The House met at 10 a.m.
The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

We remember with gratitude and thanksgiving the life and work of our colleague, STEVE SCHIFF, and we recall his life with a deep and lasting appreciation. We pray that your blessing, O God, would be with his family and upon all those who loved him and who received his love and his grace.

We remember the great traits that he brought to his responsibilities as a Member of this body and we are aware how this institution was ennobled by his integrity and his honesty. He was a friend to so many and his ideas and counsel made a difference for good in the history of our Nation. For his wisdom and sound judgment, for the dignity and intellect that he carried with him, for his commitment to the people he represented and for the love of family that he showed, we offer our thanks and praise.

May your peace, O God, that passes all human understanding, be with his family and with each of us now and forevermore. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Oregon (Ms. FURSE) come forward and lead the House in the Pledge of Allegiance?

Ms. Furse led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which concurrence of the House is requested:

S. Con. Res. 87. Concurrent resolution to correct the enrollment of S. 419.

QUESTION OF PERSONAL PRIVILEGE

Mr. SHUSTER. Mr. Speaker, I rise to a point of personal privilege. The SPEAKER pro tempore (Mr. CAVET) based on the Chair's examination of press accounts referring to the gentleman from Pennsylvania (Mr. SHUSTER) which he has furnished to the Chair, the gentleman is recognized for a question of personal privilege. Under rule IX, the gentleman is recognized for 1 hour.

Mr. SHUSTER asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. SHUSTER. Mr. Speaker, many years ago, Joseph McCarthy in Wheeling, West Virginia stood up and waved newspapers and said he had the names of 57 Communists in government. Well, he got lots of headlines but, of course, he was eventually proved to be a liar. I am reminded of that event, although I certainly make no such charge here today.

Mr. Speaker, three of our colleagues have made numerous statements in the media that we have been, quote, "buying votes," to get them to support our BESTA transportation legislation in exchange for projects which we have given them. Indeed, conversely, that we have been threatening Members that if they did not vote with us, they would not get the projects.

Let me make this very clear. I challenge these Members to name one person who I threatened that they not get a project if they voted against us.

Indeed, if we look back at the battle we had here last year on the budget resolution where we had our transportation amendment, I urge my colleagues to go look at Members who voted against us and then look at the projects they are receiving today. This is simply a blatant falsehood.

Now, no doubt many Members support our legislation because it is important to their district, because they are getting projects that they have requested and which have been vetted through our 14-point requirement.

It seems that in life sometimes there are those who, when one takes a different view from their view, they must somehow ascribe some base motivation. They simply cannot believe that someone disagrees with them, that another's motives can be as pure as theirs. Indeed, sometimes it seems as though the smaller the minority they represent, the more incensed they become, because they view themselves as more pure, more righteous, more sanctimonious than the larger majority of us who are mere mortals. But I do not ascribe any of these motives to our colleagues. I prefer to believe that they simply are misinformed.

Mr. Speaker, the supreme irony, the supreme irony is that the three individuals who have been attacking us, attacking our motives, attacking our integrity, have submitted projects to us for their own congressional districts.

Mr. Speaker, I yield to the distinguished gentleman from Minnesota (Mr. OBERSTAR), ranking member of the full committee.

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. SHUSTER) for yielding.

Mr. Speaker, I join in the gentleman's indignation, to put it mildly, for their vote. I challenge them to name one person who I threatened that they not get a project if they voted against us.
over these attacks that are totally unjustified, unfounded, and inappropriate for Members of this body to make.

First of all, the projects in question have gone through a very thorough and careful vetting process according to a 14-point process that the committee has fashioned, which includes a requirement that the project be on the State's priority or State's future project development list. The points that are included in the review of projects are all the points that States use to measure validity of projects that their transportation departments will fund.

After reviewing all of these projects and ensuring that they meet standards accepted by States and that these are projects necessary in a Member's district, we accept the Member's judgment as to what is necessary for his or her district, and those projects are included in this package, as was done in 1991 in the previous transportation bill.

Mr. Speaker, I could understand Members participating in the process, but I do not approve, I am offended by the use of language and by the accusations made. The gentleman from Pennsylvania has been a vigorous advocate for transportation since before he was elected to Congress in 1977 and has taken his place on the then-Committee on Public Works and now-Committee on Transportation and Infrastructure. Under his chairmanship, he has waged a nationwide campaign for increased investment in the Nation's portfolio of bridges, highways, buses, transit systems, but above all, its safety. He is a champion of safety.

The gentleman's drive to increase spending out of the highway trust fund, tax dollars that have been collected at the pump but not paid into projects for which driving America has already been taxed, is clear and well known and widely respected, open and clear for everyone to review.

So when the gentleman from Pennsylvania or I, together on a bipartisan basis, present our program to our respective caucuses and to this body and ask for their support, we do so very clearly, very openly, without any hidden agenda. And for Members then to say that they have been somehow browbeaten, whipped into line, or threatened is totally inappropriate and totally untrue.

As a strong and vigorous advocate for his program and respect for the gentleman from Pennsylvania and I respect those who take a differing viewpoint. They are entitled to that viewpoint. They are also entitled to the fair share of funding that we have designated without any questions, without any quid pro quo.

We respect and always have respected the Members' right to vote on their district and their conscience. We would ask them, and I do not think there is anything inappropriate to ask a Member to support this legislation, but we respect their right not to.

Mr. Speaker, I think the gentleman from Pennsylvania has conducted himself with the highest dignity, with the appropriate character of a Member of Congress of this distinguished body, in the same manner that he has done for his 26 years in the House of Representatives. I join with him in reproving those who have used such inappropriate language as to question the integrity of the chairman of this committee, a Member who has championed the cause for all of America for better transportation, better investment in the future of our economy, and I salute the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, reclaiming my time, I thank the gentleman from Minnesota for those words.

Mr. TRAFICANT. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Speaker, I want to commend the gentleman from Pennsylvania (Mr. SHUSTER) for being a chairman and taking care of the jurisdictional authority which he is in charge of. I am tired of the 'pork barrel' labels on the gentleman from Pennsylvania and on the gentleman from Minnesota (Mr. OBERSTAR).

Mr. Speaker, I had five bridges in the original authorization and one of the major news networks came to my district and said, boy, you are getting all of this pork. And I said, come on down. Then I showed them bridges with a sway, with a 2-ton weight limit. The next bridge down had a 5-ton weight limit. And I got those bridges built. I got the money for them. And they are still not built; they are now under process. That is how many years it takes.

Well, I want to announce here that as soon as the wrecking crew appeared on the Center Street Bridge, the first time the backhoe hit one of the steel structures, the bridge collapsed.

[1015]

They said, thank God citizens were not killed. Enough of this pork barrel madness. Ohio had 28 major projects announced last year, and my district did not get one of them; and I have the most infrastructure needs in the country. No Member of Congress should go home and flout this pork barrel if they have the infrastructure needs and they are not taking care of it. Because that is why we are elected.

And by God, I am just glad we are building the Center Street bridge and one in my district got hurt. I want to say this as a former Pitt grad, my colleague stands for what a chairman should be; and all chairmen should deal with their jurisdictional authority and dispatch the duties like he has.

I stand with him, proud to be associated with him, and I commend him and the gentleman from Minnesota (Mr. OBERSTAR) for the fine job they have done on this bill.

Mr. SHUSTER. Mr. Speaker, I thank the gentleman for his statement.

Mr. OBERSTAR. Mr. Speaker, if the Chair would continue to yield, let me just emphasize one thing again, never on our side or on the chairman's side of the aisle was any Member told that conclusion of their project was contingent upon or dependent upon their vote. No Member was asked how they intended to vote in advance. Projects were included for Members on the basis of the merits of the project, not on how they would vote.

Mr. Speaker, I include the following for the RECORD:

Hon. BUD SHUSTER, Chairman, Committee on Transportation and Infrastructure, Washington, DC, Dear Chairman Shuster: Recently, the Oklahoma Department of Transportation submitted an authorization request to your Committee to extend the Broken Arrow Expressway from I-44 southeast approximately 8.0 miles to the Tulsa County Line.

I am forwarding the enclosed request to your Committee for its consideration. I am confident that the merit of the project will speak for itself.

Sincerely,

STEVE LARGENT,
Member of Congress.

Information Requests for Transportation Projects, State of Oklahoma

Project Description: SH 51 (Broken Arrow Expressway) extending from I-44 southeast approximately 8.0 miles to the Tulsa County Line.

Evaluation criteria and responses are as follows

1. Name and Congressional District of the Primary Member of Congress sponsoring the project, as well as any other Members supporting the project (each project must have a single primary sponsoring Member).

U.S. Representative Steve Largent.

2. Identify the State or other qualified representative responsible for carrying out the project.

Oklahoma Department of Transportation.

3. Is the project eligible for the use of Federal-aid funds (if a road or bridge project, please note whether it is on the National Highway System)?

This project is eligible for Federal-aid funds and it is on the National Highway System.

4. Describe the design, scope and objectives of the project and whether it is part of a larger system of projects. In doing so, identify the specific segment for which project funding is being sought including terminus points.

Design/Scope: Reconstruct the existing 4 lane highway and add 2 additional lanes to provide a 6 lane facility. This project will complete the final improvements to upgrade the Broken Arrow Expressway which connects the Tulsa central business district with corporate and residential developments in the western portion of Wagoner County. The specific section we are requesting funding for extends from I-44 southeast approximately 8.0 miles to the Tulsa/Wagoner County Line.

5. What is the total project cost and proposed source of funds (please identify the state or local shares and the extent, if any, of private sector financing or the use of innovative financing) and of this amount, how much is being requested for the specific project segment described in Item 4?

The estimated total cost of this project is $360,000,000 and the average daily traffic volume on this section of highway is in excess of 50,000 vehicles daily.

6. Does the project have national or regional significance?
March 26, 1998

CONGRESSIONAL RECORD — HOUSE

This project is on the National Highway System and it serves as a connector route between I-44, I-444, I-244, US 64, US 169 and the Muskogee Turnpike. Consequently, this highway serves to relieve local commuter traffic and interstate travel which makes it significant from a national and regional level.

11. Has the project encountered, or is it likely to encounter, any significant opposition or other obstacles based on environmental or other types of concerns?

Although a preliminary environmental assessment has been completed on this project, a reassessment will be required. The EA includes the merits, but does not include the interchange at US 169. Clearance of the SH 505 US 169 interchange will likely require intermodal issues and a major investment study (ISTEA).

12. Describe the economic, energy efficiency, and environmental, congestion mitigation and safety benefits associated with completion of the project.

Widening this expressway to 6 lanes, reconstructing the major clover leaf interchanges, and providing full directional interchanges will significantly increase capacity, reduce congestion and improve the safety of this major highway serving the Tulsa metropolitan area.

13. Has the project received funding through the State's Federal aid highway apportionment in any case of a transit project, through Federal Transit Administration funding? If not, why not?

The State of Oklahoma has expended in excess of $1.5 billion in Federal funds on this project to perform preliminary engineering work, acquire right-of-way, relocate utilities, and reconstruction work on several sections of the highway in the past few years.

Is the authorization requested for the project an increase in an amount previously authorized or appropriated for it in federal statute (if so, please identify the statute, the amount provided, and the amount obligated to date), or would this be the first authorization for the project in a federal statute? If the authorization requested is for a transit project, has it previously received appropriations and/or received a Letter of Intent or entered into a Full Funding Grant Agreement with the FTA?

The State of Oklahoma will provide $12,600,000.00 in matching funds to finance this project. We request $50,400,000.00 in Federal-aid funds. The estimated total cost of this project is $63,000,000.00 and we are requesting $50,400,000.00 in Federal-aid funds.
Response to No. 6: All of the funds we are requesting can be obligated over the next 5 years.

7. What is the proposed schedule and status of work on the project?

Response to No. 7: The environmental clearance has been completed on this project. However, a reassessment may be necessary. Completion of the environmental reassessment, right-of-way and design plans will be prepared and this takes approximately 2 years. Right-of-way acquisition will then take about 18 months to complete. Construction contracts should be ready for letting within 4 to 5 years.

8. Is this included in the metropolitan and/or State Transportation Improvement Program(s), or the State long-range plan and, if so, is it scheduled for funding?

Response to No. 8: The right-of-way acquisition and utility relocation for one section of this project are currently on the Statewide Transportation Improvement Program and funding is scheduled for these items. The entire project limit, however, is identified as one of the transportation improvement corridors in the Statewide Intermodal Transportation Plan (long range plan). Due to the high cost of this project and the State's limited funds, the remaining construction, right-of-way, and utility phases of this project are not currently scheduled.

9. Is the project considered by State and/or regional transportation officials as critical to their needs? Please provide a letter of support from these officials, and if you cannot, explain why not.

Response to No. 9: This project is considered critical to the economic growth of the eastern region of Oklahoma which generates a large amount of tourism in the Fort Gibson Lake and Tahllequah areas. The highway also serves as a major travel corridor with the following routes: extending from the Tulsa Metropolitan area east to Broken Bow, Muskogee and the Arkansas State line.

10. Does the project have national or regional significance?

Response to No. 10: This project is regionally significant because it provides access to the Muskogee Turnpike, US 412, and other major routes in the eastern section of Oklahoma. It is also nationally significant because it connects with the Muskogee Turnpike, US 412, and other major routes in the eastern region of Oklahoma.

11. Has the proposed project encountered, or is it likely to encounter, any significant opposition or other obstacles based on environmental or other types of concerns?

Response to No. 11: The environmental clearance has been completed on this project. However, a reassessment is likely. We do not anticipate any major opposition or other obstacles that will delay construction of this project.

12. Describe the economic, energy efficiency, environmental, congestion mitigation and safety benefits associated with completion of the project.

Response to No. 12: Widening SH 51 to a 4 lane highway will increase capacity, promote tourism and economic growth in the region, and improve the safety and congestion along this major highway serving the eastern region of Oklahoma.

13. Has the project received funding through the State's Federal-aid highway apportionment, or in the case of a transit project, through Federal Transit Administration funds, by whom and why not?

Response to No. 13: During the past few years the State has expended in excess of $38,000,000.00 to improve this corridor between SH 51 and the Arkansas State Line. However, because the overall critical needs of the entire highway system far exceed the limited funding levels, this project from Coweta to Wagoner has not received funding through the State's Federal-aid highway apportionments.

14. Is the authorization requested for the project an increase to an amount previously authorized or appropriated for it in federal statute (if so, please identify the statute, the amount obligated to date), or would this be the first authorization for the project in federal statute? If the authorization requested is for a transit project, has it previously received appropriations and/or received a Letter of Intent or entered into a Full Funding Grant Agreement with the FTA?

Response to No. 14: This is the first authorization we have requested for this project.


HON. BUD SHUSTER, Chairman, House Committee on Transportation, Rayburn House Office Building.

HON. THOMAS PETRI, Chairman, Subcommittee on Surface Transportation, Rayburn House Office Building.

HON. J.D. HUNTSINGER, Ranking Democratic Member, House Committee on Transportation, Rayburn House Office Building.

HON. JIM RALPHS, Ranking Democratic Member, Subcommittee on Surface Transportation, Rayburn House Office Building.

DEAR MR. CHAIRMAN AND RANKING MEMBERS:

On February 25, 1997, the North Carolina Delegation forwarded to your attention our request for consideration of transportation funding this year. The purpose of this letter is to formally inform you of our strong support for this critical transportation need for the City of Charlotte.

We thank you in advance for your consideration of this request. Please do not hesitate to contact either of us if we can provide you with further information regarding the Outer Loop project.

Sincerely,

SUE MYRICK,
Member of Congress.

MELVIN WATT,
Member of Congress.


Chairman BUD SHUSTER, Committee on Transportation and Infrastructure, Rayburn House Office Building, Washington.

DEAR CHAIRMAN SHUSTER: We are writing to express our strong support for the I-40 cross bridge project, which was submitted to the Surface Transportation Subcommittee in February. This project is important not only to the State of Oklahoma, but also to the Nation.

The I-40 cross bridge is in a critical state of disrepair. There are serious safety concerns surrounding the continued use of this bridge. The project concerns Oklahoma interests this particular bridge every six months; other bridges are inspected only once every two years.

It is critical to the State and to the Nation that this bridge remain open. Recently, the Oklahoma Department of Transportation determined that approximately 102,000 cars cross this bridge every day. Furthermore, 63% of all the trucks that cross this bridge are out of state trucks. Clearly, this bridge is heavily traveled by more than just Oklahomans.

Both the Governor of Oklahoma and the Secretary of Transportation have endorsed this project and have made it the number one transportation priority for the State of Oklahoma. Unfortunately, due to the magnitude of the project, Oklahoma does not have the funds to tackle it at this time.

We are committed to working with our state officials to ensure that this project receive the attention and funding it needs. We would greatly appreciate your consideration of the merits of this project. The I-40 cross bridge is indeed vital to both Oklahoma and the overall interstate system. Please let us know if we can provide you with additional information.

Sincerely,

REP. J.C. WATTS, JR.,
REP. STEVE LARGENT,
REP. FRANK LUCAS,
REP. WES WATKINS,
REP. TOM COBURN.

