mr. HILLIARD, Mrs. CLAYTON, Mr. FROST, Mr. MCDERMOTT, Mr. FRAZER, Ms. PELOSI, Mrs. MALONEY, Mrs. MEEK of Florida, Mr. OWENS, Mr. Payne of New Jersey, Mr. FOGLIETTA, Mr. FOX, Mr. GREEN of Texas, Ms. WATERS, Mr. ROMERO-BARCELÓ, Mr. FALEOMAVAEGA, Ms. NORTON, AND MR. FILNER.

H. Con. Res. 160: Mr. CAMPBELL and Mr. JOHNSTON of Florida.

H. Res. 282: Mrs. LOWEY, Mr. SMITH of New Jersey, Mr. YATES, and Mr. LEVIN.

H. Res. 316: Mr. LAZIO of New York and Mr. ZIMMER.

H. Res. 381: Mr. LEVIN, Mr. STARK, Mr. BRYANT of Texas, Mr. LIPINSKI, Mr. ROMERO-BARCELÓ, and Mr. MANTON.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

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

H.R. 789: Mr. DURBIN.
H.R. 1202: Mr. SHAW.
H.R. 1963: Mr. SHAYS.
H.R. 1972: Mr. QUINN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 842

OFFERED BY: MR. MINGE

AMENDMENT NO. 1: On page 3, line 10 insert ''(a) IN GENERAL.—Except as provided in subsection (b)'' before ''Notwithstanding''

On page 4, after line 14 insert the following:

''(b) PROHIBITION ON FUNDING TRANSPORTATION PROJECTS FROM GENERAL REVENUE.—Subsection (a) shall no longer be effective after the last day of a fiscal year in which any amounts were made available from the general fund of the Treasury of the United States for construction, rehabilitation and maintenance of highways or grants-in-aid for airports or for aviation-related facilities, equipment, research and engineering as determed by the Director of the Office of Management and Budget.''

H.R. 842

OFFERED BY: MR. MINGE

AMENDMENT NO. 2: Page 3, line 10, insert ''(a) IN GENERAL.—'' before ''Notwithstanding''.

Page 4, after line 14, insert the following:

(b) PROHIBITION ON EARMARKING OF HIGHWAY TRUST FUND AMOUNTS.—Subsection (a) shall no longer apply with respect to the Highway Trust Fund after the last day of any fiscal year in which amounts are made available for obligation from the Highway Trust Fund for any highway construction project or activity that is specifically designated in a Federal law, a report of a committee accompanying a bill enacted into law, or a joint explanatory statement of conferees accompanying a conference report, as determined by the Director of the Office of Management and Budget.

H.R. 842

OFFERED BY: MR. MINGE

AMENDMENT NO. 3: Page 3, line 10, insert ''(a) IN GENERAL.—'' before ''Notwithstanding''.

Page 4, after line 14, insert the following:

(b) PROHIBITION ON EARMARKING OF HIGHWAY TRUST FUND AMOUNTS.—Subsection (a) shall no longer apply with respect to the Highway Trust Fund after the last day of any fiscal year in which amounts are made available for obligation from the Highway Trust Fund for any construction project or activity that is specifically designated in a Federal law, a report of a committee accompanying a bill enacted into law, or a joint explanatory statement of conferees accompanying a conference report, as determined by the Director of the Office of Management and Budget.

H.R. 842

OFFERED BY: MR. OBEY

AMENDMENT NO. 4: Page 3, line 10, strike ''Notwithstanding'' and insert ''(a) IN GENERAL.—Except as provided by subsection (b) and notwithstanding'', and page 4, after line 14, insert the following new subsection:

(b) EXCEPTION.—If, for any fiscal year, the disbursements from any fund described in subsection (a) exceed receipts dedicated to that fund, the provisions of subsection (a) shall not apply to that excess of disbursements over receipts.

H.R. 842

OFFERED BY: MR. ROYCE

AMENDMENT NO. 5: Page 3, line 10, insert ''(a) IN GENERAL.—'' before ''Notwithstanding''.

