

for up to 10 minutes as if in morning business.

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

Mr. D'AMATO. Mr. President, first of all, let me thank Senator HUTCHINSON for being so gracious in permitting me this opportunity because I know he had asked to speak earlier.

#### VIOLATION OF SWISS BANK SECURITY LAWS

Mr. D'AMATO. Mr. President, I rise today to discuss the case of Christoph Meili. He is a heroic young Swiss bank guard, 27 years of age, who stumbled on a situation that was rather remarkable. It was the shredding this past January of historical documents at Union Bank of Switzerland, one of Switzerland's largest, most prestigious banks. He noted that these records dated during the period of the Holocaust, prior to and during World War II, and he knew that the Government of Switzerland had just passed legislation prohibiting destruction of just these types of records. He took a handful of these records and brought them to the Jewish Cultural Society. They then passed them on to the police—never went to the media. The records were never copied. They were never in any way compromised.

For his bravery, for standing up and doing the right thing, he has been fired from his job. In his termination letter, Mr. Meile was told that although his conduct was "classified as ethical and moral in certain circles," his actions were unjustifiable from the perspective of labor law.

Can you imagine that. He saw the law being violated. He knew that these documents were of import, and he was fired. Here is a noble young man who risked everything, a humble man, a high school education, with a wife and two children. What happened? He is called a traitor to his country. His wife and children are threatened. Hundreds of letters pour in.

Let me read one letter, and it is a tough letter. And I have seen many of these:

Meile, you bastard. The secret numbered account won't do you any good. You are a son of a bitch, a traitor to your country. It will cost you your life. Your children are in danger. We will kidnap them and make sure that you pay the ransom with your Jewish money. We'll finish you off. We're going to wipe out the entire Meile clan. Traitors like you are not wanted. If you have any courage, you'll kill yourself or emigrate into the promised land to your Jewish friends—to Israel or the U.S. You won't live much longer in Switzerland if you don't kill yourself.

That is the kind of thing he has been subjected to. This brave, courageous and righteous young man finds himself terminated from employment, blacklisted.

The chairman of the board of Union Bank, Mr. Studer says that he thinks Mr. Meili did this to get money. Now, let me say something. Mr. Meili did not go to the press. This information was

released by the Union Bank and the police authorities.

I have just recently written to the local prosecutor, and in that letter of May 15 I said, basically, are you still threatening to prosecute Mr. Meili? I ask that the full text of that letter be printed in the RECORD.

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

U.S. SENATE, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,

Washington, DC, May 15, 1997.

Mr. PETER COSANDEY,  
District Attorney of the Canton Zurich, Zurich,  
Switzerland.

DEAR MR. COSANDEY: This letter concerns Mr. Christoph Meili, the former bank security guard who discovered the shredding of Holocaust-era documents at the Union Bank of Switzerland in Zurich and who is currently being investigated by your office for violation of Swiss bank secrecy laws.

As you are probably aware Mr. Meili has recently testified before the Senate Banking Committee in Washington, D.C., in reference to his discovery of the shredding of valuable archival documents by the Union Bank of Switzerland. He told of his firing by his employer Wache A.G., even after I received personal assurances from Ambassador Thomas Borer that this would not take place. Mr. Meili stated that this firing has left him penniless and has placed terrible financial strains upon himself and his family. As you are undoubtedly aware Mr. Meili has a wife and two young children that he must now somehow support.

Mr. Meili also testified of his hours of intense interrogation by Swiss officials and their silence as to the status of their investigation. Mr. Meili also testified that Swiss officials have yet to provide him with copies of the archival documents that he saved from destruction. Mr. Meili also stated that he fears for his life and the life of his wife and infant children. He stated that both he and the members of his family have received numerous threats against their lives. His children have been threatened with kidnapping and he has been told that "their ransoms could be paid from monies belonging to the Jewish community." This is unconscionable.

He also feels that he has been "black-listed" by the Swiss banking community and will have great difficulty in securing gainful employment in Switzerland. Mr. Meili should be treated as a hero not as a criminal. It is within this light that I now ask you to end your harassment of Mr. Meili. You do both your office, Mr. Meili and the citizens of Switzerland a great injustice in continuing your present course of action. The Union Bank of Switzerland should be the subject of your investigation, not Mr. Meili.