Mr. SHUSTER, Mr. Speaker, I yield back the balance of my time.
Mr. GIBBONS. Mr. Speaker, when it comes to birthdays or anniversaries, it does not matter whether we call it five decades, 50 years, or just half a century. No matter how we say it, the Sky Tavern Junior Ski Program in northern Nevada deserves our special recognition and congratulations.

Today, I rise with great pride to announce that this year marks the 50th anniversary of the Sky Tavern Junior Ski Program. Since 1948, this program, maintained and run completely by volunteers, has taught thousands of young people in northern Nevada to ski.

The generosity and commitment of hundreds of volunteers and ski instructors have made it possible for these kids from all economic backgrounds to benefit from this program. But the Sky Tavern program provides these people with more than just skiing lessons. It also teaches them the value of a hard day's work and the importance of giving back to their community.

I am proud to represent a community with such outstanding people and such a marvelous program. I am also equally proud to call myself an alumnus of the Sky Tavern Junior Ski Program. To all of them, congratulations, and we look forward to another half century of success and contribution to the children of Nevada.

TELECOMMUNICATIONS Deregulation

Mr. D'ANAOLIO. Mr. Speaker, 3 years ago the Republican leaders and the Clinton administration touted all the benefits that would flow from telecommunications deregulation. Cable would compete with phone, phone with cable, lower rates, better service, new technology. Three years' experience has shown those promises to be hollow.

There is no competition between phone and cable. Cable rates have skyrocketed, local phone rates are going up, service has deteriorated. Then we get all those evening phone calls. This is not a consumer-friendly bill. But, all in all, it has delivered a golden egg for Wall Street and a few companies and a few, in all, it has delivered a golden egg for Wall Street and a few companies and a few.

Now the Clinton administration and the Republican leaders want to rush to deregulate our electric power. Lower rates, new technology, more competition. We have heard it before. Wall Street and a few companies and a few, in all, it has delivered a golden egg for Wall Street and a few companies and a few.

The results for consumers and small business will be the same as telecommunications, evening phone calls, higher rates, worse service.

SKY TAVERN JUNIOR SKI PROGRAM

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The results for consumers and small business will be the same as telecommunications, evening phone calls, higher rates, worse service.

VIOLENT CONDUCT IS PERVASIVE IN OUR CULTURE

Mr. LEWIS of Kentucky. Mr. Speaker, it is outrageous to me that the talking heads on the liberal news networks have not figured out the cause of the Jonesboro, Arkansas, tragedy. To listen to the evening and morning news and their take on the story, it is because of Southerners, with their obsession with guns and their hunting culture; in other words, Southerners, in their opinion, are a bunch of gun-crazed rednecks.

Mr. Speaker, being a Southerner, and along with many other Southerners that have felt the sadness of this tragedy and other tragedies, I am offended by that outrageous assumption. If we want to start placing blame for this and the other tragedies, why not start with the TV networks, where our children are exposed to assault, murder, rape, drug, sex, deviant lifestyles, cheating, stealing, and uncivilized gutter language.

Mr. Speaker, the tragedy is that violence is not confined to any one region or community in this Nation; it is pervasive in a culture that is obsessed with violence, sex, and self-gratification. The truth is, what goes in our children eventually comes out.

SO-CALLED "FOREST RECOVERY" BILL

Ms. FURSE. Mr. Speaker, I am here to talk about the so-called forest recovery bill. This bill is bad for the environment and it is bad for the economy. The
sponsors say it will fix environmental problems in the forest. But, in fact, it will harm our public forests. And because it is such a bad bill, we have a lot of people who are opposing it.

The League of Conservation Voters have made it clear that this is not a no vote. Who else is opposing the bill? Quite a lot of people: the Methodist Church, Taxpayers for Common Sense, the Presbyterian Church, Religious Center for Reformed Judaism, The National Audubon Society, and the US PIRG.

Sure, we do have environmental problems. But we are trying to fix those problems at a local level. We have hundreds of private-public partnerships working to fix those environmental approximate.

What this bill is is a fix from Washington, D.C. We do not need a fix from Washington, D.C. We need to fix our environmental problems on the ground, people who understand, people who know the problems.

So, I say, vote no on H.R. 2515.

IRS IS OUT OF CONTROL

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

Mr. JONES. Mr. Speaker, I rise today to thank the individual who made the following statement: "It is time to change IRS to RIP, rest in peace." They hit the nail on the head. The Internal Revenue Service is truly out of control, just like the tax system it oversees.

This Congress approved important Internal Revenue Service reforms last year which provide critical new protections for the American taxpayer. I hope those reforms will be enacted because they will certainly be an improvement. However, I fear these reforms will not be enough for the American people.

The American people need more tax relief, both from the size of the checks they write to the Internal Revenue Service and from the lengthy and burdensome process they must struggle through each year simply to determine how much they owe. In fact, Americans spend $200 billion a year and 5.4 billion hours annually merely complying with the Tax Code.

I believe that a fairer, simpler tax system is the answer. It is the best way to truly change IRS to RIP.

REPUBLICANS’ CAMPAIGN FINANCE REFORM BILL IS EMBARRASSMENT TO COUNTRY

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

Mr. SNYDER. Mr. Speaker, why would the Republican leaders of this House send to the floor a campaign finance reform bill that is not campaign finance reform? A bill that Common Cause calls a "hoax," the League of Women Voters calls a "travesty," The New York Times calls a "charade," and the Washington Post calls a "mockery."

Has the Republican leadership become like a fish that no longer feels the water, that no longer feels wet in the water?

What do I mean by that? Have they become like a fish that is swimming in money all the time in Washington, D.C., no longer aware of how inappropriate these huge, unregulated several hundred thousand dollar donations are?

This campaign finance reform bill they are presenting to this House floor, the only one they are letting come to this floor, is not campaign finance reform. It is not leadership; it is an embarrassment to this country.

FOR A BETTER AMERICA, WE MUST BE BETTER AMERICANS

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

Mr. TIAHRT. Mr. Speaker, Congress has worked very hard to rebuild a strong economy and bring hope to our children. It took a great deal of discipline and dedication and it was not without sacrifice. But the results are record-setting days on the New York Stock Exchange, dwindling unemployment and welfare lines, and expanding consumer confidence.

But what good will come from the strong economy if we have an empty soul? This week we were all stunned and saddened by the two boys who ambushed a school and killed four young girls with promising lives, and a young teacher with a promising career in Jonesboro, Arkansas. But that was not the only indication that our culture is in a moral free-for-all.

The day after this tragedy, in Dale City, California, a boy shot at a principal; in Coldwater, Michigan, another student committed suicide outside his school; and in Princeton, Texas, a student slashed three teachers with a razor blade.

Mr. Speaker, it is time for us to rebuild our moral culture like we rebuild our economy. It is time to overcome the culture of violence that permeates on our TVs and from our movies. Each of us must participate. It is up to us. We must talk to our children, honor our commitments. If we want a better America, we must be better Americans.

WORKERS SHOULD BE ABLE TO ORGANIZE

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

Mr. KUCINICH. Mr. Speaker, I rise today on behalf of working people to urge Congress to reject H.R. 3246, a bill to restrict union organizing.

H.R. 3246 will make it much more difficult for workers to organize other workers for better pay and benefits. It would allow employers to refuse employment to workers on the basis of their outside group affiliations. It would do this by overturning a Supreme Court decision which held that employees who took jobs at nonunion employers to assist other workers to form a union, that those employees could not be fired for disloyalty.

MEXICO’S PLAN TO REDUCE THEIR OIL PRODUCTION

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

Mr. PASCRELL. Mr. Speaker, I rise today to express strong outrage concerning recent reports about Mexico’s plans to reduce the production of crude oil, which will result in higher gasoline prices at the pump.

Mr. Speaker, it was not too long ago, the same Mexican government officials who today seek to increase the price of crude oil came to the United States
Mr. Speaker, I hope the President returns soon. The way he is making promises in Africa, we can all kiss that surplus good-bye.

SMALL BUSINESS PAPERWORK REDUCTION ACT AMENDMENTS OF 1998

Mr. McNINIS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 396 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 396
Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause (b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3310) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses. The first reading of the bill shall be dispensed with. Points of order against the consideration of a failure to comply with clause 2(e) of rule XI or section 303 or 311 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform and Oversight. After oral debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform and Oversight now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with section 303 or section 311 of the Congressional Budget Act of 1974 are waived. During consideration of the bill for amendment, the chairman of the Committee on Government Reform and Oversight in recognition of the basis on which the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for the purpose in clause 6 of rule XXIII, Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amend- ment; and (2) reduce to five minutes the minimum time for electronic voting on any post-poned question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first of a series of questions shall be 15 minutes. At the conclu- sion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill, and the Committee shall consider an amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto and the discharge of the motion except one motion to recommit with or without instructions.
The SPEAKER pro tempore. The gentleman from Colorado (Mr. McINNIS) is recognized for 1 hour.

Mr. McINNIS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), and I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Colorado for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Finally, Mr. Speaker, the rule provides one motion to recommit, with or without instructions.

Mr. Speaker, the underlying legislation, the Small Business Paperwork Reduction Act Amendments of 1998, is intended to reduce the burden of Federal regulations on small businesses by requiring the publication of a list of all Federal paperwork requirements on small businesses, and requiring each Federal agency to establish one point of contact as a liaison with small businesses.

In my opinion, Mr. Speaker, this legislation is a good step forward. Clearly, the burden of Federal regulations on the American public continues to grow. In 1997, total regulatory costs were $688 billion. When these costs are passed on to the consumer, the typical family of four pays about $6,800 per year in hidden regulatory costs. Therefore, the publication of all the Federal paperwork requirements on small business may further enlighten decisionmakers on the hidden costs of red tape. I encourage my colleagues to support this rule, and the underlying legislation.

Mr. Speaker, I include the following letter:


Hon. GERALD B. SOLOMON, Chairman, Committee on Rules, House of Representatives, Washington, D.C. DEAR CHAIRMAN: I understand that the Committee on Rules is scheduled to meet to consider a rule providing for the consideration of H.R. 3310, the Small Business Paperwork Reduction Act Amendments of 1998.

As reported to the House, the rule allows the Chairman to reduce revenue by $5 million in fiscal year 1999 and $25 million over five years.

Conversely, the Committee on Government Reform and Oversight proposed a rule under the 5-minute rule. This rule waives certain Federal paperwork requirements to reduce revenue by $20 million in fiscal year 1998 and $74 million over five years.

As reported to the House, the rule provides one motion to recommit, with or without instructions.

Furthermore, the rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute rule.

The bill can make our highways less safe by weakening the enforcement of reporting requirements on the transportation of hazardous materials.
The bill could make medicines more dangerous to take by weakening the enforcement of the requirement that manufacturers report adverse effects. This bill could make it more difficult to protect investors and pensioners by weakening the enforcement of requirements that create audit trails and prevent fraud.

The bill could make it more difficult to deter illegal immigration by weakening the enforcement of the requirement that document the eligibility of new employees. The bill could make our workplaces less safe by weakening the enforcement of health and safety requirements on the job.

While the bill does contain some exceptions to the suspension of first-time paperwork fines, the standards are high. They quote actual serious harm to the public health or safety, unquote, or, quote, eminent and substantial danger to the public health and safety, end quote. The provision provides no relief to honest businesses doing the best they can to obey the law. It gives an unfair advantage to the small minority of businesses that try to undercut their competition by willfully violating the law. If this bill became law in its current form, those businesses disinclined to follow the law would have no incentive to obey the law until they had actually been cited for violation.

As has been pointed out often on this floor the past few years, many agencies do not have sufficient resources to regularly check on the businesses they regulate. That means that enforcement of public health and safety protections depends on voluntary compliance. This provision would reward noncompliance with a law.

For these reasons, this bill is opposed in its current form by the administration, consumer groups, labor unions, and environmental groups. However, the rule we are debating will allow the House to solve many of the problems in this bill. The gentleman from Ohio (Mr. KUCINICH) and the gentleman from Massachusetts (Mr. TiERNEY) will offer an amendment that provides for agency discretion in the imposition of civil penalties against first-time violations. The amendment also requires agencies to establish policies or waive or reduce civil penalties for first-time inadvertent violations.

Mr. Speaker, I support the amendment proposed by my colleagues. I yield such time as he may consume to the gentleman from Indiana (Mr. McINTOSH). Mr. McINTOSH. Mr. Speaker, I rise in favor of the rule and the resolution and would like to share with my colleagues a brief outline of what this bill does and how it came forward to this floor.

We have had over 21 hearings, field hearings around the county, in our subcommittee, listening to Americans about the regulations that have cost them time and time again we have heard from small businesses that they felt government was coming in and playing "gotcha." They would try to comply with all the different forms that they have to fill out. Oftentimes they found that the agency was unresponsive in undertaking that costs them a great deal of money, took away their time from growing their small businesses.

One person who came and testified in Washington, Teresa Gearhart, who owns a small trucking company with her husband in Hope, Indiana, she told us that her company does have enough business to grow and create five new jobs next year, but they cannot create new jobs next year, but they cannot create those new jobs because they cannot afford the paperwork that would go with those additional employees.

We also heard from Gary Bartlett and G.W. Bartlett Company in my district who sent us a ream of paperwork that he had to fill out for each of his employees.

At one of our field hearings in Minnesota, Bruce Goman who is in charge of a construction company said that he was very consciously keeping the size of his small business under 50 employees because of all the paperwork.

Mr. Speaker, our committee looked at this, we passed a bill in the House of Congress in 1995, and it was signed by President Clinton, that mandated the Federal agencies to reduce their paperwork by 10 percent. Sadly, they failed to live up to that. In the first year after that bill was passed, the agencies only reduced their paperwork by 2.6 percent, and it is projected that last year, 1997, that was only by 1.8 percent.

So our committee considered what we can do to seriously cut back on unnecessary Federal paperwork. We bring this bill to the floor that does four key things. First of all, it would put on the Internet a list of all of the different paperwork that is required by a small business to fill in order to do their job. Many of the businesses who spoke with us told us they want to comply with Federal regulations, they just do not know all of the different requirements, all the forms they have to fill out, all the paperwork they have to keep at their job site. This would put it into one place, make it widely available to small businesses around the country on the Internet.

Second, it would offer small businesses compliance assistance instead of fines when they have a first-time violation. This is critical. So many times, even President Clinton has acknowledged that the agencies need to play "gotcha" with small businesses where they come in and they say, well, we do not really see any real problem here, but you do not have this form filled out right, so that is a $750 fine. Or, you do not have this material data sheet, that is a $1,000 fine. Now for a small business, that can be the difference between survival and going out of business.

So our rule says that if they can correct that without causing any harm to the public health or safety, without undermining criminal enforcement, without causing any serious jeopardy to the person, then that company can go ahead and correct that mistake and not be fined because they were inadvertently not filling out Federal paperwork correctly.

The third provision says that we are going to establish a paperwork czar in each of the agencies, someone that small business will know is going to give them the answer from EPA or OSHA or the Treasury Department for every agency about the paperwork that they need to fill out and someone who will be an advocate within the agency to cut back on paperwork so that the agencies can start to meet their goal.

And fourthly, it will set up a multi-agency task force to say how do we go further, how do we consolidate all of the different forms the Federal Government has so that we actually reduce the amount of paperwork that small businesses have.

I appreciate the efforts of my colleagues on the other side of the aisle to work with us on this bill. I urge my colleagues to support the resolution and the bill when it comes to the floor.
Mr. Speaker, this language has been reviewed carefully by law enforcement officials in the Department of Justice, and they have raised a number of troubling issues. It is through information collection that law enforcement agencies can then effectively do their job. Illicit activities, such as drug trafficking and money laundering, in turn, the Drug Enforcement Administration relies on written reports to ensure that controlled substances such as codeine and amphetamines are not diverted illegally. In order to carry out drug testing by DOT, businesses are told in the analysis that the Department of Justice did not have the tools they needed to enforce many important statutes. It would do this by requiring all agencies to establish specific programs and policies to allow them to eliminate, delay, or reduce civil fines for first-time paperwork violations. It would mandate that agencies take a number of factors into account.

The amendment would ensure that paperwork reduction efforts are truly relevant to special circumstances. Agencies would be able to tailor their policies to the unique needs of the laws they are responsible to enforce, and congressional review of their policies would become a matter of course.

I urge my colleagues to support this open rule. Only if all of the implications of this bill can be fully and carefully examined. An open rule is important, Mr. Speaker, so that we can discuss the problems of a bill which currently grants mandatory waiver of fines for false or inaccurate reports. The DOT by failing to file reports, post OSHA notices in the workplace, or inform their communities about hazardous chemicals, so that we can talk about a bill which, in my estimation, currently would provide some protection for drug traffickers.

Law enforcement agencies which detect the drug trafficking and money laundering by using reports filed by businesses, are told in the analysis that the Department of Justice did that.

This particular bill, as it is drafted, would cause problems in monitoring those important areas as well as encourage financial institutions to not report cash transactions that are more than $10,000.

Now, in the debate that will follow, we will go more into some of these details, but suffice it to say that the open rule is important.

I would like to conclude where I began these remarks on the rule, Mr. Speaker; and that is that I think that the gentleman from Indiana (Mr. McINTOSH) has made a good-faith effort to attempt to come up with a bill that can be workable for all. I commend him on his efforts in that regard.