Page 4, after line 14, insert the following:

(b) PROHIBITION ON EARMARKING OF HIGHWAY TRUST FUND AMOUNTS.—Subsection (a) shall no longer apply with respect to the Highway Trust Fund after the last day of any fiscal year in which amounts are made available for obligation from the Highway Trust Fund for any highway construction project or activity that is specifically designated in a Federal law, a report of a committee accompanying a bill enacted into law, or a joint explanatory statement of conferees accompanying a conference report, as determined by the Director of the Office of Management and Budget.

H.R. 842

OFFERED BY: MR. SABO

AMENDMENT NO. 6: Page 3, line 10, strike ''Notwithstanding'' and insert ''(a) IN GENERAL.—Except as provided by subsection (b) and notwithstanding'', and page 4, after line 14, insert the following new subsection:

(b) EXCEPTION.—(1) If, for any fiscal year, the disbursements from any fund described in subsection (a) would exceed the balance in that fund (as adjusted pursuant to paragraph (2)), the provisions of subsection (a) shall not apply to those excess disbursements.

(2) In applying this subsection, the balances otherwise available in a trust fund shall be reduced by the amount (if any) by which interest to be credited to that fund during a fiscal year would exceed the amount of interest that would be credited if the interest rate paid to the fund did not exceed the average interest rate on 52-week Treasury securities to be sold to the public during the same fiscal year.

H.R. 842

OFFERED BY: MR. SMITH OF MICHIGAN

AMENDMENT NO. 7: Page 3, lines 10 and 11, strike ''the receipts and disbursements of'' and insert the following:

the amounts that after the date of the enactment of this Act are received by or disbursed from

H.R. 842

OFFERED BY: MR. SMITH OF MICHIGAN

AMENDMENT NO. 8: Page 12, after line 22, insert the following:

SEC. 5. APPROPRIATION OF INTEREST EARNINGS OF HIGHWAY TRUST FUND.

(a) PURPOSE.—It is the purpose of this section to offset the approximately $82,000,000,000 that has been appropriated from the general fund of the Treasury for Federal-aid highway and mass transit construction projects.

(b) APPROPRIATION OF INTEREST EARNINGS.—On September 30, 1996, there is hereby appropriated from the Highway Trust Fund to the general fund of the Treasury an amount equal to the aggregate amounts of interest credited to the Highway Trust Fund before such date.

Page 13, line 1, strike ''5'' and insert ''6''.

H.R. 1675

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''National Wildlife Refuge Improvement Act of 1996''.

(b) REFERENCES.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or provision of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.).

SEC. 2. FINDINGS.

(a) FINDINGS.—The Congress finds the following:

(1) The National Wildlife Refuge System is comprised of over 91,000,000 acres of Federal lands that have been incorporated within 508 individual units located in all 50 States and our territories.

(2) The System was created to conserve fish, wildlife, and other habitats and this conservation mission has been facilitated by providing Americans opportunities to participate in wildlife-dependent recreation, including fishing and hunting, on System lands and to better appreciate the value of and need for fish and wildlife conservation.

(3) The System is comprised of lands purchased not only through the use of tax dollars but also through the sale of Duck Stamps and refuge entrance fees. It is a System paid for by those utilizing it.

(4) On March 25, 1996, the President issued Executive Order 12996 which recognized ''wildlife-dependent recreational activities involving hunting, fishing, wildlife observation and photography, and environmental education and interpretation as priority general public uses of the Refuge System''.

(5) Executive Order 12996 is a positive step in the right direction and will serve as the foundation for the permanent statutory changes made by this Act.

SEC. 3. DEFINITIONS.

(a) IN GENERAL.—Section 5 (16 U.S.C. 668ee)—

(1) is redesignated as section 4; and

(2) as so redesignated is amended to read as follows:

''SEC. 4. DEFINITIONS.