In closing, I would also be most interested in finding out what action your office has taken against Mr. Erwin Hagenmuller, the Archivist for the Union Bank of Switzerland who ordered the shredding of archival documents even though recently enacted Swiss law prohibits such willful destruction. Was a report filed by the Union Bank of Switzerland in reference to Mr. Hagenmuller's actions? If so, could a copy of the report be forwarded to the Committee for review?

Respectfully,

ALFONSO M. D'AMATO,  
Chairman.

Mr. D'AMATO. I did not receive a direct reply, but let me tell you what I did get just yesterday. I received a letter from Mr. Meile's attorney, Marcel Bosonnet.

In the letter the prosecutor says, basically, that "we intend," and I quote, "to bring a charge" against Mr. Meili. They are going to charge Mr. Meili with criminal conduct, not the bank which shredded the records. And they want Mr. Meili to come back to Switzerland for another interview. Mr. Meili's lawyer, Mr. Bosonnet, writing to a lawyer who is representing Mr. Meili because Mr. Meili is here in hiding, has advised him not to come back to Switzerland because he would face not only persecution but prosecution and harassment.

Now, Mr. President, it is one thing for the Swiss Government to say, "Do not blame us for what took place 50 years ago", and another thing to say, "Well, what we are doing today is correct." I say to the Swiss Government and to the Swiss banks, do not shred the truth. Tell the truth. Mr. Meili should not be facing criminal charges for coming forward.

Let me share with you, if I might, what I learned just before we adjourned. And, by the way, I commend my colleagues in the Senate for passing the bill which will give to Mr. Meili relief, a private relief bill which will permit him and his family to reside in this country legally and to be able to be gainfully employed. That legislation is now pending action in the House. But let me say to you that I think all of us were moved when we heard the testimony of Mr. Meili.

I said to him, "Christoph, why did you do this? Why did you take these documents and report and expose what was going on?"

Do you know what he said? He said, "Two months earlier I saw 'Schindler's List,' and I knew that I must be doing something, and I could not just stand by and let this take place."

So I say to my colleagues in the Senate and in the House, can we do anything less than to ask for speedy passage of that legislation that will give Christoph the right to work and live here in this great country, to tell him that we do appreciate his standing up for truth and justice, and also to let the Swiss Government know in the strongest terms that we are not going to stand by and do business as usual. We are not going to allow them to harass this young man, because this prosecutor is way off base. If anything, he should be investigating the destruction of those historical documents by the Union Bank, documents that existed in some cases for more than 60 years. Suddenly they say they began to destroy them by accident. I do not believe it. It also raises in this Senator's mind the question of how historical documents that have been stored in warehouses belonging to some of the banking institutions mysteriously have caught on fire. I'm talking about four different warehouses in this country, the latest being in New Jersey, concerning documents that belonged to Credit Suisse.

I wonder how it is that shredding takes place after 60 years by accident.

When a young bank guard comes forward and says, "Look, this is not right," he, then, becomes the victim and becomes the criminal.

What we seek is justice and a full accounting. And certainly fair treatment of this heroic young man.

Mr. President, I yield the floor.

#### FAMILY FRIENDLY WORKPLACE ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, are we on the legislation so I can offer an amendment?

The PRESIDING OFFICER. Yes, we are; pending is S. 4.

#### AMENDMENT NO. 253

(Purpose: To provide protections in bankruptcy proceedings for claims relating to compensatory time off and flexible work credit hours)

Mr. GRASSLEY. Mr. President, under the unanimous-consent agreement my amendment on bankruptcy to this legislation has been filed. I would like to take that amendment up at this point. If it is necessary to read the amendment, I would like to have it read.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 253.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 28, after line 16, insert the following:

(d) PROTECTIONS FOR CLAIMS RELATING TO COMPENSATORY TIME OFF AND FLEXIBLE CREDIT HOURS IN BANKRUPTCY PROCEEDINGS.—Section 507(a)(3) of title 11, United States Code, is amended—

(1) by striking "\$4,000" and inserting "\$6,000";

(2) by striking "for—" and inserting the following: "provided that all accrued compensatory time (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) or accrued flexible credit hours (as defined in section 13(A) of the Fair Labor Standards Act of 1938) shall be deemed to have been earned within 90 days before the date of the filing of the petition or the date of the cessation of the debtor's business, whichever occurs first, for—"; and

(3) in subparagraph (A), by inserting before the semicolon the following: "or the value of unused, accrued compensatory time (as defined in section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207)) or the value of unused, accrued flexible credit hours (as defined in section 13A of the Fair Labor Standards Act of 1938)".