I have enjoyed the opportunity to work with the gentleman from Indiana (Mr. McINTOSH). Again, I hope, as we go through this process today, we can find a way to improve this bill so that we can all come to an agreement.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mr. McINNIS. Mr. Speaker, this is an open rule. It is a good bill, and I urge its support.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. McINNIS). Pursuant to House Resolution 396 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3310.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3310)
To demonstrate to my colleagues exactly how onerous that burden is, Gary Bartlett in my district sent the Federal paperwork that was required to be completed for one new hire. This stack of paperwork is all of the paperwork that Gary Bartlett had to complete for one new hire. So if you have a company with 25 employees, they would have to complete the following paperwork. This is half of it, Mr. Chairman, and this is the other half. For 25 employees, that is what a small business has to fill out every year in government paperwork. I think it is outrageous. I think it is ridiculous.

Mr. Chairman, today the House takes up a bipartisan bill that I introduced with the gentleman from Ohio (Mr. KUCINICH), H.R. 3310, the Small Business Paperwork Reduction Act. This bill would give small businesses relief from government paperwork and agency freedom from the "gotcha" techniques to which the President often refers.

As you know, Mr. Chairman, the burden of government paperwork is significant. It accounts for one-third of the total costs of all Federal regulations or about $225 billion a year. It took 6.7 million man-hours to complete all of the Federal paperwork in 1996. 6.7 million man-hours of work to complete government paperwork.

Now, our bill amends the Paperwork Reduction Act, which needs to be strengthened because the agencies have not met the goals to reducing paperwork set by the Paperwork Reduction Act of 1995.

The Office of Management and Budget reported to Congress that, instead of reaching the 10 percent goal in 1996, paperwork was only reduced across the agencies by 1.8 percent. It is estimated to have been reduced only by 1.8 percent in 1997, all this in spite of what President Clinton proclaimed as policy for his administration.

I would like to quote from a speech that the President gave in 1995 in Arlington, Virginia: We will stop playing "gotcha" with decent, honest business people who want to be good citizens. Compliance, not punishment should be our objective. I wholeheartedly agree with the President on that objective, and our bill is a mechanism for furthering that goal.

At our first hearing the subcommittee held 3 weeks ago in which several small business owners spoke about their concerns and frustrations with government paperwork. Theresa Gearhart, who owns a small trucking company in Hope, Indiana, came and told us about paper her company could not grow could create five new jobs next year. But they can't create those jobs because of all the paperwork that would come with them.
They want to be good citizens, they want our help, but they do not want to feel that they have to live in fear of a government agency that will come in and play "gotcha" if they happen to make a mistake in one of these stacks of forms.

Third, it would establish a paperwork czar in each of the agencies, someone where small business can go and talk to about the paperwork that they are required to do; someone who is an advocate for small businesses within the government agency. Maybe over at the EEOC they could tell them, look, we have about 5 different forms here that we ask these businesses to fill out; why do we not think about consolidating that and just have one form that people can fill out for their employees? That is what is needed within the agency, to be an advocate for these small businesses. Finally, a multi-agency task force to study how we can further streamline these requirements.

Mr. Chairman, it would be my fondest dream if we could take these stacks of regulations for 25 employees and say, we do not need half of this. The government can get rid of half of this stack, and we can get all the information that we need to know from those small businesses.

Now, I am pleased to say that this bill does have bipartisan support. There is some controversy that has come up around section 2, the provision that suspends or suspensions of first-time paperwork violations, and I want to say I appreciate the concerns that the gentleman from Massachusetts (Mr. Tierney) and the gentleman from Ohio (Mr. Kucinich) have raised as we have tried to craft that provision. They have given us some insight into areas where we can actually do a better job in drafting that, and in the committee we made changes to that provision.

We created an exemption for if there were an exception to the exemption there was a threat to public health and safety, or an exemption for any IRS form, and that, by the way, would include any form that is required under the Internal Revenue Code. There is also an exemption of the waiver for fines in cases where the fines would interfere or impede the detection of criminal activity. This exemption covers any case where the waiver of a fine would interfere with or impede the detection of an illegal drug transaction.

This bill includes many of the factors that the gentleman from Ohio (Mr. Kucinich) brought forward to our committee, and I want to thank him for his hard work on this bill as well. He deserves a lot of credit for it, he has given a lot of thought to this bill, and the factors that he asked us to include are frankly common sense factors for when the agency might decide that in spite of the fact we are requiring a waiver, this business does not deserve it, and we have written that into the bill.

They can say, no, you do not have 6 months to correct it, you only have 24 hours, because it is so important, it is a threat to public health and safety, or if it impedes their effort to detect criminal conduct, they can decide they are not going to waive a particular fine for a particular business.

One of the things I think it is important to stress here, by the way, is that our bill does not exempt any small business from the requirement to fill out these forms; this provision merely says, if you make a mistake, you have 6 months to correct it. But the requirement still remains, until we have a chance to go through the agencies form-by-form and reduce that paperwork.

Now, all of these exemptions will ensure that the bill and the waiver provision do not have any unintended or harmful consequences. As I have said, this bill is consistent with Vice President Gore's Reinventing Government Initiative and President Clinton's statement that I read earlier. In 1996, the government would be no more than the agencies to waive fines for small businesses so that they could correct their mistakes. Our bill builds on that initiative of the President, puts it into law, because frankly, the testimony we received at the hearings and the hearings we had 3 weeks ago showed that the agencies are ignoring the President's directive and continuing to fine small businesses.

Mr. Chairman, I think it is critical that we protect our Nation's small businesses from these kinds of "gotcha" techniques. The bill retains all of the agency's enforcement powers, except for the civil fine. So if they find out there is a real threat that a law might be violated in a criminal action or a real threat or imminent threat to health and human safety, they can still come in with all of the criminal law powers that the agency has, they can still come in with all of the injunction relief that they have if it does in the area where there actually is harm that has been created.

So, Mr. Chairman, in conclusion, I would ask the Members of the House to pass the Small Business Paperwork Reduction Act today so that we can bring some sanity back into the process to go a long way toward helping our Nation's small businesses deal with the excessive paperwork, get back to their real business of creating jobs for American workers.

Mr. Chairman, I urge my colleagues to support this bipartisan effort to reduce the burden of government paperwork for all of our Nation's small businesses.

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

Mr. Tierney. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that much of what the gentleman from Indiana (Mr. McIntosh) says is absolutely accurate, and I want to acknowledge his fine efforts and those of the gentleman from Ohio (Mr. Kucinich) in their work at the subcommittee level and the subcommittee level to make this a bill that would, in fact, be beneficial to the small businesses of this country. Much has been done in that regard and in that direction.

The gentleman from Indiana (Mr. McIntosh), the chairman of the subcommittee, says that the President wanted to end "gotcha" politics or "gotcha" efforts in administration, he is absolutely right. But unfortunately, this bill has some major flaws that still exist that do not do anything with regard to moving that process along.

Let me initially say that there is nothing, and I think Mr. McIntosh acknowledges this, there is nothing that reduces paperwork in the current bill. There will be no paperwork in the new bill, as a result of this legislation, should it pass, that will have to file one less piece of paper than it had to the day before it passed. What happens here is we have 3 out of 4 provisions of the current bill, and that is, in fact, very good and very agreeable.

It makes sense that it has to be published in the Federal Register on an annual basis a list of the requirements applicable to small business concerns. No small business should have to wonder what its obligations are, what paperwork has to be filed; they should be able to readily go to the register and see exactly what the obligations are.

There should be one point of contact within every agency a small business can go to to find out what must be done to be in compliance with regard to the requirements of that particular agency, and that is a part of this bill that we can all get behind without any disagreement.

The idea of establishing a task force on feasibility of streamlining information and collection requirements is something that the entire committee, and in fact, the gentleman from Ohio (Mr. Kucinich) worked very hard with the gentleman from Indiana (Mr. McIntosh) and others on that provision, so that we have a lot of this bill that makes absolute and perfect sense.

However, there are corrections that have to be made. The Administration does not want a "gotcha" type of atmosphere out there, particularly with small business. It perfectly well understands the contribution that is made to our economy by small business, as does the gentleman from Ohio (Mr. Kucinich), as do I, as do other members of the committee and subcommittee, but it should be noted in its present form, Mr. Chairman, in its present form, the administration strongly opposes H.R. 3310, because it would waive fines for first-time violators of Federal information collection requirements and that that waiver provision could seriously hamper the
agency's ability to ensure safety, protect the environment, detect criminal activity, and carry out a number of other statutory responsibilities.

In fact, the statement of the administration policy issued, Mr. Chairman, says it, and if I were to read it from the President in its current form, the Attorney General, the Secretary of Transportation, the Secretary of Labor, the Administrator of the Environmental Protection Agency would all recommend that the President veto this bill.

Current law already requires agencies to help first-time small business violators who make a good faith effort to comply. The primary beneficiaries of this law as it is currently written, Mr. Chairman, would appear to be those who do not act in good faith and those who intentionally and willfully violate the applicable regulations.

That is not what I believe this committee has in mind, and it is not what people in small business would want. They want fair competition. They want to know that when they are obligated to file some piece of paper or a document for safety reasons, for health reasons, for environmental reasons, that, in fact, it is the person who is actually violating the law.

This particular law, as it is currently written, is an absolute disincentive to people complying with their obligations. People are not going to invest in safety or environmental protection unless it is about the environment, whether it is about safety, whether it is about pensions, and this is what we have an objection to, and the gentleman from Ohio (Mr. KUCINICH) will present an amendment to this bill at a later point this morning.

Mr. Chairman, if one reads carefully the bill language, and the gentleman from Indiana (Mr. McIntosh) referred to an attempt by the majority here to correct some of the provisions of the bill, it still says that failure to impose a fine would have to be filed in order for there to not be a waiver. Well, many times the detection of a criminal activity does not require, under the fine or the failure to impose a fine, but in fact whether, or not the paperwork was filed, so it should be the failure of filing the required documentation that is a consideration, not whether or not failing to impose a fine would in any way impede the detection of a criminal activity.

They also talk about the problem of having an imminent or substantial danger to the public, a violation present that would be a factor in that, but the fact of the matter is, proving what is imminent or proving what is substantial is a cloudy area that leads everyone to the belief that they can get away with not filing any of this documentation for however long it takes somebody to find them, to discover the situation, and represented to get it out to individual and then powder the second time would they stand any risk. So that disincentives impact badly on all small business as well as the public in general, and the people that are working within these companies.

Mr. Chairman, H.R. 3310 as currently constructed prohibits agencies from assessing civil fines for the first-time, information-related violations. It requires that an agency actually creates a safe haven for willful, substantial and long-standing violations. It would have a wide-ranging and substantial negative effect, because it does not merely address technical violations but all requirements. It applies to the failure to distribute important information to the public, such as warning consumers of the dangers of a product or prescription drugs, educating employees on how to handle hazardous materials, and adequately disclosing a broker's disciplinary history to an investor. It would weaken the incentive to comply with the law because small businesses would be sure that they would not be fined even if they were caught, and it would put complying businesses at a competitive disadvantage.

The exemptions that the gentleman from Indiana (Mr. McIntosh) states that he did put in the law are still inadequate to protect the public. They exempt from first-time, information-related violations unless the agency met some very extensive burdens of proof that the violation actually caused serious harm, that the failure to fine impeded the detection of criminal activity. These standards are standards that simply raise the bar so high that nobody will be encouraged to meet their requirement to file and they will know that they can get away in the first instance.

Mr. TIERNY. Mr. Chairman, I yield 8 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding me this time. It has been a pleasure to work with both of my colleagues in trying to improve this bill.

This bill that we are considering is the product of intensive bipartisan effort, and I think that since the beginning of our joint work on the bill, we have to realize that we have been focused on 2 goals: first, to help small businesses comply with paperwork requirements so that small business owners can devote more time to creating jobs for our people; and, second, to make sure that the health and safety of the majority of the American people are protected. The health, safety, and security of the environment, worker protection and consumer protection laws are upheld.

I think we are all in agreement that small business is the backbone of our country, that small business creates the vast majority of new jobs, that small business owners work hard to build their communities; that small business needs to spend their time creating jobs, and it is the duty of the Federal Government to streamline paperwork regulations. It actually creates a safe haven for willful, substantial and long-standing violations. We know that those who intentionally and willfully violate the law. They are good Americans, I salute them, and I agree with both sides of the aisle, I think we are in agreement that we are both for small business.

But since the outset of this bill, we knew that the bill would go through improvements as we gain more and better information. I am very clear in every statement that I made, both public and private, about the bill. In fact, every time that the gentleman from Massachusetts (Mr. TIERNY) and I met and consulted with agencies about the impact of the bill, we have made changes that have improved the legislation.

In turn, after hearing from small business owners recently, we have come up with more improvements in the bill that are consistent with our goals.

Based on the results of a hearing last Tuesday, we now have the benefit of the experience of a wide range of executive agencies, including the U.S. Department of Justice, the Department of Transportation, the Department of Labor, the President's memorandum of April 21, 1995, where he asked all agencies to reduce small business reporting requirements and to develop policies to modify or waive penalties for small businesses when a violation is corrected.
within a time period appropriate to the violation in question, and in addition to that, the Department of Justice's current policies, where they say that the components with regulatory functions provide for the waiver of civil penalties in appropriate circumstances, we have policies right now that respect small business.

We need to go further, but the Department of Justice has said about this bill, as it is currently constituted, that we have to recognize that we have statutes and regulations appropriate to recognize a good-faith effort to comply with the law, the impact of civil penalties on small businesses and other factors that may be specifically considered in insisting on civil penalties. This policy compliments ongoing agency efforts specifically designed to help small businesses understand and comply with the law.

The Department of Justice says, and I agree, that we must continue our search for ways to streamline and simplify reporting and record-keeping requirements that apply to small businesses. But efforts to streamline reporting need not undermine law enforcement or regulatory safeguards that protect public health, safety, or environmental hazards.

After hearing this, the gentleman from Massachusetts (Mr. Tierney) and I drafted an amendment which we think will meet the needs of small business for relief, and at the same time provide continued protections for the people of this country with respect to public health, public safety, and the environment.

I believe that we have provided an opportunity to produce a bill which can be agreed on, not only on both sides of the aisle, but will get the approval of the administration. But lacking that, we are missing an opportunity to be of service to small business.

I want to thank the gentleman from Indiana (Mr. McIntosh), the chairman, to try to develop a better bill. We are not there just yet, Mr. Chairman, but we can keep trying. We have another hour.

I want to thank the gentleman from Massachusetts (Mr. Tierney) for the leadership he has shown on repeatedly insisting on protecting the rights of small business, at the same time regarding our obligation for the safety, the health, and the environment of the people.

Mr. McIntosh. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, let me go through in some detail how this provision works on the suspension of fines for first-time violations.

Under the current law, what happens is paperwork is not filed or there is an error in the way the paperwork is filled out, or some other violation of the form is not filed in the right place, one right time. It is discovered by an agency, usually somebody who is coming in and inspecting a small business. Then there is a civil penalty. They are either written up on the spot or they receive in the mail a notice that they owe the government $750, $1,000, $2,000. That is the current law.

Now, what happens under our revision to the law has been greatly misinterpreted. When we hear about this "might impede criminal violations, it might cause a threat to health and safety," I hear those all the time when we talk about government regulation. Frankly, the agencies are a lot like traffic cops, where it is a lot easier to give out a speeding ticket than it is to apprehend a criminal who has been robbing somebody's house. So they like to give out speeding tickets, but they are a little bit nervous about going after the armed criminal who just robbed somebody's house.

But frankly, my preference would be that the agencies go after the bad guys and spend a little less time harassing innocent small businesses. So we have written a provision that would take care of this. First of all, if the paperwork is not filed or filed incorrectly, or not on site where it should be, it is dispositive when they have to go through a series of decisions before they assess a civil penalty.

First, does the violation cause actual harm? In that case there is a civil penalty, but otherwise it causes harm in some way, it is only fair that that business be penalized because of that harm. The failure to fill out the paperwork was a grave error and they should have taken care of it.

Second, if there is no actual harm that occurred, but it might have caused actual harm in an imminent dangerous situation, then there is a civil penalty.

The third decision is, does it involve the Internal Revenue Act? We have explicitly exempted all of the paperwork that is required under the Internal Revenue laws of the United States. So there would be a civil penalty.

By the way, I have been made in the discussion of this bill about the $10,000 cash transaction that is often used for laundering drug money. But frankly, there is no basis for saying that that transaction would not be covered under the civil penalties.

I happen to have brought with me one of the forms that is required to be filled out when you have cash payments over $10,000. It is Form 8300. It is issued by the financial transaction service. Every bank has to fill it out if they get a deposit over $10,000. It has an OMB circular number. Because of this provision that the Internal Revenue laws are exempt from our waiver provision, if you fail to fill this out, you are going to be subject to a civil penalty.

The fourth is if it interferes with the detection of criminal activity, which, by the way, is the reason they have people fill out this $10,000 form, because the Internal Revenue Service do not want to drop large amounts of cash in a bank and then withdraw it quickly. On that ground, you would still pay a civil penalty if you fail to fill out the form.

Finally, if a violation is not corrected within 6 months, or if it is a serious violation, within 24 hours, then there is a civil penalty.