''For purposes of this Act:

''(1) The term 'compatible use' means a use that will not materially interfere with or detract from the fulfillment of the purposes of a refuge or the purposes of the System specified in section 4(a)(3), as determined by sound resource management, and based on reliable scientific information.

''(2) The terms 'conserving', 'conservation', 'manage', 'managing', and 'management', when used with respect to fish and wildlife, mean to use, in accordance with applicable Federal and State laws, methods and procedures associated with modern scientific resource programs including protection, research, census, law enforcement, habitat management, propagation, live trapping and transplantation, and regulated taking.

''(3) The term 'Coordination Area' means a wildlife management area that is acquired by the Federal Government and subsequently made available to a State—

''(A) by cooperative agreement between the United States Fish and Wildlife Service and the State fish and game agency pursuant to the Fish and Wildlife Coordination Act (16 U.S.C. 661–666c); or

''(B) by long-term leases or agreements pursuant to the Bankhead-Jones Farm Tenant Act (50 Stat. 525; 7 U.S.C. 1010 et seq.).

''(4) The term 'Director' means the Director of the United States Fish and Wildlife Service.

''(5) The terms 'fish', 'wildlife', and 'fish and wildlife' mean any wild member of the animal kingdom whether alive or dead, and regardless of whether the member was bred, hatched, or born in captivity, including a part, product, egg, or offspring of the member.

''(6) The term 'hunt' and 'hunting' do not include any taking of the American alligator (Alligator mississippiensis) or its eggs.

''(7) The term 'person' means any individual, partnership, corporation or association.

''(8) The term 'plant' means any member of the plant kingdom in a wild, unconfined state, including any plant community, seed, root, or other part of a plant.

''(9) The terms 'purposes of the refuge' and 'purposes of each refuge' mean the purposes specified in or derived from the law, proclamation, executive order, agreement, public land order, donation document, or administrative memorandum establishing, authorizing, or expanding a refuge, refuge unit, or refuge subunit.

''(10) The term 'refuge' means a designated area of land, water, or an interest in land or water within the System, but does not include navigational servitudes, or Coordination Areas.

''(11) The term 'Secretary' means the Secretary of the Interior.

''(12) The terms 'State' and 'United States' mean the several States of the United States, Puerto Rico, American Samoa, the Virgin Islands, Guam, and the insular possessions of the United States.

''(13) The term 'System' means the National Wildlife Refuge System designated under section 4(a)(1).

''(14) The terms 'take', 'taking', or 'taken' mean to pursue, hunt, shoot, capture, collect, or kill, or to attempt to pursue, hunt, shoot, capture, collect, or kill.''.

(b) CONFORMING AMENDMENT.—Section 4 (16 U.S.C. 668dd) is amended by striking ''Secretary of the Interior'' each place it appears and inserting ''Secretary''.

SEC. 4. MISSION AND PURPOSES OF THE SYSTEM.

Section 4(a) (16 U.S.C. 668dd(a)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (5) and (6), respectively;

(2) in clause (i) of paragraph (6) (as so redesignated), by striking ''paragraph (2)'' and inserting ''paragraph (5)''; and

(3) by inserting after paragraph (1) the following new paragraphs:

''(2) The overall mission of the System is to conserve and manage fish, wildlife, and plants and their habitats within the System for the benefit of present and future generations of the people of the United States.

''(3) The purposes of the System are—

''(A) to provide a national network of lands and waters designed to conserve and manage fish, wildlife, and plants and their habitats;

''(B) to conserve, manage, and where appropriate restore fish and wildlife populations, plant communities, and refuge habitats within the System;

''(C) to conserve and manage migratory birds, anadromous or interjurisdictional fish species, and marine mammals within the System;

''(D) to provide opportunities for compatible uses of refuges consisting of fish- and wildlife-dependent recreation, including fishing and hunting, wildlife observation, and environmental education;

''(E) to preserve, restore, and recover fish, wildlife, and plants within the System that are listed or are candidates for threatened species or endangered species under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533) and the habitats on which these species depend; and

''(F) to fulfill as appropriate international treaty obligations of the United States with respect to fish, wildlife, and plants, and their habitats.''.