Mr. GRASSLEY. Mr. President, I rise today to offer a bankruptcy amendment which has been raised regarding S. 4. This is a bill which will provide America's working families with some much-needed relief from the demands of bal-

ancing family and work. But some have questioned whether workers' rights to be paid by companies that declare bankruptcy might inadvertently be affected by S. 4. My amendment will make sure that this will not happen and that workers will be fully protected.

S. 4 is a very important bill. We all know the story. Over the past decade or so, wages have been flat and the tax burden seems to just grow and grow. As both mothers and fathers around the country have had to work outside the home and have had to work longer and longer hours, they have less time to spend with each other and with their families. This leads to a decrease in the quality of family life.

And with all the assaults we have on families these days—increased drug use by teens, excessive violence and sex coming from Hollywood to name a few—Congress needs to give serious consideration to finding ways to protect and stabilize families. The Senator from Missouri is to be commended for taking such a progressive stance on this important issue.

S. 4 will give employers the chance to offer families the choice of working harder and earning overtime pay or getting some time off in exchange for working more. That makes good common sense and will expand the range of choices that working families can make.

Now, I chair the Subcommittee on Administrative Oversight and the Courts, which has primary responsibility for bankruptcy policy in the Senate. I am offering an amendment today to make sure that unused comptime and unused flexible credit time will be protected when an employer declares bankruptcy. Under current law, unpaid wages up to \$4,000 are given a preferred status if earned within 90 days prior to a company declaring bankruptcy. Under the Bankruptcy Code, secured creditors are paid and then the costs of administering the bankruptcy estate will be paid. After that—ahead of all the other creditors—workers' wages will be paid subject to those limitations I just described.

I believe that comptime and flexible credit time should be protected in the same way as unpaid wages because unused comptime and unused flexible credit time are essentially unpaid wages.

So, my amendment does two things. First, my amendment provides that all unused comptime and unused flexible credit time will be deemed to have been earned within 90 days prior to the employer filing for bankruptcy. This will prevent a dishonest employer who wants to cheat workers from arguing that he doesn't have to pay the value of unused comptime or unused flexible credit time because they might have been earned over a period of a year or even longer. In other words, by having the law deem all unused comptime and unused flexible credit time as having been earned within 90 days prior to the

employer's bankruptcy, the worker's right to be paid will be protected. That's pro-worker and pro-family and it's just plain fair.

The second thing that my amendment will do is insert comptime and flexible credit time in the list of preferred debts alongside unpaid wages. That means that unused comptime and unused flexible credit time will have the same preferred status as unpaid wages.

Mr. President, I hope that every Member of this body will support my amendment. It is pro-worker and it makes sure that the promise of comptime and flexible credit time will not turn into an empty promise. As we all know, most employers are honest and law abiding and will go into bankruptcy only as a last resort. But when a company has to go into bankruptcy, we should take extra care here in Congress to see to it that workers are treated fairly. We should also make sure that workers are protected from the small number of dishonest companies that might try to use a loophole to cheat workers out of what they've earned.

My amendment simply ensures that unused comptime and unused flexible credit time will be as protected as unpaid wages. Workers who choose to take the time to be with their families should not be disadvantaged should their company have to declare bankruptcy.

Mr. President, I hope this amendment passes overwhelmingly.

I would like to also suggest that as a concession to the Members of the other side of the aisle, I have also raised the dollar amount referred to earlier from \$4,000 up to \$6,000 as well.

I yield the floor.

Mr. ASHCROFT. Will the Senator from Iowa yield for a question?

Mr. GRASSLEY. Yes.

Mr. ASHCROFT. I am very pleased to have the Senator come to the floor and offer this amendment. I would like to clarify the intent of my colleague. I think I understand it.

If the comptime accumulated earnings, which might either be paid off at the end of the year as comptime that gets cashed out or might be taken as comptime, as time off—if that is older than 90 days old, under the current law it might not have all the protections in bankruptcy that normal wages would have; is that correct?

Mr. GRASSLEY. The Senator from Missouri has the existing law correct. That is right.

Mr. ASHCROFT. So what the Senator is doing is making sure that everything that would be in a comptime or flexible bank in terms of hours would be protected at the highest level of protection as recently earned wages under the bankruptcy law?

Mr. GRASSLEY. Yes.

Mr. ASHCROFT. I think that is a clear improvement to this measure, in terms of protecting the interests of workers. I thank the Senator from