In every case, all we are saying is we are waiving the fine and allowing people to correct it. But we still have the injunctive relief, we still have the ability to come in and, if there is criminal fraud involved, say they are going to be subject to criminal penalties.

I was, frankly, a little disturbed to hear from the agencies that they are opposed to this bill. Then I went back and looked at their records under the Paperwork Reduction Act. I noticed the Department of Transportation, which opposes this bill, has failed to meet its 10 percent goal in both years. They only reduced it by 9½ percent in 1996 and by 8 percent in 1997.

The Department of Transportation, it has a somewhat mixed record. It actually exceeded its goal and reached 27 percent reduction in 1996, but then in 1997 something must have gone haywire and they have increased paperwork by 32 percent, for a net increase from that agency.

The Department of Justice initially did a terrible job, and in 1996 only reduced paperwork by 1.4 percent. Last year they did a lot better. I will give them credit for that. They were at 14.5 percent reduction, but they still failed to meet the 20 percent goal.

The Environmental Protection Agency, the final agency listed in the statement of administration policy, they have actually increased paperwork in both years. It went up 4.5 percent in 1996 and 6.9 percent in 1997. So these agencies, it does not surprise me that they are advising the President that this is not a good bill.

Fortunately, and the President is in Africa, when he gets back he will have a chance to review the record and realize that what we are doing is putting into law what he said he wanted to do back in 1995

Mr. Waxman. Mr. Chairman, will the gentleman yield?

Mr. McIntosh. I yield to the gentleman from California.

Mr. Waxman. Mr. Chairman, that chart that says "current law" it seems to me is quite misleading, because nowhere in that chart does the gentleman indicate that just 2 years ago the Congress passed, and we all voted for it and heralded it as a great improvement, the Small Business Regulatory Enforcement Fairness Act. It, which is called SBREFA, was passed with strong bipartisan support. It calls on the agencies to use discretion not to impose civil penalties where there are other circumstances that ought to be factored in. It seems to me that should be reflected in the reality of current law.

Mr. McIntosh. In fact, Mr. Chairman, the gentleman is correct, we did pass SBREFA 2 years ago. We gave the agencies discretion, and the gentleman mentioned discretion to adopt policies that would allow a waiver of civil penalties. But as case after case has demonstrated, the agencies are refusing to
use that discretion. They continue to impose the civil penalties.

The key difference between SBREFA and our law is that we take it the next step. We say, by right the small agencies can correct the mistakes, unless it causes harm, threatens to cause harm, violates the Internal Revenue Service, would impede criminal detection, or is not corrected in 6 months.

Mr. TIERNEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, the statement was made that in case after case the agencies have not gone along with the discretion the Congress required that will be before they file. We do not see how the gentleman can make that statement.

The law specifically requires each agency to file with the Congress whether they have employed this discretion authority or not. The reports are due in the next couple of days. I do not think the gentleman from Indiana (Mr. McIntosh) has had any advance notice of it. He is making statements for whom he is backing, no authority. We ought to look at the reports from the administration on the exercise of SBREFA.

Mr. TIERNEY. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, first of all, it should be noted again, having looked at all this paperwork and posters that were put up, that there is no paperwork reduction even contemplated in H.R. 3310 as it is currently constructed. The only people who are going to file less paperwork under this bill are people that said they want to be violating the law.

Law-abiding businesses are still going to have to file every piece of paper they ever filed, so that is not the issue. The issue is whether or not there will be a disincentive to file, and whether or not some businesses, law-abiding businesses, will be put at a disadvantage.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. Davis).

Mr. DAVIS of Illinois. Mr. Chairman, I thank the gentleman from Massachusetts for yielding time to me.

Mr. Chairman, I rise today in opposition to H.R. 3310, the Small Business Paperwork Reduction Act, as it is currently constructed. This legislation is not only not needed and is unnecessary, it could in fact actually make the American workplace more dangerous than it currently is.

The United States Environmental Protection Agency states that this bill does not constitute a viable approach to addressing small business compliance with needed safety and health regulations. In fact, this bill would create disincentives for voluntary compliance, compromise consumer protection laws, and worker and passenger safety.

The AFL-CIO states this bill will weaken the pension safeguards currently in place to protect the American worker.

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Mr. WAXMAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in response to the query of the gentleman from California (Mr. WAXMAN) about do we see a problem, I would just mention to the gentleman the testimony we heard in subcommittee from Gary Roberts, the owner of a small company that installs piping systems, Indiana. He was fined last May $750. This is after SBREFA had been passed and after OSHA was supposed to have adopted a policy in these areas. He had a hazardous communications program in his home office. His employees had been trained on that. When the inspector showed up at the job site, they brought the communications program to show the inspector right there as he was inspecting the job site, and yet Mr. Roberts was fined $750.

Now, I think there clearly is a problem. By the way, I do not think filling out this much paperwork for 12 employees has anything to do with democratic process. I am a big supporter of the democratic process, but it does not require this paperwork for us to engage in the democratic process in this country.

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

Mr. TIERNEY. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I would point out that in fact we were all present at the subcommittee hearings when the witnesses came in, and could distinctly hear representatives from OSHA saying that they have in fact now in place a policy under SBREFA and they are, in fact, down to zero occasions when they find someone who is not in fact engaged in a failure to post or put paperwork in where it is appropriate. So I think we should have all the information when we move forward.

Mr. Chairman, I yield 5½ minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. TIERNEY) for yielding me this time.

Mr. Chairman, I think what we have before us today is a solution in search of a problem. If we listen to the gentleman from Indiana (Mr. McIntosh), he is raising concerns that we have a problem where there is no problem. We all are concerned about the paperwork burden on small businesses, and that is why the Congress responded just 2 years ago by adopting the Small Business Regulatory Enforcement Fairness Act, called SBREFA. This was passed with strong bipartisan support. We all heralded it as a way to reduce that paperwork burden. It called on the agencies to use discretion and not to impose a fine if there was some inadvertence in filling the necessary paperwork that was required by law.

We have seen other reforms by both Democratic and Republican Congresses, and we have seen this administration attempt to reinvent government so that it would be more efficient and fairer.

But what we have in this bill before us today is not a reduction in the amount of paperwork that would be imposed on small businesses but an excuse for small businesses not to file the paperwork required of them.

The administration witnesses from the Department of Justice and the Environmental Protection Agency and other areas of the Federal Government came in and said that what this would do would encourage some small businesses to intentionally refuse to file the paperwork required of them, and that could interfere with the war on drugs, hinder efforts to control illegal immigration, undermine food safety protections, hamper programs to protect children and pregnant mothers from lead poisoning, and cause the controls on fraud against consumers and the United States. That seems to me a risk not worth taking if that will be the result of this legislation.

The legislation says not that we use discretion and not impose a fine - it says no matter what, we are not going to have a fine.

Well, if one is laundering money and there is a requirement to report $30,000
transactions and an institution is involved in some skullduggery, they will decide that it will be in their interest not to file that information. They know they have a safe harbor, they can never be fined or anyone take offense at them. We have no business being able by that law.

Now, there are times when health and safety can be affected, but we are not going to know whether health and safety will be affected unless the paper-work has been filed that might indicate that for which there are side effects or there is lead in a house that is being sold. But the seller, small business seller, does not disclose that fact, as is required by the law, because they do not want to discourage the purchaser from going ahead and buying the property. They know that they can get away without making these disclosures because of this legislation.

We are going to have before us an amendment by the gentleman from Ohio (Mr. Kucinich) and the gentleman from Massachusetts (Mr. Tierney) that I think is a far more reasonable approach. It will say, in effect, that we should not go and impose a fine on small businesses if their inadvertence to file the paperwork was technical or inadvertent involved willful or criminal conduct, we are not going to excuse that paperwork requirement. Or if they threaten to cause harm to health and safety of the public, consumers, investors, workers, or pension programs we will, in that situation, and then we are not going to waive it. But if there were not that kind of matter, but in fact a good-faith effort to comply and rectify the violations, then there is no reason to have a civil penalty imposed.

There is going to be another amendment that we will have later today, and that is an amendment offered by the gentleman from Indiana (Mr. McIntosh), and it is going to say that we will prohibit the States from enforcing regulatory requirements. Now, all the Members of Congress who have come to this floor and extolled State’s rights certainly ought to be opposing that amendment which will tell the States we are going to take away their ability to enforce their own laws and Federal laws and make all States abide by a one-size-fits-all approach that we in Washington will impose upon them.

Mr. Chairman, when we get into the amendment, I would urge the Members to support the Kucinich-Tierney amendment to make this bill worthwhile. If that amendment fails, then I want to point out that the administration is threatening a veto. In addition to that, the bill is opposed by the labor movement because they are afraid about what it is going to do to workers, by environmentalists, by consumer advocates, by a wide range of groups that fear that this bill that sounds like it is doing something for small business is going to in fact do a great deal of harm to the American people.

Mr. Tierney. Mr. Chairman I reserve the balance of my time.

Mr. McIntosh. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before yielding to my distinguished colleague, the gentleman from Missouri (Mr. Talent) the chairman of the Small Business Committee, let me point out, and I understand how in debate we sometimes exaggerate things around here, but as I showed all of our colleagues, what the gentleman from California (Mr. Waxman) said was simply not true: that automatically we would waive all fines under my bill.

Mr. Chairman, if there is a serious threat of harm to public health, if there is actual harm. And all of these provisions have been written into the bill, and in spite of the fact that they are there in black and white in plain English, the gentleman from California continues to say the same lines that he knows are not true, over and over again.

Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Missouri (Mr. Talent) chairman of the Committee on Small Business.

Mr. Talent. Mr. Chairman, I thank the gentleman from Indiana (Mr. McIntosh) for yielding me this time. Mr. Chairman, the Committee on Small Business had concurrent jurisdiction over this bill, and I was happy to waive it in part because we have had so many bills and these kinds of issues that I thought it really was not worth additional hearings or deliberations on the part of the committee, because to me, this just seems to me a very simple thing. Do we want to stand with and for the small businesspeople of this country against one of the things that irks them and demoralizes them and costs them the most, which is useless kind of government paperwork and arbitrary kinds of fines? Or do we want to stand with the government that is having the regulatory requirements, with the regulatory state that believes that unless these people are minutely watched in all they do, they are going to go out and do all of these terrible things? It is a question of where we put our faith.

Mr. Chairman, all the bill says is we do not want agencies to fine small businesspeople for paperwork violations that do not matter to anything, that do not matter to the interest of the agency or public health and safety. They can check the paperwork violations, they can inspect them and tell them to do it over again and tell them to do it over in the future, but they cannot fine them.

Mr. Chairman, I do not want the agencies spending their enforcement time and effort tracking down people like Mr. Pat Cadon of Cadon’s Restaurant in Tacoma, Washington, who was fined $1,000 because he had one missing material safety data sheet on hand soap, the handsoap, which he offered to provide by fax in 2 minutes. I want OSHA worrying about safety. I do not want them worrying about material safety data sheets that do not have anything to do with safety and that nobody even reads outside the context of an inspection.

Mr. Chairman, I do not want small businesspeople to feel like in order to do business in this country they have to be in a never ending battle of paperwork. That is what it amounts to. They come into the workplace and hit businesspeople with paperwork violations because that is easy for them to find. They pay the agencies $1,000 or $2,000. As soon as they pay the fine, they are done with them. Mr. Chairman, I hate to stop when I am in the middle of “catharting.”' Mr. Chairman, businesses pay them fines of $1,000 or $2,000 and they go away for a while, just for a while. It is like the mob. They will leave people alone if they pay them protection. That is what this bill is about.

The argument on the other side seems to be that there are drug dealers, people smuggling in thousands and thousands of illegal immigrants who this bill will unleash, I suppose on the assumption that the possibility that the government might hit them with a fine for a paperwork violation is currently doing them millions of dollars worth of illegal drugs on the black market or bringing in thousands and thousands of immigrants; that, Mr. Chairman, these people who are not deterred by the huge felony penalty for doing these things might be deterred by the prospect that INS might come on their workplace and fine them for a meaningless paperwork violation.

Well, we take a big step in search of a problem. The arguments against it are rationalization. It is just a question of where one stands. I would say that these kinds of bills do highlight the deep philosophical divisions in this House.

My faith is with the small businesspeople in this country, the private sector in the country, 99 percent of whom are trying to do good things in their communities for good reasons. And we are saying let us fine them for meaningless things. Agencies should concentrate their energies on health and safety or social justice in the workplace or environmental quality, and let businesses concentrate their efforts on building jobs and building the economic infrastructure in their communities and everybody will be better off.

Mr. Tierney. Mr. Chairman, I yield myself 30 seconds.

Let me just say that this idea, that this one side is in favor of small business and the other side is against small business is ludicrous. They are not thinking of the time and the energy that went in, with the gentleman from Indiana (Mr. McIntosh) and the gentleman from Ohio (Mr. Kucinich) working diligently to try to find some common ground so that small business would in fact get the benefit of this law.

I will speak at greater length about the particulars of it.
Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. Waxman).

Mr. Waxman. Mr. Chairman, I was just shocked by the comments of the last speaker, because he said that we want to extort the resources of small business, and I agree to that, but then described Federal agencies, government employees that are trying to enforce the laws as equivalent to the mob. He said they are out for protection money. Is that the way we view government employees? Is that the way to open a window to the mentality that would present this kind of legislation to us?

There are willful, intentional, reckless violations of the law that will not be in any way prosecuted under this legislation, because if it is a first-time offense, even if it were reckless and willful, then it would not be enforced.

How does my colleague justify doing that sort of thing, even if it is a reckless, willful violation? Of filing the report that indicates there is a hazard that workers may be exposed to? How can he justify that?

Mr. McIntosh. Mr. Chairman, will the gentleman yield?

Mr. Waxman. Why not?

Mr. McIntosh. Mr. Chairman, in fact, we do not justify it because the bill does not allow that. It still requires people to fill out the paperwork. What it says is, if they can correct it and it causes no harm, they will not be zapped with a civil fine.

Mr. Waxman. Mr. Chairman, that is not what the bill says. The bill says there will be a safe harbor, that there may not be, under any circumstance, the imposition of a money penalty for a first-time violation even if it were willful.

I yield to the gentleman to explain why he would do that.

Mr. McIntosh. Mr. Chairman, well, because in addition to a civil penalty, the agencies have the ability to enjoin the business from further conducting its affairs. That is not affected by our bill. They have criminal provisions if there is fraud or willful violation.

Mr. Waxman. Let me say, that is not adequate. The reason it is not adequate is because they are going to impose a worse scenario for small businesses if they expect the agency to come in, get injunctions, if it is a drug company to shut them down. What is involved in getting this paperwork is to know if there are problems, and then try to clear them up, not give a safe harbor to those who willfully violate the law.

Mr. McIntosh. Mr. Chairman, I yield myself 1½ minutes.

Let me say very clearly, there is a huge difference here, because I think it may have been the gentleman from Massachusetts (Mr. Tierney) who pointed out what all of us recognize, that probably 99 percent of America’s small businesses are good actors; they are trying to comply, they are not willfully not following the rules and filling out the paper work.

In the case of the 1 percent who are bad actors, who are trying to commit a crime, trying to ignore the law, I think the agency should come in, and hit them where it hurts the most, whatever it takes to get them to comply with the law.

The real difference here is the view of small businesses, because the coalition that has been for the special interests here in Washington to oppose this bill that says that they give them a get-out-of-jail-free-card.

I quote from an e-mail that they circulated this morning,

They think small businesses are criminals, and that is why they are opposing this bill is they think that the Nation’s small businesses are criminals. We don’t believe that.

And that is what the gentleman from Missouri (Mr. Talent) was saying so emphatically. We think the vast majority of small businesses in this country are good, decent people who are trying to get a job done, trying to hire people and create jobs in their economy, and they do not deserve to be zapped by Federal agencies when they try to make an innocent mistake. That is what the essence of this bill is all about.

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

Mr. Tierney. Mr. Chairman, I yield myself 2½ minutes.

Let me just say to the gentleman from Indiana (Mr. McIntosh) that this debate was going on rather high ground for a while as we were talking about some matters of disagreement. We had a speaker come down and throw in some bombast, and I think it has sort of taken us in a different direction.

Personally, I represented small businesses for 20 years. I was a small business man. I was president of the local Chamber of Commerce. There is no belief in my heart or soul that small businesses, on the whole, that people trying to comply with the law, but I try to recognize fully, Mr. Chairman, that there are those who do not.

My colleague’s bill does nothing for that law-abiding small business person who continues to comply with paperwork filing requirements because they, first of all, do not reduce the amount of paperwork to be filed. And if we want to do that, then why do we not get our paperwork down and doing down and sitting through those blocks of paper and weeding out those that should not be filed any longer and those that should be consolidated? That would be a worthwhile effort.

But to have an absolute disincentive for those who do not want to be a law-abiding business and to put the law-abiding businesses at a disadvantage is not the way to proceed. What we ought to do is make sure the agencies exercise discretion, that those who are willful violators, those who do not impose a serious harm to the public good or to the environment, let them deal with it in that way and let them use their discretion. What is exactly what SBREFA does, which is what our proposed amendment demands that they do is set in place a policy to make sure that those businesses that deserve a break get a break, but reserving the ability to fine those that need to be fined in order to have compliance so that good law-abiding businesses will not be put at a disadvantage.