SEC. 5. ADMINISTRATION OF THE SYSTEM.

(a) ADMINISTRATION, GENERALLY.—Section 4(a) (16 U.S.C. 668dd(a)) (as amended by section 3 of this Act) is further amended by inserting after new paragraph (3) the following new paragraph:

''(4) In administering the System, the Secretary shall—

''(A) ensure that the mission and purposes of the System described in paragraphs (2) and (3), respectively, and the purposes of each refuge are carried out, except that if a conflict exists between the purposes of a refuge and any purpose of the System, the conflict shall be resolved in a manner that first protects the purposes of the refuge, and, to the extent practicable, that also achieves the purposes of the System;

''(B) provide for conservation of fish and wildlife and their habitats within the System;

''(C) ensure effective coordination, interaction, and cooperation with owners of land adjoining refuges and the fish and wildlife agency of the States in which the units of the System are located;

''(D) assist in the maintenance of adequate water quantity and water quality to fulfill the purposes of the System and the purposes of each refuge;

''(E) acquire under State law through purchase, exchange, or donation water rights that are needed for refuge purposes;

''(F) plan, propose, and direct appropriate expansion of the System in the manner that is best designed to accomplish the purposes of the System and the purposes of each refuge and to complement efforts of States and other Federal agencies to conserve fish and wildlife and their habitats;

''(G) recognize compatible uses of refuges consisting of wildlife-dependent recreational activities involving hunting, fishing, wildlife observation and photography, and environmental education and interpretation as priority general public uses of the System through which the American public can develop an appreciation for fish and wildlife;

''(H) provide expanded opportunities for these priority public uses within the System when they are compatible and consistent with sound principles of fish and wildlife management;

''(I) ensure that such priority public uses receive enhanced attention in planning and management within the System;

''(J) provide increased opportunities for families to experience wildlife-dependent recreation, particularly opportunities for parents and their children to safely engage in traditional outdoor activities, such as fishing and hunting;

''(K) ensure that the biological integrity and environmental health of the System is maintained for the benefit of present and future generations of Americans;

''(L) continue, consistent with existing laws and interagency agreements, authorized or permitted uses of units of the System by other Federal agencies, including those necessary to facilitate military preparedness;

''(M) plan and direct the continued growth of the System in a manner that is best designed to accomplish the mission of the System, to contribute to the conservation of the ecosystems of the United States, and to increase support for the System and participation from conservation partners and the public;

''(N) ensure timely and effective cooperation and collaboration with Federal agencies and State fish and wildlife agencies during the course of acquiring and managing refuges;

''(O) ensure appropriate public involvement opportunities will be provided in conjunction with refuge planning and management activities; and

''(P) identify, prior to acquisition, existing wildlife-dependent compatible uses of new refuge lands that shall be permitted to continue on an interim basis pending completion of comprehensive planning.''.

(b) POWERS.—Section 4(b) (16 U.S.C. 668dd(b)) is amended—

(1) in the matter preceding paragraph (1) by striking ''authorized—'' and inserting ''authorized to take the following actions:'';

(2) in paragraph (1) by striking ''to enter'' and inserting ''Enter'';

(3) in paragraph (2)—

(A) by striking ''to accept'' and inserting ''Accept''; and

(B) by striking '', and'' and inserting a period;

(4) in paragraph (3) by striking ''to acquire'' and inserting ''Acquire''; and

(5) by adding at the end the following new paragraph:

''(4) Subject to standards established by and the overall management oversight of the Director, and consistent with standards established by this Act, enter into cooperative agreements with State fish and wildlife agencies and other entities for the management of programs on, or parts of, a refuge.''.

SEC. 6. COMPATIBILITY STANDARDS AND PROCEDURES.

