

metals investments. Current law limits the precious metals choices for investors in these retirement accounts to gold and silver American Eagle bullion coins, minted by the U.S. Mint. While American Eagles are convenient for small transactions, they have a high premium relative to bullion bars, making them less attractive for investors choosing to invest larger amounts in precious metals.

Current law also permits legal tender coinage to be included in defined contribution pension and profit-sharing plans, but not individually directed retirement accounts and other self-directed retirement plans. Removing current restriction would allow small investors, many whose total investment programs consist of the IRA's, to select from the same menu of investment options currently available to other investors.

The legislation my colleagues and I are introducing today will amend section 408(m) of the Internal Revenue Code and expand the qualified precious metals investments for individually directed retirement accounts to include gold, silver, platinum, and palladium bullion products in bar or coin form, and legal tender coinage. This will permit American investors a wider range of investment options for their individually directed retirement accounts, and other self-directed accounts in qualified retirement plans, while having no revenue impact for the Federal Government.

This bill also will correct an unintentional drafting error which occurred with the conversion, in 1989, of the tariff schedules of the United States [TSUS] into the harmonized tariff schedule of the United States [HTS] and will allow the importation of gold and silver bullion to continue duty-free. This measure will amend subchapter II of chapter 71 of the HTS and correct the definition of gold and silver bullion bars which are both cast and minted.

For more than a century, gold and silver bars imported into the United States have been classified under the duty-free tariff provisions covering gold and silver bullion and more. Until the 1970's, bars were universally produced by the casting method, whereby molten metal is poured into a mold where it hardens into a bar. Technological advancements some 20 years ago permitted bullion bars to be minted rather than cast. Minted bars are stamped out of flat strips of rolled gold or silver to the required dimensions. In the case of smaller quantities of metal, minting bars is more efficient, precise, and cost-effective. This new production method had no effect on the product. Whether cast or minted, the bars are at least 99.5 percent pure gold or silver, and both are recognized internationally as bullion products of similar quality and purity.

Our bill would correct an unintentional drafting error which occurred in the conversion of the TSUS to the HTS. In 1989, the United States adopted the HTS, replacing the TSUS. In the conversion, the drafters of the HTS, through an oversight, made the provisions for gold and silver bullion a subcategory of the provisions for unwrought forms of gold and silver. In the HTS, the definition of the term "unwrought" excludes articles that are produced using a rolling process. The drafters failed to take into account that in order to mint the bars, the gold and silver must first be rolled into a flat strip, which, according to the U.S. Customs Service, removed the bars from the unwrought category. However, minted bullion

bars continued to be imported duty-free for the next 4 years.

In 1993, the Customs Service sought to classify minted gold and silver bars under the provisions for other articles of gold and silver, in HTS heading 7115 at a duty of 7.8 percent and 5.4 percent, respectively. By 1994, the proposal had caused a major stir in the international precious metals market until it was held in abeyance by the Department of the Treasury, an action still in effect.

This measure would remedy the drafting error in the HTS by affirming the longstanding duty-free provisions for semimanufactured gold and silver and for other articles of gold and silver. The bill before us will properly retain the duty-free treatment accorded to the importation of gold and silver bullion bars for over 100 years.

Because gold and silver bullion bars, whether cast or minted, regardless of size, have always been duty-free, enactment of the proposed corrective provisions in this measure would simply retain that status, and would not deprive the Treasury of revenue. Consequently, this change in the HTS will have no revenue impact.

I urge my colleagues to work with Congressman HAYES, Congressman ENSIGN, and myself to enact this bill to restore fairness for those with individually directed retirement accounts and to correct an unintended drafting error in the HTS.

#### PERSONAL EXPLANATION

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 11, 1996*

Mr. SCHAEFER. Mr. Speaker, I was unable to cast votes yesterday on rollcall votes 222, 223, and 224. Had I been present, I would have voted for H.R. 3364, to designate a U.S. courthouse in Scranton, PA, as the William J. Nealon United States Courthouse; H.R. 3400, to designate the U.S. courthouse to be constructed in Omaha, NE, as the Roman L. Hruska U.S. Courthouse; and H.R. 3060, to implement the protocol on environmental protection to the Antarctic Treaty.

#### HONORING THE CLAY COUNTY RESCUE SQUAD

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 11, 1996*

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the Clay County Rescue Squad. These brave, civic-minded people give freely of their time so that should disaster strike, we know that our friends and neighbors are there to help.

Few realize the depth of training and hard work that goes into being a member of the rescue squad. Rescue squad members undergo a training series over a 4- to 6-month period which includes instruction in cardiopulmonary resuscitation [CPR], vehicle extrication, emergency driving, and rescue orientation. In addition to this training, rescue

squad members also meet monthly to address business concerns as well as hear guest speakers.

Rescue squad members are volunteers. They receive no pay for what they do. What also makes their services especially outstanding is that the organizations themselves receive no funding. They receive no funding from the city, the county, or the Federal Government.

Rescue squads are funded in the same spirit of community voluntarism which moves them to serve. Family, friends, and neighbors pitch in at bake sales, road blocks, and fish fries to help those who sacrifice their time for the benefit of the whole community.

Committing such an amount of spare time and energy to a job so emotionally and physically taxing requires a sense of devotion and duty for which we are all grateful.

#### TRIBUTE TO GIRL SCOUT GOLD AWARD RECIPIENTS

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 11, 1996*

Mr. MYERS of Indiana. Mr. Speaker, today I would like to salute four outstanding young women who have been honored with the Girl Scout Gold Award by Covered Bridge Girl Scout Council in Terre Haute, IN. This year Katherine Bloomer, Amanda Lambertus, Wendy Lu, and Katey Marancik received Gold Awards. This award symbolizes outstanding accomplishments in the areas of leadership, community service, career planning, and personal development. The award can be earned by girls ages 14 to 17 or in grades 9 through 12.

Girl Scouts of the U.S.A., an organization serving over 2.5 million girls, has awarded more than 20,000 Girl Scout Gold Awards to senior Girl Scouts since the inception of the program in 1980.

To receive the award, a Girl Scout must earn four interest project patches, the Career Exploration Pin, the Senior Girl Scout Leadership Award, and the Senior Girl Scout Challenge, as well as design and implement a Girl Scout Gold Award project. A plan for fulfilling these requirements is created by the senior Girl Scout and is carried out through close cooperation between the girl and an adult Girl Scout volunteer.

I believe we should join the Covered Bridge Girl Scout Council in publicly recognizing these young women for their service to their community and country.

#### WHITE HOUSE ABUSE OF POWER

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 11, 1996*

Mr. PACKARD. Mr. Speaker, I would like to express my outrage at the blatant abuse of power exhibited by the White House. Recently discovered documents show that the White House requested and received 341 highly confidential FBI records of former Reagan and Bush appointees.