The language of 3310, as it is currently constructed, simply does not do that. It says that if there is a fine, they have to show that the failure to impose the fine would impede detection of a criminal activity. Well, it would not be the failure to impose a fine that would in fact impede detection of criminal activity; it would be the failure to file the required paperwork. So now they have given them a disincentive on that basis.

They talk about occasions where there is actual harm that they would think is not able to give a waiver. But what about the case where there is a propensity for actual harm, where the failure to file work leads us to believe there will be resulting harm, but it may not have happened yet, but we want to make sure it does not happen?

My colleagues talk about threatening imminent and substantial, dangerous harm, but those are hard burdens for an agency to prove before it can go in there and ask somebody who is integrally involved and knowledgeable about business, Mr. Chairman. And let me tell my colleagues, given the choice of having to make my case that my mistake on paperwork was inadvertent and failure to do that might be a civil penalty, I will take that any day, because I think that probably 99 percent of America’s small businesses.

That is when agencies go well beyond their bounds, and that is where the gentleman from Ohio (Mr. Kucinich) and I have an amendment that tries to address that so that small businesses and law-abiding business can move in the proper direction.

Mr. McIntosh. Mr. Chairman, we have no further speakers on my side. I would like to reserve the balance of our time for closing if the gentleman from Massachusetts (Mr. Tierney) has any on his side.

Mr. Tierney. Mr. Chairman, I do have some speakers. Would the Chair please instruct us as to how much time is left on this side.

The CHAIRMAN pro tempore (Mr. Dickey). The gentleman from Massachusetts has 2½ minutes remaining.

Mr. Tierney. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. Gej Denson).

Mr. Gej Denson. Mr. Chairman, I just want to commend the gentleman here, trying to change this bill. I was pleased to see that they would put in paper work reduction. But what this bill would do, it would put in danger small businesses.
Mr. KUCINICH. The time to the gentleman from Ohio speaker, if we might, Mr. Chairman. I am prepared to close now if the gentleman from Indiana may reserve an additional speaker. But my colleagues still have time left, I believe. The CHAIRMAN pro tempore. The gentleman from Indiana may reserve for closing. Is that the intent of the gentleman? Mr. MCINTOSH. Yes, it is, Mr. Chairman. I am prepared to close now if the gentleman is ready to proceed with amendments.

Mr. TIERNEY. We have one more speaker, if we might, Mr. Chairman. Mr. Chairman, I yield the balance of the time to the gentleman from Ohio (Mr. KUCINICH).

The CHAIRMAN pro tempore. The gentleman from Ohio is recognized for 1½ minutes.

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding me the time.

I do not think there is anyone in this Chamber who believes other than that most small businesses are law abiding. And the earlier reference to those who are standing up for environmental protections, workplace protections, fighting money laundering, and promoting drug testing somehow believe that small businesses represent a criminal class is fairly ridiculous, and it is unfortunate to have that kind of reference in what has been otherwise an important debate.

The problem with the bill is that, and this is a central part that has to be remembered, is the process of agency determination only kicks in if a violation has been discovered, because a business which has failed to file paperwork, that violation needs to be discovered.

This is a matter of what we do not know may very well hurt us. It is not useless paperwork to require filings that have to do with drug testing, food safety, to avoid stock fraud, to stop money laundering, to promote workplace safety, to promote air passenger safety, to promote a safe environment. I mean, this is part of the responsibility of the government. This is our government investigation. To do anything less than pay your obligation to pay taxes or to protect your pension fund, then you are going to be given a second chance. I think that is all that we can do. When our Nation's small business and the employees that work for them come before Congress to fill out this much paperwork, Mr. Chairman, I think the least we can do is say, we are going to be on your side and be forgiving if you commit a harmless error somewhere in those thousands of pages.

I would urge all of my colleagues to support this bill, join the NFIB and other small businesses and the Farm Bureau and other groups in finally bringing this legislation to fruition. Mr. EHRLICH, Mr. Speaker, I rise today to offer my support to H.R. 3319, the Small Business Paperwork Reduction Act Amendments of 1998, introduced by my colleague, Representative DAVID MCINTOSH.

Small businesses are the engine of our national economy. Numbering twenty million today, small businesses generate approximately half of all U.S. jobs and sales. Compared to larger businesses, they hire a greater proportion of individuals who might otherwise be unemployed—part-time employees, employed with limited educational backgrounds, young and elderly individuals, and individuals on public assistance. Yet the smallest firms carry out the heaviest regulatory burden. They bear sixty-three percent of the total regulatory burden, amounting to $247 billion/year. Firms with under fifty employees spend on average nineteen cents out of every revenue dollar on regulatory costs. Small businesses desperately need relief from the burden of government paperwork.

One of small businesses' greatest fears is that they will be fined for an innocent mistake or oversight. The time and money required to keep up with government paperwork prevents small businesses from growing and creating new jobs. Paperwork counts for one third of total regulatory costs or $225 billion. In 1996, it required 6.7 billion man hours to complete government paperwork. H.R. 3310 will give small businesses the relief they need from the burden of paperwork. It will put on the Internet a comprehensive list of all the federal paperwork requirements for small businesses organized by industry as well as establish a point of contact in each agency for small businesses on paperwork requirements. This legislation encourages cooperation and proper compliance by offering small businesses compliance assistance instead of fines on first-time paperwork violations which do not present a threat to public health and safety. Lastly, it will establish a task force including representatives from the major regulatory agencies to study how to streamline reporting requirements for small businesses. This legislation goes a long way in relieving the desire of many of my small businessmen and women in the Baltimore area and the 2nd District of Maryland.
Mr. Speaker, the Small Business Paperwork Reduction Act will bring common sense into the process and go a long way toward relieving small businesses of excessive paperwork and fines. Please join me in strongly supporting this common-sense paperwork reduction bill for small businesses.

Mr. Chairman, I rise today in opposition to H.R. 3310, the Small Business Paperwork Reduction Act Amendments of 1998. The intent of H.R. 3310 is worthy. For years, the small business community has voiced its concerns about the scope and burden of regulatory costs. These concerns were addressed in the Paperwork Reduction Act (PRA) and the Small Business Regulatory Fairness Act (SBREAFA) and by the Administration in their current efforts to streamline paperwork requirements.

Small business is responsible for 80% of the jobs that are created in our country. We are innovative and prosperous when our capital markets are efficient and the demands by the federal government reasonable. I was self-employed not too long ago and remember well the challenges that any small business faces.

Some of these challenges are addressed by H.R. 3310: requiring the Office of Information and Paperwork Reduction to publish a report annually on the Internet and in the Federal Register of all the federal paperwork requirements for small business; requiring each agency to establish one point of contact to act as a liaison with small businesses; and establishing a task force to study the feasibility of streamlining reporting requirements for small businesses.

The central problem with H.R. 3310 is its provision suspending civil fines for first-time violations by small businesses when they fail to comply with reporting and record-keeping requirements. I believe that this well-intentioned provision may reduce compliance and hamper the government’s role to protect the public. When pension administrators, banks, financial advisors, food and drug manufacturers, and employers violate the law, these violations would not be addressed, even if willful, until a second violation.

Under H.R. 3310, a pattern of noncompliance would be allowed to detect by the agency with jurisdiction. For instance, the Consumer Product Safety Commission’s efforts to monitor product safety would be hampered. Compliance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, which requires disclosure of lead-based paint hazards to prospective renters or buyers, would be reduced. The same applies to OSHA and ERISA requirements.

The case is clear that the burden of paperwork requirements does not outweigh public health, safety, and financial security considerations. While the title of H.R. 3310 is appealing, I believe its enactment would have serious, negative consequences on our nation.

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“(c) The task force shall examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns, in order that each small-business concern may submit all information required by the agency—

“(1) to one point of contact in the agency;

“(2) in a single format, or using a single electronic reporting system, with respect to the agency; and

“(3) on the same date.

“(d) Not later than one year after the date of the enactment of the Small Business Paperwork Reduction Act Amendments of 1998, the task force shall submit a report of its findings under subsection (c) to the chairman and ranking minority members of the Committee on Government Reform and Oversight and the Committee on Small Business of the House of Representatives, and the Committee on Governmental Affairs and the Committee on Small Business of the Senate.

“(e) As used in this section, the term ‘small-business concern’ has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 631 et seq.).”.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“3521. Establishment of task force on feasibility of streamlining information collection requirements.”

The CHAIRMAN pro tempore. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. These amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Are there any amendments to this bill?

☐ 1215 AMENDMENT NO. 1 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. Dickey). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. Kucinich: Page 4, strike line 10 and all that follows through page 6, line 25, and insert the following:

“(B) establish a policy or program for eliminating, delaying, and reducing civil fines in appropriate circumstances for first-time violations by small entities (as defined in section 601 of title 5, United States Code) of requirements regarding collection of information. Such policy or program shall take into account—

“(i) the nature and seriousness of the violation, including whether the violation was technical or inadvertent, involved willful or criminal conduct, or has caused or threatened to cause harm to—

“(I) the health and safety of the public;

“(II) consumer, investor, worker, or pension protection; or

“(III) the environment;

“(ii) whether there has been a demonstration of good faith effort by the small entity to comply with applicable laws, and to remedy the violation within the shortest practicable period of time;

“(iii) the previous compliance history of the small entity, its owner or owners, or its principal officers who have been subject to past enforcement actions;

“(iv) whether the small entity has obtained a significant economic benefit from the violation; and

“(v) any other factors considered relevant by the head of the agency.

“(C) not later than 6 months after the date of the enactment of the Small Business Paperwork Reduction Act Amendments of 1998, revise the policies or program to include the interim policy.

“(D) not later than 6 months after the date of the enactment of such Act, submit to the Committees on Government Reform and Oversight of the House of Representatives and the Senate a report that describes the policy or program implemented under subparagraph (B).”

“(2) For purposes of paragraphs (1)(B) through (1)(D), the term ‘agency’ does not include the Interstate Commerce Commission.

Mr. KUCINICH. Mr. Chairman, I want to again commend the gentleman from Indiana (Mr. McIntosh) for the efforts that we have made throughout many long and hard sessions over this important bill. I regret that we have not been able to come to an agreement, but I still can say that I admire his dedication and his willingness to attempt to craft a mutual agreement, and I look forward to an opportunity to work with him again on another occasion, hopefully something that could reach a mutual conclusion.

The amendment that the gentleman from Massachusetts (Mr. Tierney) and I are offering today is consistent with the goals that we have set out for this legislation, to help small business while protecting the health and safety of the public. I want to tell the gentleman from Massachusetts how much I have appreciated his assistance in trying to bring this bill back to a point where it is going to benefit small business and the public.

This amendment is also consistent with past action by the Congress on small business issues, issues such as SBREFA which the gentleman from California (Mr. Waxman) so ably spoke to a moment ago. This amendment would require, and I emphasize the word “require,” all agencies to establish specific policies and programs to allow them to eliminate, delay or reduce civil fines for first-time violators of paperwork requirements. In putting together those policies, agencies would be required to take into account a number of factors. Those factors would include, first of all, the seriousness of the violation and whether it involved willful or criminal conduct. Agency policies must include whether the small business is making a good faith effort to comply with applicable laws and correct the violation as quickly as possible. I think the amendment that the agency look at the previous compliance history of the business and whether the small business gained an economic advantage or competitive advantage by its action.

Furthermore, the amendment includes a strict time frame for agencies to take these actions. Within 6 months agencies would have to implement policies and report back to the Committee on Government Reform and Oversight. This amendment would ensure that paperwork reduction efforts are truly relevant to the special circumstances of all industries. Agencies would be able to tailor their policies to the unique needs of the statutes that are responsible to enforce and congressional review of these policies would become a matter of course.

Mr. Chairman, in pursuing this amendment, Congress would be responsive to the concerns raised by the Department of Justice and other Federal agencies. During committee consideration of this bill, we heard testimony from the U.S. Department of Justice, the Department of Transportation, the Securities and Exchange Commission and OSHA. All of these agencies raised serious questions about the impact of H.R. 3310 on their enforcement, drug testing statutes and other laws.

Some examples. Without this amendment, the bill would protect drug traffickers. Law enforcement agencies detect drug trafficking and money laundering using reports filed by businesses. H.R. 3310 would encourage financial institutions not to report cash transactions that are more than $10,000. Without this amendment, this bill would undermine our ability to prosecute large scale drug traffickers. Law enforcement Administration relies on written reports to ensure that controlled substances are not diverted illegally. H.R. 3310 would encourage pharmacies to not report their distribution of controlled substances.

Finally, without our amendment, it would undercut drug testing statutes and public safety. The Department of Transportation requires reports from truck drivers. These reports show whether drivers and other safety sensitive employees have passed drug tests. The current language would give an incentive to businesses to avoid reporting. With this amendment, the Kucinich-Tierney amendment would provide the tools they need to combat illegal drugs, guard the environment and protect the health and safety of our citizens. We will then have legislation that I believe will attract bipartisan support and the support of the administration.

Mr. TIERNEY. Mr. Chairman, will the gentleman yield?
Mr. KUCINICH. I yield to the gentleman from Massachusetts.

Mr. TIERNEY. Mr. Chairman, I again just reiterate the long road that this bill has taken and the fine work of the gentleman from Ohio in trying to make sure that it in fact does what everybody expresses is their intention, and that is aid small businesses.

Mr. MCINTOSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, a lot of debate is going on right here about whether or not this bill is in the interest of the Nation’s small business. Let me quote for my colleagues from a letter from the NFIB, the voice of small business, that is aid small businesses.

INDEPENDENT BUSINESS, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the 600,000 members of the National Federation of Independent Business, I am writing to express our strong support for the “Small Business Paperwork Reduction Act Amendments of 1998.” We appreciate your leadership in moving forward with legislation to address one of the perennial concerns of small business owners.

The burden of federal government paperwork continues to rank high among the top concerns of NFIB members. In our 1996 edition of Small Business Problems and Priorities, federal paperwork ranked as the seventh highest concern of our members. Because of their size, government paperwork hits small business particularly hard.

This bill will build on past efforts to reduce the flow of government red-tape by taking steps to reduce the paperwork burden for small business. Importantly, the bill requires federal agencies to waive civil fines for first-time paperwork violations so that small businesses can correct the violation. This provision provides small business owners with a one-time warning that they should comply with paperwork requirements—not a blank check to disregard government rules and endanger the welfare of their employees. Small businesses must still correct the violation under this legislation.

We believe this legislation includes incentives for small business owners to comply with paperwork requirements by providing them with an agency point of contact, a one-time suspension of fines, and encourages further government action to streamline paperwork. We hope it receives the full support of your subcommittee and the full committee.

Sincerely,

DAN DANNER, Vice President.

Mr. Chairman, this amendment, as well intended as it is, frankly would gut that provision in the bill, because it does nothing more than reenact the requirement in SBREFA that the agencies adopt a policy in appropriate circumstances, with discretion. What we have seen since SBREFA has been enacted is that the agencies have failed to meet the requirement on reducing paperwork and when they do have policies, continue to impose fines for innocent paperwork violations. I would like to point out the severity of the failure of the agencies to actually live up to SBREFA and submit for the Record a list of the performance standards as reported from OMB agency by agency. Several of them have actually increased their paperwork requirements since that law was passed. The Commerce Department went up by 8.8 percent last year, interior by 16.3 percent, Transportation by 32.7 percent, EPA by 69 percent, FEMA by 7.7 percent, NSF by 4.9 percent, and the Office of Personnel Management by 4.4 percent. That is in spite of the mandate from Congress to reduce their paperwork by 10 percent each year. So the agencies are not paying attention to SBREFA. To merely reenact the requirement there that they adopt the policy in this area will fail to protect our Nation’s small businesses.

I am with NFIB, that we need to keep the bill as written and we need to actually do what is good for our Nation’s small businesses and sadly reject the effort of our colleagues to try to bring back SBREFA. We need to move forward in this area and keep the bill as it is written.

The document referred to is as follows:

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<th>Fiscal year 1996 total burden</th>
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<th>Percent change from fiscal year 1996 to fiscal year 1997</th>
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1The paperwork burden for the Federal Energy Regulatory Commission was contained in the DOE burden inventory in FY 95 but counted separately in later years.
2The bill’s 96 reduction is attributable to the expiration of OMB number 1405-0118 (15 million hours).

3Subtotal includes a total of 1,206,801 hours of burden from AID, GSA, NARA, and USA.
Mr. POMEROY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me begin my remarks by commending the bill's sponsor as well as the amendment's sponsor for their discussions from which this bill unfolded on the House floor. I think that the tone and the depth of the debate has been extremely interesting. I want to also commend the bill's sponsor and the amendment's sponsor for advancing a meaningful purpose of providing meaningful paperwork reduction to the small employers across the country.

I have spent probably the last 2 or 3 years in this Chamber focusing on how we expand employer-based retirement savings opportunities for the Nation's workforce. I have concluded that providing paperwork reduction is an important part of expanding the opportunity for employers to offer work-based retirement savings. We have simply made it too complex, too cumbersome and we have actually discouraged employers from doing just what we want to encourage them to do, provide a retirement benefit for their workforce. I have joined this effort at paperwork reduction. We have passed some on defined contribution plans, we have got some that is proposed and under consideration for defined benefit plans. One of the things that I have learned as we have worked in this area of paperwork reduction for retirement benefits is that it is vitally important to get it right. Therefore, the amendment before us deserves very careful consideration. I would urge its adoption. I think that the bill overreaches relative to retirement benefits. Let me give my colleagues a couple of examples of where it would.