Section 4(d) (16 U.S.C. 668dd(d)) is amended by adding at the end the following new paragraph:

''(3)(A)(i) Except as provided in clause (ii), on and after the date that is 3 years after the date of the enactment of the National Wildlife Refuge Improvement Act of 1996, the Secretary shall not initiate or permit a new use of a refuge or expand, renew, or extend an existing use of a refuge, unless the Secretary has determined that the use is a compatible use.

''(ii) On lands added to the System after the date of the enactment of the National Wildlife Refuge Improvement Act of 1996, any existing fish or wildlife-dependent use of a refuge, including fishing, hunting, wildlife observation, and environmental education, shall be permitted to continue on an interim basis unless the Secretary determines that the use is not a compatible use.

''(iii) The Secretary shall permit fishing and hunting on a refuge if the Secretary determines that the activities are consistent with the principles of sound fish and wildlife management, are compatible uses, and are consistent with public safety. No other determinations or findings, except the determination of consistency with State laws and regulations provided for in subsection (m), are required to be made for fishing and hunting to occur. The Secretary may make the determination referred to in this paragraph for a refuge concurrently with the development of a conservation plan for the refuge under subsection (e).

''(B) Not later than 24 months after the date of the enactment of the National Wildlife Refuge Improvement Act of 1996, the Secretary shall issue final regulations establishing the process for determining under subparagraph (A) whether a use is a compatible use, that—

''(i) designate the refuge officer responsible for making initial compatibility determinations;

''(ii) require an estimate of the timeframe, location, manner, and purpose of each use;

''(iii) identify the effects of each use on refuge resources and purposes of each refuge;

''(iv) require that compatibility determinations be made in writing and consider the best professional judgment of the refuge officer designated under clause (i);

''(v) provide for the expedited consideration of uses that will likely have no detrimental effect on the fulfillment of the purposes of a refuge or the purposes of the System specified in subsection (a)(3);

''(vi) provide for the elimination or modification of any use as expeditiously as practicable after a determination is made that the use is not a compatible use;

''(vii) require, after an opportunity for public comment, reevaluation of each existing use, other than those uses specified in clause (viii), when conditions under which the use is permitted change significantly or when there is significant new information regarding the effects of the use, but not less frequently than once every 10 years, to ensure that the use remains a compatible use;

''(viii) require after an opportunity for public comment reevaluation of each fish and wildlife-dependent recreational use when conditions under which the use is permitted change significantly or when there is significant new information regarding the effects of the use, but not less frequently than in conjunction with each preparation or revision of a conservation plan under subsection (e) or at least every 15 years;

''(ix) provide an opportunity for public review and comment on each evaluation of a use, unless an opportunity for public review and comment on the evaluation of the use has already been provided during the development or revision of a conservation plan for the refuge under subsection (e) or has otherwise been provided during routine, periodic determinations of compatibility for fish- and wildlife-dependent recreational uses; and

''(x) provide that when managed in accordance with principles of sound fish and wildlife management, fishing, hunting, wildlife observation, and environmental education in a refuge are generally compatible uses.

''(4) The provisions of this Act relating to determinations of the compatibility of a use shall not apply to—

''(A) overflights above a refuge; and

''(B) activities authorized, funded, or conducted by a Federal agency (other than the United States Fish and Wildlife Service) which has primary jurisdiction over the refuge or a portion of the refuge, if the management of those activities is in accordance with a memorandum of understanding between the Secretary or the Director and the head of the Federal agency with primary jurisdiction over the refuge governing the use of the refuge.

''(5) Overflights above a refuge may be governed by any memorandum of understanding entered into by the Secretary that applies to the refuge.''.

SEC. 7. REFUGE CONSERVATION PLANNING PROGRAM.