One of the requirements, one of the regulatory requirements of an employer offering retirement benefits to their employees is that they provide a summary plan description to the employee alerting the employee as to the benefit they are receiving. This can be very important. In a defined contribution plan, for example, it is quite often structured so the employer will match the employee's contribution into the retirement savings account. The employer, for example, for every dollar up to 3 percent of salary for example, the employer will match dollar for dollar. Imagine the situation, if you will, where the employer forgets to notify the employee that that program is available, that that match is available into the retirement account. The employer does not know of this retirement benefit, the employee does not exercise their opportunity to gain retirement savings, and there is nothing, virtually nothing the Department of Labor can do under the bill to respond to that situation.

We need to have our workforce have retirement benefits at work and we need to have them alerted to what those benefits are. I think the amendment would be much more appropriate than the bill itself relative to that issue.

Mr. SHADEGG. Mr. Chairman, will the gentleman yield?

Mr. POMEROY. I yield to the gentleman from Massachusetts.

Mr. SHADEGG. The fact of the matter is that ERISA only partially deals with the collection of money issues. There are many other provisions of ERISA that deal with the collection of information for other pertinent and very valuable reasons that would not be involved with this particular exclusion concerning the internal revenue law.

Mr. POMEROY. Reclaiming my time, that is precisely my point. This is not an IRS "you owe the money" deal. This is a requirement on the employer that they notify the employee of what their retirement benefits are. It is my belief that that would be dealt with under the act, that part of ERISA is not exempted.

Mr. SHADEGG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Kudlow amendment and in support of the legislation as introduced. Let me make it clear why I feel that is appropriate. Under existing law, SBREFA as we have passed it, the Small Business Regulatory Enforcement Fairness Act, which was passed in 1996, the language in this proposed amendment, is already present law. That is to say, in the amendment now being offered, any agency which regulates small business would be required to establish a policy in appropriate circumstances for first-time violations of a paperwork requirement.

The existing law, a copy of which I am holding here in section 223(a), already says that all agencies are required, and I mean all, to establish a policy or program under appropriate circumstances for the waiver of civil penalties.

The requirement that is embodied in this amendment is already in existing law.

Mr. POMEROY. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. Certainly I yield to the gentleman from North Dakota.

Mr. POMEROY. Mr. Chairman, this is just for purposes of clarifying our earlier exchange.

I would point to page 4 of the bill, lines 22 through 25, as addressing the violation or violation of Internal Revenue law or laws asserting the assessment or collection of any tax debt, revenue or receipt, and the provision of ERISA to which I was referring was the requirement that an employer alert the employee of the establishment of the retirement benefit plan.

That is something that I believe we want to encourage, and I am afraid a blanket exemption as contained in the bill, unlike the proportional language dealt with in the amendment, would be an overreach, would be too much of a correction in that respect.

Mr. SHADEGG. Reclaiming my time, Mr. Chairman, it appears we have different interpretations, as occasionally happens. My understanding from the floor that we have, that we get an IRS deduction for the establishment of a benefit plan which complies with ERISA, that everything that is required to comply with that and that is in order to get the benefit, one is required to do these certain things. That is, in fact, a provision of the IRS Code brought into this under ERISA, and that it would apply.

Mr. POMEROY. Mr. Chairman, I thank the gentleman.

Mr. SHADEGG. Certainly. To return to my point, Mr. Chairman, I think first of all, it is important for Members to understand that the language of the amendment is already the language of existing law. We have already cited an agreement to establish a policy or program under appropriate circumstances for the waiver of civil fines.

That language, I think if now reenacted, would make this bill almost impossible, and I think it is important for Members to understand that this bill, as written and as introduced and brought here by the committee, covers first-time paperwork violations.
And it seems to me quite clear that when you understand that we are leaving in place the ability to punish the underlying substantive offense, the underlying violation of the law, and when we are only talking therefore about the paperwork violation that is not the failure to file the paperwork from which one might discover the underlying violation, I have a difficult time seeing the problem and a difficult time accepting an amendment which would get to the heart of the matter.

But beyond that, it is very important to understand that what this legislation does is it applies to first-time violations only. When we think of the businesses across America, no business can start business with a blank sheet of paper. They exist and are profitable with the heavy paperwork burdens they have, and have to file literally dozens, if not hundreds, if not thousands of these forms, and there was plenty of testimony before the committee about the paperwork burdens.

But the point here is that for any kind of a violation that might reveal a pattern of conduct that might result in harm, a violation that is not the failure to cause a serious problem. The form is going to have to be filed over and over and over again. This simply says that for the first violation there should not be a penalty, and it only says that in certain circumstances, if health and safety is still implicated, then there can be a penalty.

I will remind Members of the discussion earlier about the gentleman who was visited at his restaurant. It was a soap in his restaurant, not a harmful product. He was fined $1,000 by OSHA. During the OSHA visit, his store manager called an OSHA inspector and had the data sheet, material safety data sheet, faxed to the office. It was there within that period of time, there within a matter of minutes, and OSHA still imposed the $1,000 fine.

Mr. Chairman, I think that makes no sense, and I think this is a reasonable piece of legislation on which we have tried to work with the other side in a bipartisan fashion, and they have professed language which has improved it. I urge the rejection.

The CHAIRMAN. The time of the gentleman from Arizona (Mr. SHADEGG) has expired.

Mr. SHADEGG. I yield to the gentleman from Texas (Mr. DELAY). I urge the rejection of the amendment as being an amendment that would set this legislation so far back as to make it nearly meaningless, and I urge the adoption of the bill as reported by the committee.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. I yield to the gentleman from Texas.

Mr. DELAY. I really appreciate the statement that the gentleman from Arizona makes, Mr. Chairman, and I too rise in support of this legislation and, frankly, in opposition to this gutting amendment. And I appreciate the gentleman standing against this amendment.

I am just amazed at the liberal opposition to this legislation. It must represent a really a low point.

It must really represent a low point in their anti-small business efforts; now we understand the real motives of the far left. The liberals are in favor of more paperwork, they want more work for government.

Mr. Chairman, it seems to me that the liberals are in favor of more paperwork, they want more work for government bureaucrats, they want more profits to be wasted on redundant forms and silly Federal regulations and rules. I got to tell my colleagues, Karl Marx must be turning over in his grave. Is this the once proud left wing, is this all they have to fight over?

I too oppose this gutting amendment, Mr. Chairman, and support this commonsense legislation. I just think we ought to give small businesses a break today.

Mr. ALLEN. Mr. Chairman, I move to strike the requisite number of words. Chairman, I want to thank the Members on the other side for the title of this bill, the Small Business Paperwork Reduction Act. That is a terrific title, and it is hard to imagine that one of our colleagues propose a bill like that, except for the content of the bill. But that is a great title.

But the fact is that we have got two proposals in front of us. One is the Kucinich-Tierney amendment, and I believe that is the right sort of amendment because it gives our agencies the kind of flexibility that we need.

The other side has gone on about how the bill, as drafted and as reported out, the gentleman yield? the Tierney-Kucinich amendment, and I believe that is the right sort of amendment because it gives our agencies the kind of flexibility that we need.

The other side has gone on about how the bill, as drafted and as reported out, the gentleman yield? by the committee, only deals with paper violations. But there are paperwork violations and others. The fact is that for many of our agencies there has to be a regular period of reporting. I want to mention a couple of things. The principal deputy, an associate general for the Department of Justice, has testified that automatic probation for first-time offenders would give bad actors little reason to comply until caught, and that would work to the economic detriment of those hardworking small business owners who work hard to comply with the law. And that is my fear about this particular legislation.

If we approve this legislation, we are creating a set of incentives, and among many incentives of interest, that some people in taking the reporting requirements less seriously; and, in my opinion, that hurts the legitimate small business owner who is out there trying to comply with the law, and helps those who are going to get away with one thing or other.

As my colleagues know, the Department of Justice has also said that this bill could interfere with the war on drugs, hinder efforts to control illegal immigration, undermine food safety protections, hamper programs to protect children and pregnant mothers from lead poisoning, and undercut controls and fraud against consumers and the United States.

I am very concerned about this bill in a number of different respects, and I want to turn to one of them in particular. We have a set of protections that are designed to protect our safe drinking water, and self-monitoring and reporting are the foundations of the Clean Water Act and the Safe Drinking Water Act. These reporting requirements are designed to give State and Federal environmental protection officials knowledge of environmental compliance before any harm occurs.

Under H.R. 3310, the agency would have to prove the failure to report the box incentives for people not to keep the pollutant, posed a substantial and imminent threat before it could assess fines. And I do not think that relying on EPA inspections is a viable alternative. The EPA only has enough staff to do 40 inspections of public water systems once every 40 years.

What we need is an effective system of reporting, and if my colleagues look at the Tierney-Kucinich amendment, what it is doing is saying that rather than a blanket exemption for all first time offenders, what they are doing is directing every agency to develop policies to deal with first time so-called paperwork violations.

That is a far more reasonable approach. It is a kind of approach that I think makes sense. It is a kind of approach that will give our small businesses the relief they need, and yet not let people off the hook when they do not create any incentives for people to keep the kinds of records that help keep our public safe in a wide variety of different areas.

As Franklin Raines has said, and I will yield in one second, the primary goal of millions of organizations is to appear to be those who do not act in good faith and those who intentionally or willfully violate the applicable regulations. That is what we are concerned about on this side of the aisle, and I urge my colleagues to support the Kucinich-Tierney amendment.

Mr. McINTOSH. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Indiana.

Mr. McINTOSH. First, Mr. Chairman, I want to make sure the gentleman is aware of section 2 that says in the case of imminent and substantial danger to health and those who intentionally or willfully violate the applicable regulations can continue to impose a civil fine.

Second, let me state for the record I do appreciate the work of the gentleman from Ohio (Mr. KUCINICH) and the gentleman from Massachusetts (Mr. TIERNEY) on this amendment. We disagree about it. I do believe that it would ultimately gut this key provision in our bill. But he has worked in
Mr. WAXMAN. That is a very good question. But the problem is that the agency might not know about some one's 401(k) fraud unless they see what disclosures were in the paperwork. They have to find out about something for which they are not being informed.

The reason that certain forms are required to be filed is to give the agency the information to know whether that small business is complying with the law. If they do not file the form, they may not know that a small pharmaceutical company found out that there was a side effect that could do harm, or that a seller of property knew about a lead threat or did not disclose it, or that the employer knew that their employees may be harmed by some hazardous substance and did not disclose it to them or to the agency involved.

The agency just would not know. That is the first reason.

The second answer to your question is, not only would the agency not know, but let us say the agency did know. To require the agency to come and then have to get injunctive relief and criminal actions and all of that just seems to me to put the agency in a position where they are going after the small business with a sledgehammer. The reason for these reports is not to just collect money. The reason is to know whether there is a problem.

The Kucinich-Tierney amendment spells out very clearly that if there is a technical or inadvertent reason why that report was not filed, if it was in good faith, the paperwork is required to comply or rectify the violations and there was no previous lack of compliance history, that they would not be fined.

But, on the other hand, if there was a willful or criminal involvement that in fact there was a threat to harm and safety to consumers, investors and others, and that was not this good-faith effort on their behalf, and in fact they had a very murky record in terms of complying, in fact they had not complied in other requirements or they got an economic benefit for the violation, those factors would be taken into consideration, and they ought to be taken into consideration.

Unless this amendment is adopted, it could be that in response to the remedies that were made that did not receive any response, and that was simply that, under this underlying legislation, there is no restriction whatsoever on an agency's ability to pursue criminal penalties. There is no restriction whatsoever on their ability to pursue criminal prosecution. There is no restriction whatsoever on an agency's ability to seek injunctive relief. The provisions are retained to pursue bad actors to the fullest extent of the law.

The only attempt to provide relief here is for those small businesses that are first-time paperwork violators. Even so, there are exemptions in the legislation that provide to make sure that there is a likelihood to public safety, if we are dealing with fraudulent issues related to the IRS or tax matters, or if we are reducing an ability to pursue criminal activity, there is full exemption from those restrictions.

The goal here is to ensure that agencies can go after the bad actors, can go after those that are negligent, can go after those that pursue criminal activity. But for the small business that has a first-time paperwork violation, there is no relief. Also, the legislation ensures that those small businesses are at least made aware of what the small business regulations are, the paperwork regulations are, through the Internet. I think that is an important idea to somehow this amendment gives agencies the flexibility they need. The fact is this amendment gives agencies the flexibility they already have, because it essentially restates the Small Business Regulatory Enforcement Fairness Act that is already on the books.

The amendment, the Kucinich amendment, is nothing more than a status quo amendment. It reflects no change. SBREFA, Small Business Regulatory Enforcement Fairness Act, may be a good business regulation, but it does not provide for additional relief. The fact is, if you support the status quo, that may be fine, but there are small businesses out there in New Hampshire, all across the country that are concerned about the burden of paperwork, that are concerned about the cost of regulation; and this provides them with some relief for that small business that is a first-time paperwork violator.

Mr. Chairman, I yield to the gentleman from New Hampshire (Mr. McINTOSH). Mr. McINTOSH. Mr. Chairman, first, I want to express appreciation for the gentleman from New Hampshire, vice chairman of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs. He has done a wonderful job on our committee in helping to craft this legislation and also overseeing the functions of the subcommittee.

I am amazed by the complex argument of my colleague, the gentleman from California (Mr. WAXMAN). But it
seems to come down to, on the one hand, they are afraid that the agencies will not do enough because they do not have the civil fines. On the other hand, they are afraid they might do too much because they have civil penalties in the court and criminal penalties and injunctions.

I will, once again, share with my colleagues the analogy that I think fits the description here. The agencies are like traffic cops. They would rather give out tickets for speeding violations than having any kind of control. They are stealing your TV, because it is a lot easier to give out traffic tickets than to go after the real bad guys.

What this bill says is that we are going to give you a pass if you make an innocent mistake the first time; but if you are a bad actor, we are going to come after you with all the full force of the Federal Government.

In closing, I am sad to say, but a vote for the Kucinich-Tierney amendment is a vote against our Nation’s small businesses because it would not move the dime forward on this key issue.

Mr. SUNUNU. Mr. Chairman, I thank the gentleman from Indiana very much for his closing. I want to reemphasize the point that seems to have been missed by those who were opposed to this legislation and supportive of this gutting amendment; and that is that this legislation does nothing to limit the agency’s ability to seek criminal penalties, to seek civil penalties and civil prosecution, to put an injunction in place and to pursue the bad actors or anyone that ought to be convicted of willful or negligent activity. We can prosecute them to the fullest extent of the law.

This is some relief for small businesses, relief only for first-time paperwork violations and provides full exemption when there is an imminent threat to public safety. The drinking water issues that were raised, lead poisoning, I think few would doubt that these are issues of public safety, a threat to public health; and that would certainly, in appropriate circumstances, be dealt with with the exemption of this legislation.

Mr. Chairman, I would urge my colleagues to oppose the Kucinich amendment and support paperwork relief for small businesses.

Mr. TIERNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just start by saying again most of the way along the path here, this has been an effort to cooperate with the gentleman from Indiana (Mr. MCINTOSH), chairman of the Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, with the gentleman from Ohio (Mr. KUCINICH), myself, and others on the committee really believes that is the case.

What we have is a vote about what each respective side believes is the appropriate way to both help small business and to also make sure that we put in place a program that would protect the public safety and the public health and the environment that we are all required to do. We can have an honest disagreement about how that might proceed, but we ought not to take this to the rhetorical level that somebody is for or against anything completely.

People on this side of the aisle, Mr. Chairman, are firmly for small business. We clearly understand that our amendment, the Kucinich-Tierney amendment, states that this will tighten up SBREFA, this will make small business violations, for the first-time instances, be addressed by an agency mandatorily with a waiver in those circumstances. That is what brings SBREFA further along with regard to that particular than it is today.

There is no place for bombasting in this debate, and there is no place for labels going on. This is simply, how do we best protect the public interest and protect small businesses as they go about their venture?

There are parts in this bill that are very good. Should we give notices to small businesses, provide a list so we know about the requirements that have to be met? Absolutely. We can all agree upon that. Might we have one point of contact so a small business goes to an agency to deal with one individual to get their issues resolved? Absolutely. We have a task force for streamlining the amount of paperwork that small business has done? That would really result in paperwork reduction. That is an excellent part of the bill that we support.

Mr. Chairman, I would yield for a couple of seconds to the gentleman from Indiana (Mr. MCINTOSH) to ask him to point out any part of H.R. 3310 that actually in itself reduces paperwork. There is nothing in that bill that does anything to relieve paperwork.

The closest thing that arrived at is this provision to have a task force to streamline. We are firmly behind that. We would urge the committee to do just that, to get that report and then to take that stack that is on the table next to the gentleman from Indiana (Mr. MCINTOSH) and reduce it significantly.

All through my business career and the people that I represented, we complained about the amount of paperwork that we were there, thought that we might be able to reduce it, while at the same time, protecting the public interest. That is what the Kucinich-Tierney amendment portends to do. It portends to make sure that nobody is given an incentive not to comply.