(a) IN GENERAL.—Section 4 (16 U.S.C. 668dd) is amended—

(1) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(2) by inserting after subsection (d) the following new subsection:

''(e)(1)(A) Except with respect to refuge lands in Alaska (which shall be governed by the refuge planning provisions of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3101 et seq.)), the Secretary shall—

''(i) propose a comprehensive conservation plan for each refuge or related complex of refuges (referred to in this subsection as a 'planning unit') in the System;

''(ii) publish a notice of opportunity for public comment in the Federal Register on each proposed conservation plan;

''(iii) issue a final conservation plan for each planning unit consistent with the provisions of this Act and, to the extent practicable, consistent with fish and wildlife conservation plans of the State in which the refuge is located; and

''(iv) not less frequently than 15 years after the date of issuance of a conservation plan under clause (iii) and every 15 years thereafter, revise the conservation plan as may be necessary.

''(B) The Secretary shall prepare a comprehensive conservation plan under this subsection for each refuge within 15 years after the date of enactment of the National Wildlife Refuge Improvement Act of 1996.

''(C) The Secretary shall manage each refuge or planning unit under plans in effect on the date of enactment of the National Wildlife Refuge Improvement Act of 1996, to the extent such plans are consistent with this Act, until such plans are revised or superseded by new comprehensive conservation plans issued under this subsection.

''(D) Uses or activities consistent with this Act may occur on any refuge or planning unit before existing plans are revised or new comprehensive conservation plans are issued under this subsection.

''(E) Upon completion of a comprehensive conservation plan under this subsection for a refuge or planning unit, the Secretary shall manage the refuge or planning unit in a manner consistent with the plan and shall revise the plan at any time if the Secretary determines that conditions that affect the refuge or planning unit have changed significantly.

''(2) In developing each comprehensive conservation plan under this subsection for a planning unit, the Secretary, acting through the Director, shall identify and describe—

''(A) the purposes of each refuge comprising the planning unit and the purposes of the System applicable to those refuges;

''(B) the distribution, migration patterns, and abundance of fish, wildlife, and plant populations and related habitats within the planning unit;

''(C) the archaeological and cultural values of the planning unit;

''(D) such areas within the planning unit that are suitable for use as administrative sites or visitor facilities;

''(E) significant problems that may adversely affect the populations and habitats of fish, wildlife, and plants within the planning unit and the actions necessary to correct or mitigate such problems; and

''(F) the opportunities for fish- and wildlife-dependent recreation, including fishing and hunting, wildlife observation, environmental education, interpretation of the resources and values of the planning unit, and other uses that may contribute to refuge management.

''(3) In preparing each comprehensive conservation plan under this subsection, and any revision to such a plan, the Secretary, acting through the Director, shall, to the maximum extent practicable and consistent with this Act—

''(A) consult with adjoining Federal, State, local, and private landowners and affected State conservation agencies; and

''(B) coordinate the development of the conservation plan or revision of the plan with relevant State conservation plans for fish and wildlife and their habitats.

''(4)(A) In accordance with subparagraph (B), the Secretary shall develop and implement a process to ensure an opportunity for active public involvement in the preparation and revision of comprehensive conservation plans under this subsection. At a minimum, the Secretary shall require that publication of any final plan shall include a summary of the comments made by States, adjacent or potentially affected landowners, local governments, and any other affected parties, together with a statement of the disposition of concerns expressed in those comments.

''(B) Prior to the adoption of each comprehensive conservation plan under this subsection, the Secretary shall issue public notice of the draft proposed plan, make copies of the plan available at the affected field and regional offices of the United States Fish and Wildlife Service, and provide opportunity for public comment.''.

SEC. 8. EMERGENCY POWER; PRESIDENTIAL EXEMPTION; STATE AUTHORITY; WATER RIGHTS; COORDINATION.

(a) IN GENERAL.—Section 4 (16 U.S.C. 668dd) is further amended by adding at the end the following new subsections:

''(k) Notwithstanding any other provision of this Act the Secretary may temporarily suspend, allow, or initiate any activity in a refuge in the System in the event of any emergency that constitutes an imminent danger to the health and safety of the public or any fish or wildlife population, including any activity to control or eradicate sea lampreys, zebra mussels, or any other aquatic nuisance species (as that term is defined in section 1003 of the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 (16 U.S.C. 4702)).