Although we may disagree, Mr. Chairman, with the wording that is in that bill, I can tell you clearly that a practical reading of it would be an incentive not to those businesses that are inclined to not comply to do just that.

For all the businesses that go out there day-to-day that are concerned about what they do and its effect on the environment, are concerned for the safety of their employees, are concerned for law enforcement, are concerned that everybody, including themselves, have their pensions protected. They simply want to be relieved from as much paperwork as they can be, and they want the ability for an agency to come in and apply a policy that would allow a waiver in a first-time violation where it is appropriate.

They are not looking for ways to have their competitors who might be unscrupulous and have the obligation at a disadvantage to the law-abiding business person.

To say that the proper remedy here is injunctive relief, to say, well, you can still prosecute them criminally, to say, well, you can have more inspections, as a business person, let me tell the gentleman from Indiana, no, thank you. If it comes down to having an agency exercise its discretion and treat me fairly and, at most, give me a civil penalty. I am for that.

If you think the $750 fine that you keep repeatedly bringing up, and those on your side, is a big number, wait until you see what the cost for injunctive relief is when you have to go out and hire a lawyer to protect yourself against that. Wait until you see what the cost is for criminal prosecution. Wait until you see what those inspections, how onerous those can be when they are not there. If you do the appropriate thing and make sure that in a first-time violation, the agency has the discretion it should have.

Mr. MCINTOSH. Mr. Chairman, will the gentleman yield?

Mr. TIERNEY. I yield just very briefly to the gentleman from Indiana.

Mr. MCINTOSH. Mr. Chairman, I thank the gentleman for yielding. Mr. Chairman, in that example, Mr. Gary Roberts is fined $750. He actually has the hazardous communication program right to the work site.

Mr. TIERNEY. Reclaiming my time, I will address that.

Mr. MCINTOSH. There would be no need for an injunction, no need for a court case.

Mr. TIERNEY. Reclaiming my time, that example is a situation, and OSHA came in and testified before the committee and told you that has been addressed. OSHA has a zero tolerance for those violations. They do not fine people for failing to have something posted in a first-time violation and had put in fact a policy; we had agency after agency come in before
us and tell us that they are moving in that direction.

The fact of the matter is, we are waiting on the reports on the SBREFA to see what the policies are and what the effect is. The majority on the committee should not rush and go forward with this bill before they even found out what the information was. That is not appropriate here. Your own party has raised some very important issues here.

Mr. Chairman, I would ask my colleagues to support the amendment. It does, in fact, help small businesses. We can all be on the same page here, and we ought it be.

The CHAIRMAN pro tempore (Mr. Dickey). The question is on the amendment offered by the gentleman from Ohio (Mr. McIntosh).

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

Mr. KUCINICH. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, further proceedings on the amendment offered by the gentleman from Ohio will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. MCINTOSH

Mr. MCINTOSH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCINTOSH:

Page 6, strike line 25 and insert the following:

"(4) Notwithstanding any other provision of law, no State may impose a civil penalty on a small-business concern, in the case of a first-time violation by the small-business concern of a requirement regarding collection of fees, in a manner inconsistent with the provisions of subsection (c)."

Mr. MCINTOSH. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. Dickey). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MCINTOSH. Mr. Chairman, this amendment came out of testimony that we did hear from OSHA and many of the States; where they do have enforcement of their regulations, the States actually are the entities that enforce it, and they said even if our bill passed, they would not be able to control what those State enforcement agencies did in terms of civil penalties for first-time violations.

So what this amendment does, it is a very narrow amendment that says, where there is a Federal law that is being enforced by State agencies, those agencies also will have to comply with the sections of this bill that allow small businesses to have an exemption for a first-time violation that does not pose imminent threat to health and safety, does not impede criminal investigation, does not involve an Internal Revenue Code provision.

So it is an amendment we probably should not have filed full committee draft when we had a substitute. We did not. But in reflecting upon the testimony given to us by the agency on a problem where their hands are tied in certain cases, where they do not really want to control enforcement activities, this would mean that all of the enforcement, whether it is done at the State or the Federal level, are on an equal basis so that one does not have small businesses in some States being harassed and some small businesses in other States being protected by the statute.

Mr. TIERNEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just would note the irony in this particular amendment coming on the other side of the aisle. For a group that repeatedly talks about States' rights and the Federal Government telling States what they can and cannot do, this would seem to me to be the ultimate enforcement.

For those States that like to have some ability to exempt themselves from Federal programs or Federal requirements and impose their own set of priorities, for instance, if a State chooses to focus on reporting requirements instead of on-site inspections, it may well want to assess civil fines when there are intentional violations of those requirements. This, of course, would prohibit the State from having that kind of flexibility; it is ironic, and just a bit amusing on this side of the aisle to see how everyone who supports States' rights or would want to support them and vote for this amendment.

We regularly hear about how flexible approaches make more sense and how States know what is best for their constituents. However, a vote for this particular amendment would appear to be a vote against that flexibility and a vote against States' rights; and I, for one, would be very curious to see what support it has and does not have from those who have always professed the opposite.

Mr. KUCINICH. Mr. Chairman, will the gentleman yield?

Mr. TIERNEY. Mr. Chairman, I think there are instances where Congress needs to respect the rights of the States, and certainly this amendment calls into question whether we are really doing that; and for that reason, I have to reluctantly oppose the amendment by the gentleman from Indiana (Mr. McIntosh), my good friend.

The CHAIRMAN pro tempore. Does any Member seek recognition?

If not, the question is on the amendment offered by the gentleman from Indiana (Mr. McIntosh).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. MCINTOSH. Mr. Chairman, I demand a recorded vote on that.

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, further proceedings on the amendment offered by the gentleman from Indiana (Mr. McIntosh) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 1 offered by the gentleman from Ohio (Mr. Kucinich), and an amendment offered by the gentleman from Indiana (Mr. McIntosh).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. KUCINICH

The CHAIRMAN pro tempore. The pending business is the request for a recorded vote on the amendment offered by the gentleman from Ohio (Mr. Kucinich) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded. A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to House Resolution 396, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the additional amendment on which the Chair has postponed further proceedings after the first vote of that.

The vote was taken by electronic device, and there were—ayes 183, noes 221, not voting 26, as follows:
Mr. KIM and Mr. HORN changed their vote from "aye" to "no.

Mr. LIPINSKI and Mr. DIAZ-BALART changed their vote from "no" to "aye." So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. COOK. Mr. Chairman, on rollcall No. 72, Kucinich amendment to H.R. 3310, had I been present, I would have voted "no."

I was giving a speech to the National Equipment Manufacturers at the Carleton Hotel at 16th & K; my beeper simply did not function, possibly because of being inside a center room on the ground floor. I am a bit miffed because it broke my 100% voting record!

Mr. ROGERS. Mr. Chairman, may I make a statement?

Mr. COOK. Mr. Chairman, order a recorded vote on the amendment of the gentleman from Indiana (Mr. MCINTOSH) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

Mr. KIM and Mr. HORN changed their vote from "aye" to "no."

Mr. LIPINSKI and Mr. DIAZ-BALART changed their vote from "no" to "aye." So the amendment was rejected.

The result of the vote was announced as above recorded.

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Mr. SHAYS changed his vote from “no” to “aye.”

Mr. DIAZ-BALART changed his vote from “no” to “aye.”

So the result of the vote was announced as above recorded.

Mr. COOK, Mr. Chairman, on rollcall No. 73, McIntosh Amendment to H.R. 3310, had I been present, I would have voted yes. I was giving a speech to National Equipment Manufacturers at the Carleton Hotel at 16th & K. My beeper simply did not function, possibly because of being inside a center room on the ground floor. I’m a bit miffed because it broke my 100% voting record!

The CHAIRMAN pro tempore (Mr. DICKEY). Are there any other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DICKEY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3310) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paper work requirements, and to establish a task force to examine the feasibility of streamlining paper work requirements applicable to small businesses, pursuant to House Resolution 396, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. MCINTOSH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 140, not voting 23, as follows:

[Recorded Vote]

The CHAIRMAN pro tempore (Mr. DICKEY). The SPEAKER pro tempore.

H 1580

CONGRESSIONAL RECORD Ð HOUSE

March 26, 1998

Mr. DICKEY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3310) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paper work requirements, and to establish a task force to examine the feasibility of streamlining paper work requirements applicable to small businesses, pursuant to House Resolution 396, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

RECORDED VOTE

Mr. MCINTOSH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—a yes 267, noes 140, not voting 23, as follows:

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RECORDED VOTE

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A recorded vote was ordered.

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A recorded vote was ordered.

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A recorded vote was ordered.

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A recorded vote was ordered.

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The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. MCINTOSH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—a yes 267, noes 140, not voting 23, as follows:

[Recorded Vote]
Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all I am seeking is for the purpose of debate only.

Mr. Speaker, the House Resolution 385 waives all points of order against the conference report that accompanies this bill, the Foreign Affairs Reform and Restructuring Act of 1998, and against its consideration. The rule also provides that the conference report be considered as read. This of course is the traditional type of rule for considering conference reports and will allow expedited consideration of this legislation.

Mr. Speaker, on the conference report itself, I am pleased to say that I will be able to support a State Department authorization bill. But I think all Members ought to listen up, particularly those of conservative persuasion who may have some concern about this bill. First of all, one reason I support it is because of the excellent work by the gentleman from New York (Mr. GILMAN), the gentleman from New Jersey (Mr. SMITH) and the rest of the conferees who have managed to retain some very excellent provisions relating to NATO expansion overseas, and the conterparts in the United Nations. I am most pleased with the retention of the provision of the European Security Act, which supports something near and dear to my heart, and that is the expansion of NATO, which will guarantee peace in that part of the world for many years to come.

Twice in this century, American soldiers have gone to war on behalf of Europeans, and we fought a very, very costly financial war with the Cold War. The European Security Act designates Estonia, Latvia, Lithuania and Romania as eligible countries for transition assistance under the NATO Participation Act of 1994. It further expresses a sense of Congress that those four countries should be invited to become full NATO members at the earliest possible time.

Mr. Speaker, as we see democracy breaking out all over Eastern Europe, and our troops are being thrust by communism for decades, it is morally and strategically imperative that we do not shut these people out of the Western system, that we do not draw a line in the sand as we did back in 1967, when President Johnson came to Congress and said that the situation of enslaving tens of millions of people behind this philosophy of deadly atheistic communism. Especially as they struggle valiantly to establish democracy and reform their economies, these great friends of America need security and stability.

That in itself is reason enough to come over here and vote yes on this bill. NATO of course is the key to security and stability in that part of the world. For 49 years, it has kept peace and helped nourish democracy and prosperity in Europe. Some say, let us shut it down, or let us keep the status quo. Mr. Speaker, some over in the body with other sort of pause after Poland and the Czech Republic and Hungary get in. What an irresponsible and myopic policy that would be. We must not let that happen. That in itself is sending signals that we are willing to once draw the line in the sand, and we cannot let that happen. In addition to betraying the people of that region, after decades of Communist slavery, leaving a gray area in Central Europe will only tempt demagogues and potential aggressors in that region and make it more, yes, more likely that United States soldiers will have to fight in Europe once again.

To those who say why should U.S. soldiers die for Danzig or Bucharest or say they are in Europe to stop, I do not want that to do not want it to happen, support NATO expansion that appears in this bill, because that is exactly what this bill does.

This conference report also retains the very strong restrictions supported by the gentleman from New Jersey (Mr. GILMAN) on funding of overseas abortions and advocacy of abortions. There is not a more principled Member of this body than the gentleman from New Jersey. I commend him for standing up for what is right for the children of this Nation.

Finally, I am pleased that this conference report places strict conditions on the payment of our supposed arrears to the U.N. Members ought to listen up, because I am the author of the Kassebaum-Solomon amendment that has withheld dues from the United Nations until they cleaned up their house and they put their house in fiscal order. Yet I am standing up here today saying we ought to support this bill. It is because of what is written into this bill.

I have a great deal of trouble with paying these so-called arrears to the U.N., given its history of waste and abuse and, frankly, its lack of gratitude for all the expenses and danger on our troops that we incur in support of U.N. resolutions.

I also have trouble handing out any more money over to an organization whose Secretary General Kofi Annan has just cut an appeasement deal with Saddam Hussein, said that Saddam Hussein is a man he can work with and called U.S. weapons inspectors cowards. That is what this head of the U.N. said? He ought to be horse whipped for saying it. I resent that, Mr. Speaker.

The gentleman from New York (Mr. GILMAN) and the conference have done excellent work in placing strings on the money to establish some sort of accountability, help reduce waste and abuse at that U.N. I am particularly pleased that they have retained
my legislation, which would prevent any arrearages from going to the U.N. if that body attempts to create taxes on American citizens, and they are talking about that, as my colleagues know. We know that U.N. bureaucrats would likely to do exactly that. This legislation is a shot across the bow. Do not try it.

The conference has also included, and this is very, very important, conditions requiring that the U.N. reduce the U.S. share of the peacekeeping budget down to 25 percent and that the regular budget be no more than 20 percent. All fiscal conservatives, if they are listening, that is the reason they ought to come over here and vote for this bill. What is extremely important is that the conference report also requires the President to seek and obtain a commitment from the United Nations that it will provide reimbursement to the United States for the costs incurred by our military in support of U.N. missions. The U.N. must not get no credit. We must just pay all that extra money in and it is a terrible, terrible drain on our military budget to do so. This bill says that they will take into consideration all of the money that we pay in in that respect for us for its peacekeeping and other conditions which should lead us to spending less on the United Nations in the future, as well as the previously mentioned support for NATO expansion, and the excellent anti-abortion section which I am grudgingly support this measure.

Mr. Speaker, in sum, this is a good conference report. I urge adoption of the rule so that we can get on with the expedited consideration.

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

Mr. HALL of Ohio. Mr. Speaker, I thank the gentleman from New York (Mr. SOLOMON) for yielding me this time, and I yield myself such time as I may consume.

This resolution, H.Res. 385, is a rule that provides for consideration of the conference report on H.R. 1757, which authorizes appropriations, it makes policy changes for the State Department and related agencies. As the gentleman has described, this rule waives all points of order against the conference report. The bill, in my opinion, has some good sections and good ideas, especially humanitarian ideas and humanitarian provisions are—humanitarian and human rights.

I do have some concerns, though, about the bill and about the process. In his statement to the Committee on Rules, the gentleman from Indiana (Mr. HAMILTON), the ranking minority member of the Committee on International Relations, said that the conference report was rushed through a highly partisan process without any consultation with the minority. The gentleman from Indiana stated that Democrats had almost no opportunity to review the language and also expressed concern about the reduced funding levels that will cause cuts in American embassies. In this area of global uncertainty, our need for strong worldwide diplomatic presence has never been greater.

I want to take this opportunity to address a particularly difficult issue related to this bill. This is the state of the President's request that administration over restrictions on international family planning and the payment of U.S. dues to the United Nations and funding for the International Monetary Fund. I am considering an amendment which will allow some restrictions on family planning funds and that would require all future IMF financial packages to include microcredit programs to the poorest of the poor. Both sides could win something and the larger national and international interests would be advanced. I suggest microcredit programs because of their success, particularly with women. These small loans help women to invest in projects which can double or triple their family income. It helps pull families out of poverty. It reduces abortion and reduces the size of families.

Most individuals on both sides of this issue act out of deep convictions, and they should. Perhaps there is no middle ground on this issue. But as a legislator, we are charged with finding a middle ground on legislation and there is a difference. We need to support the United Nations. Despite its problems, it is the best hope for peace in many of the troubled regions of the world. We need to support the International Monetary Fund. The IMF stands as a buffer between the financial shock in Asia and the world economy, including the United States. Lives are affected by the decisions on population planning funds. But the greater number of lives today and among future generations are threatened by our failure to deal with the bigger issues involved. Congress and the administration must be open to creative solutions to resolve this issue.

If my proposal is not satisfactory, then both sides need to work together to explore other options. I urge both sides to find common legislative ground so that we can pay our debts to the United Nations and fund the International Monetary Fund.

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

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. SMITH), one of the most respected and distinguished Members of this body who has been here for about 16 years now. He has led the fight for the children of this country and for human rights in this country and the world.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman from New York (Mr. SOLOMON) for those kind remarks. My sentiments are the same for him. He has always been a champion for human rights in China and in the other captive nations. I am so appalled and deeply respect him for that work. I also want to thank the gentleman from Ohio (Mr. HALL) for his support for the rule and the bill, H.R. 1757, and for pointing out that there are a large number of very important human rights provisions in this bill that Members should be aware of, that will advance the goals that we care about so deeply with regard to human rights around the globe.

First, let me just make this point to all of my colleagues that this is not, per se, a foreign aid bill. It is a State Department bill. It contains important restrictions on foreign aid but authorizes no appropriations for these purposes except for a $30 million package of humanitarian assistance for the anti-Saddam Hussein, pro-democracy movement in Iraq.

The bill contains a compromise version of the pro-life Mexico City, cut and said so in very, very clear and unanimous terms that promote abortion—lobby for abortion or attempt to influence legislation or policy as it relates to abortion. The compromise would allow the President to waive the prohibition on assistance on very narrow grounds. This is very hard for our side to concede, but in the legislative tug of war this is half a loaf, and our hope is that the administration will take note of that. There needs to be some give and take.