''(l)(1) The President may exempt from any provision of this Act any activity conducted by the Department of Defense on a refuge within the System if the President finds that—

''(A) the activity is in the paramount interest of the United States for reasons of national security; and

''(B) there is no feasible and prudent alternative location on public lands for the activity.

''(2) After the President authorizes an exemption under paragraph (1), the Secretary of Defense shall undertake, with the concurrence of the Secretary of the Interior, appropriate steps to mitigate the effect of the exempted activity on the refuge.

''(m) Nothing in this Act shall be construed to authorize the Secretary to control or regulate hunting or fishing of fish and resident wildlife on lands or waters not within the System.

''(n) Nothing in this Act shall be construed as affecting the authority, jurisdiction, or responsibility of the several States to manage, control, or regulate fish and resident wildlife under State law or regulations in any area within the System. Regulations permitting hunting or fishing of fish and resident wildlife within the System shall be, to the extent practicable, consistent with State fish and wildlife laws, regulations, or management plans.

''(o)(1) Nothing in this Act shall—

''(A) create a reserved water right, express or implied, in the United States for any purpose;

''(B) affect any water right in existence on the date of enactment of the National Wildlife Refuge Improvement Act of 1996; or

''(C) affect any Federal or State law in existence on the date of the enactment of the National Wildlife Refuge Improvement Act of 1996 regarding water quality or water quantity.

''(2) Nothing in this Act shall diminish or affect the ability to join the United States in the adjudication of rights to the use of water pursuant to the McCarran Act (43 U.S.C. 666).

''(p) Coordination with State fish and wildlife agency personnel or with personnel of other affected State agencies pursuant to this Act shall not be subject to the Federal Advisory Committee Act.''.

(b) CONFORMING AMENDMENT.—Section 4(c) (16 U.S.C. 668dd(c)) is amended by striking the last sentence.

SEC. 9. STATUTORY CONSTRUCTION.

Nothing in this Act is intended to affect—

(1) the provisions for subsistence uses in Alaska set forth in the Alaska National Interest Lands Conservation Act (Public Law 96–487), including those in titles III and VIII of that Act;

(2) the provisions of section 102 of the Alaska National Interest Lands Conservation

Act, the jurisdiction over subsistence uses in Alaska, or any assertion of subsistence uses in the Federal courts; and

(3) the manner in which section 810 of the Alaska National Interest Lands Conservation Act is implemented in refuges in Alaska, and the determination of compatible use as it relates to subsistence uses in these refuges.

SEC. 10. NEW REFUGES.

Notwithstanding any other provision of law, no funds may be expended from the Land and Water Conservation Fund established by Public Law 88–578, for the creation of a new refuge within the National Wildlife Refuge System without specific authorization from Congress pursuant to recommendation from the United States Fish and Wildlife Service, to create that new refuge.

SEC. 11. REORGANIZATIONAL TECHNICAL AMENDMENTS.

(a) REORGANIZATIONAL AMENDMENTS.—The Act of October 15, 1966 (16 U.S.C. 668dd et seq.) is amended—

(1) by adding before section 4 the following new section:

"SECTION 1. SHORT TITLE.

''This Act may be cited as the 'National Wildlife Refuge System Administration Act of 1966'.'';

(2) by striking sections 6, 7, 8, 9, and 10; and

(3) in section 4 (16 U.S.C. 668dd), as in effect immediately before the enactment of this Act—

(A) by redesignating that section as section 2;

(B) by striking ''SEC. 4.''; and

(C) by inserting before and immediately above the text of the section the following new heading:

"SEC. 4. NATIONAL WILDLIFE REFUGE SYSTEM.".

(b) CONFORMING AMENDMENT.—Section 12(f) of the Act of December 5, 1969 (83 Stat. 283) is repealed.

(c) REFERENCES.—Any reference in any law, regulation, or other document of the United States to section 4 of the National Wildlife Refuge System Administration Act of 1966 is deemed to refer to section 2 of that Act, as redesignated by subsection (a)(4) of this section.