This bill also conditions funding to the U.N. Population Fund on an end to the UNFPA activities in cooperation with the coercive population control program in China. We asked the President to seek and obtain a commitment from the U.N. that it will take into consideration all of the moneys that we pay in in that regard so that we can pay our debts to the U.N. The U.N. arrearage money is delivered in 3 tranches. Each payment is contingent on U.N. implementation of specific reforms, including reduction of U.S. dues from its current 25 percent to ultimately 20 percent but 22 percent on the near term, and a reduction of U.S. peacekeeping assessments from 31 percent down to 25 percent.

This bill reduces the number of Federal agencies by two. It merges the Arms Control and Disarmament Agency and USIA, U.S. Information Agency, into the State Department to achieve savings through efficiency and resource sharing. But it structures this merger very carefully to preserve the integrity of arms control process and especially of the pro-freedom and pro-democracy functions of USIA’s public diplomacy programs like the radios.

This legislation enhances Radio Free Asia and removes provisions that would provide hour by hour pro-freedom broadcasting to China.

It also contains provisions designed to force abortion providers to adopt provisions that promote abortion—lobby for abortion or attempt to influence legislation or policy as it relates to abortion. The compromise would allow the President to waive the prohibition on assistance on very narrow grounds. This is very hard for our side to concede, but in the legislative tug of war this is half a loaf, and our hope is that the administration will take note of that. There needs to be some give and take.
to pay child support judgments and to ensure that diplomats who commit crimes in the U.S. will be prosecuted for those crimes.

It reforms the State Department personnel law to restore the Secretary's power to remove convicted felons from Foreign Service and to eliminate duplicative pension and salary provisions that allow double dipping at taxpayers' expense.

It contains provisions that will ensure enforcement of the Helms-Burton law which is designed to bring freedom and democracy to the Cuban people.

It sets aside $100 million of the State Department budget for implementation of the congressional directive that the U.S. Embassy in Israel be moved to Jerusalem, and it incorporates the McBride principles designed to end employment discrimination against Catholics in northern Ireland as a condition of U.S. foreign aid.

H.R. 1757 also includes a number of important provisions relating to human rights and refugees from Tibet, Burma, Vietnam, Cuba, Africa and elsewhere. These provisions have been endorsed by leading organizations, including the Catholic Conference, the Council of Jewish Federations, the Lutheran Immigration and Refugee Service, and the U.S. Committee for Refugees.

Mr. Chairman, I urge a yes on the rule, and I hope the Members will also vote yes on the conference report.

Mr. SOLOMON. Mr. Speaker, I yield another 2 minutes to the gentleman from New Jersey (Mr. SMITH) for the purpose of a colloquy with the chairman of the committee, the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to join my friend and colleague on this measure, and I understand the gentleman from New Jersey wants to engage in a colloquy.

Mr. SMITH of New Jersey. Yes. First of all, I want to call attention to the language, Mr. Speaker, that deals with incorporation of the U.S. Information Agency into the State Department.

Mr. Speaker, the conference committee on H.R. 1757 carefully structured the merger of the U.S. Information Agency into the State Department so as to preserve the integrity of the pro-freedom, pro-democracy public diplomacy activities now carried out by USIA. This bill should not be interpreted as an authorization for the State Department to take this money and run by converting USIA resources into a massive domestic State Department public relations operation.

Accordingly, the programs to which the Smith-Mundt and Zorinsky amendments apply must be construed broadly in accordance with the purpose of the legislation to ensure that these important protections continue to apply to the activities now conducted by USIA once they have been incorporated into the State Department.

This is a matter on which a number of House conferees on both sides of the aisle felt very strongly. We should never have incorporated USIA into the State Department except on the understanding that the integrity of all USIA functions will be preserved. “Programs” means not just the materials that USA produces and disseminates, but also the resources, including personnel, that are necessary to conduct our public diplomacy abroad. I would ask the gentleman from New York (Mr. GILMAN) to comment on this very important provision.

Mr. GILMAN. Mr. Speaker, the gentleman’s understanding is correct. USIA is to be incorporated into the State Department for protection for the integrity of its activities. The managers in this legislation do not contemplate any diminution of our public diplomacy activities or an expansion of the State Department’s public affairs activities as a result of this merger.

I understand we have a bipartisan consensus on the issue both in the House and in the Senate, and will engage in vigorous oversight to make sure the purpose of this legislation is faithfully implemented.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the distinguished chairman.

Mr. Speaker, I urge a “yes” vote on H.R. 1757, the Foreign Relations Authorization Act (FY 1998–99).

I would like to call attention to several important features of the bill:

First, this legislation is not a foreign aid bill. It contains several important restrictions on foreign aid, but authorizes no appropriations for these purposes—except for a $38 million package of humanitarian assistance to the anti-Saddam Hussein pro-democracy movement in Iraq.

This bill contains a compromise version of the pro-life “Mexico City Policy”, cutting off funds to foreign organizations that perform or promote abortion. It enacts this policy as permanent law—not just for this year but forever. The compromise would allow the President to waive the prohibition on assistance to abortion providers—but not promoters—in exchange for a reduction in total population assistance.

This bill also conditions funding to the United Nations Population Fund (UNFPA) on an end to its activities in co-operation with the coercive population control program of the government of China, or on an end to forced abortions in that program.

Mr. Speaker, H.R. 1757 contains a U.N. reform and arrearages package which, unlike some other proposals, is not a blank check to the U.N. The U.N. arrearage money is delivered in three “tranches”; each payment is contingent on U.S. implementation of specific reforms, including reduction of U.S. dues from 25% to 22%, reduction of U.S. peacekeeping assessments from 31% to 25%, and an end to UN “global conferences” after 1998.

This bill reduces the number of federal agencies by two. It merges the Arms Control Agency and the US Information Agency into the State Department, to achieve savings through efficiency and resource-sharing. But its structures this merger carefully, to preserve the integrity of the arms control process and especially of the pro-freedom and pro-democracy functions of USIA’s “public diplomacy” programs.

This legislation enhances Radio Free Asia to provide 24-hour pro-freedom broadcasting to China. It also contains provisions designed to force “deadbeat diplomats” at the U.N. to pay U.S. child support judgments, and to ensure that diplomats who commit crimes in the United States will be prosecuted for these crimes.

It reforms State Department personnel law to restore the Secretary’s power to fire convicted felons from the Foreign Service, and to eliminate duplicative pension and salary provisions that allow “double-dipping” at taxpayer expense.

It contains provisions that will ensure vigorous enforcement of the Helms-Burton law, which is designed to bring freedom and democracy to the Cuban people.

H.R. 1757 also includes a number of important provisions relating to human rights and refugees from Tibet, Burma, Viet Nam, Cuba, Africa and elsewhere. These provisions have been endorsed by leading organizations, including the U.S. Catholic Conference, the Council of Jewish Federations, the Lutheran Immigration and Refugee Service, and the U.S. Committee for Refugees.

Mr. Speaker, I urge a “yes” vote on the rule and on the conference report.

Mr. SOLOMON. Mr. Speaker, if the chairman of the Committee on International Relations will stay on his feet, I yield 2 minutes to the very distinguished gentleman from New York (Mr. GILMAN). He is one of the few Members who has been a Member of this body longer than I have, and he has truly been a great, great leader in the field of foreign policy.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I rise to urge my colleagues to support the rule on the conference report on the Foreign Relations Authorization Act. This bill reflects the serious efforts of Members of both sides of the aisle and the administration to try to craft a workable foreign affairs agency consolidation, to also provide reasonable funding levels to sustain our overseas operations and embassies and to provide necessary forms and linkages to payment of our arrearages to the United Nations.

I think it is shortsighted of the administration to threaten a veto on this comprehensive measure because they are unwilling to agree to any funding compromise. This Congress needs to advance the authorities, to consolidate the foreign affairs agencies in
keeping with the President's decision to merge those agencies and to hold the United Nations accountable for reforms while committing to the payment of arrearages.

Accordingly, I urge our colleagues to vote 'no' on this rule. Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Ms. S LAUGHTER) a member of the Committee on Rules.

Ms. S LAUGHTER. Mr. Speaker, I rise in strong opposition to H.R. 1757, the Foreign Affairs Reform and Restructuring Act. This bill seeks to send our Nation's foreign policy back to the dark ages of women's reproductive health. This act would reinstate the Reagan-era Mexico City policy which seeks to limit the reproductive freedom of women in other nations, but it goes even further than Mexico City in posing arbitrary and cruel restrictions on women's legal health choices.

Not only does H.R. 1757 ban U.S. foreign assistance to any organization that engages in any kind of lobbying on the issue of abortion, but it defines lobbying to cover attending conferences or workshops, drafting and distributing materials, or speaking or writing about abortion laws. It is not enough that the majority wants to deny women access to reproductive health services, now they want to restrict the freedom of assembly and speech for women's health organizations.

We have this same debate time and time again on the House floor, and yet still many cannot grasp the critical importance of providing full and balanced information on reproductive health to women in developing nations. This is a matter of life and death for many women. Denying access to vital health information and services will lead to the cruelest birth control of all: death. If we do not fund family planning organizations, women in the developing world will and are suffering.

For my colleagues who profess to be proponents of children's health, I would note that the availability of contraception has important health benefits for both women and their families. By spacing births, infant survival improves dramatically and families can ensure that they have the resources to support their children.

Studies indicate that spacing births at least 2 years apart could prevent an average of 1 in 4 infant deaths. Studies have also proved time and again that access to family planning reduces abortion. In Russia, for decades abortion was the primary form of birth control, contraception first became widely available in 1991. Between 1989 and 1995 abortions in Russia dropped from 4.43 million per year to 2.7 million per year, a decrease of 16 percent.

Someone must speak for the millions of women around the world who desperately want access to family planning. Pregnancy and childbirth are still a very risky proposition for women in many parts of the globe that often lack electricity, clean running water, medical equipment or trained medical personnel.

The statistics are grim. In Africa, women have a 1 in 16 chance of death from pregnancy in childbirth during their childbearing years. Over 585,000 women die every year from complications of pregnancy and birth. For each woman who dies, 100 others suffer from associated illnesses and permanent disabilities, including sterility.

According to the United Nations Fund for Population Activities, family planning can prevent at least 25 percent of all maternal deaths, and many of these are women with families who then leave their children motherless.

How dare we in the United States, blessed as we are with information overload and the best health care system in the world, attempt to deny the only source of information and services to families in the developing world? Who are we to dictate the terms under which these provide essential services across the globe? We would be outraged, and rightly so, if the legislative body of any other nation had the audacity to impose its will over organizations operating legally in our country by dictating the terms under which those groups would continue to receive the financial support that they need to operate.

I urge my colleagues to vote no on the rule and send this proposal back to the committee for revision. Other reasons that I have, Mr. Speaker, for not voting for this bill is that Democrat Members of this House were completely excluded from any participation in this conference report. Indeed, the Democrat Members were not even shown a copy of the conference report until after it was filed. All Democratic Members refused to sign the conference report, and the partisan procedure undermines the longstanding tradition of bipartisanship on foreign policy issues.

For these reasons and all others, Mr. Speaker, I urge a no vote on the rule. Mr. SOLomon. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. BARTLETT), a very distinguished Member from close by in Maryland and a member of the Committee on Armed Services.

Mr. BARTLETT of Maryland. Mr. Speaker, I want to rise in support of the rule. In fact, in strong opposition to the bill itself. This bill does is to unfinance $300 million that was fenced in appropriations last year and sends it on its way to the United Nations. It also authorizes another rough-

More recently, CRS, the Congressional Research Service, says that between 1992 and May of last year we spent $11.1 billion on legitimate U.N. peacekeeping activities.

The Department of Defense, the Pentagon itself, says that last year, where he spent $3 billion dollars on legitimate U.N. peacekeeping activities. We are shortly going to vote on an emergency appropriations bill to cover the expenditures that are at $13 billion. We have spent, since 1992, about $34 billion on legitimate U.N. peacekeeping activities. We have been credited with only $1.8 billion of that against our dues.

What we want is a recognition in this bill that we may owe them some back dues, but they owe us five or more times as much money in legitimate expenditures against U.N. peacekeeping activities. We want an accounting of that before any of our hard-earned taxpayers' money goes to support the U.N.

As we begin to vote for this, if we vote this bill in, is, by the admission of your friend, the member from New Jersey, a really watered-down Mexico City language.

The President is going to veto this bill. The Senate voted 90 to 10 yesterday on a Helms amendment that there was no dues until there was a tally. That is an accounting. The Senate has voted 90 to 10.

All we would do in this vote is to send the message that we owe a billion dollars dues to the U.N., and we are not going to require an accounting. That is the wrong message to send.

It is not the message that the American people want sent. I have been on dozens of talk shows across the country. I have not had one caller that called in to say cough up a billion dollars for U.N. dues.

I have had unanimous support for our position that we need an accounting, we need an accounting before this becomes law. Please vote no on this bill.

Do what they should have done, take it back to conference, and bring out a bill that the American people can support.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. GEJDENSON).

Mr. GEJDENSON. Mr. Speaker, there is simply no distance that we, myself and the gentleman who just completed speaking on this subject. While our interests may have differences, I certainly agree that we ought to reject the rule, and we ought to reject the bill.

This is both bad policy and bad process. Bad process often is ignored, but it is usually a symptom of an inability to confront the real issues. It is wrong simply to take the Mexico City language and fold it in knots our entire foreign policy apparatus.

Additionally, I would say that those who are in favor of the Mexico City language in this bill, as earnest as they
Mr. SOLOMON. Mr. Speaker, I yield 2 minutes again to the very distinguished gentleman from New Jersey (Mr. SMITH), chairman of the Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, first of all, I want to make very clear, when we talk about legislative process, the Mexico City policy was offered on this floor, it mustered a clear majority vote when it was considered. The House even went on record and instructed committees to retain the policy in conference. So it was a very real and legitimate part of the House/Senate conference that occurred.

The flip side of it is that, on the issue of arrearages, that measure did not pass here but passed on the Senate, but we acceded to the Senate to move that ball forward.

Let me also make a point, when Members suggest that my friends on the other side of the aisle were locked in a price, let me just note that I chaired the subcommittee that wrote the major product that emerged as the State Department authorization bill. We had five hearings that preceded the markup of the bill that is now before you.

My good friend, the gentleman from California (Mr. LANTOS), and the Democrats were absolutely free to ask any question, to be part of that process, as they so engaged themselves. We had a markup in subcommittee. Twenty two amendments were offered. That markup went very well and the bill passed onto the full committee.

We went to the full committee. During several days of markup we considered 22 amendments to the State portion of the bill. The bill came over to the floor. We spent 4 days on the floor of the House of Representatives. Members who wanted to offer amendments on the other side of the aisle were free to provide the one. A total of 34 amendments were offered, fully debated, recorded votes occurred.

We then went to conference. On issue after issue, our staffs, as well as Members, met, talked about language and sections of the bill. There were some things that we came to an impasse on.

The major issue upon which deadlocked the conference was the Mexico City policy.

This House instructed the conferences to deal with that the pro-life position. We did so on the State Department bill as well. So this is a clear manifestation of House sentiment. That is part of this bill.

I would argue that this has been a give-and-take. We have provided a compromise Mexico City policy. We also provide the arrearages, which is an anathema to many Members of this side of the aisle, and many on that side of the aisle as well, but there are some reform provisions that make it very meaningful.

So there is give-and-take in the legislative process. The President regrettably, or some on the other side want it
Mr. Speaker, this bill streamlines our foreign policy agencies in the same way that last year's tax bill simplified the tax code. It is riddled with inconsistencies. For example, it claims to pay back dues to the United Nations, but actually increases them. It claims to streamline the State Department, but it establishes a new regulatory system to micromanage staff. Never before have we tried to micromanage what the State Department can do with its individual embassies and their staffing policies.

It claims to get tough on war criminals like Slobodan Milosevic, but, actually, it cuts U.S. involvement in the international criminal justice system. Furthermore, the reorganization plan has simply not been well thought out in my estimation.

We need only look to the genocide that occurred in Bosnia and Rwanda because of the hatred that was fanned by an evil propaganda machine. How then, can we abolish the United States Information Agency? In reality, that is what we do by incorporating it within the State Department. It needs its independence.

Misinformation is best attacked at the grassroots level in an objective, credible fashion, not as part of a tightly controlled foreign policy agenda.

Mr. Speaker, this bill zeros out the Arms Control and Disarmament Agency at a time when nonproliferation efforts have never been more critical. Mr. Speaker, I yield especially disappointed that we have not been able to include an agreeable compromise on the Mexico City policy. The conference agreement still includes the inhumane Mexico City language that denies some of the most destitute people in the world the ability to choose healthy and safe family planning practices while also denying them their health practitioners the fundamental right of free speech.

This is another of those misguided attempts that some people in the majority have made to deny economically disadvantaged women, both here and abroad, access to quality, reproductive health care and the information they need to plan their families.

The leadership knows that the Hyde amendment already ensures that no U.S. funding is being spent on abortions, and yet they would jeopardize final passage of this important legislation by including this regressive language that relies on the guise of reducing the number of abortions performed with U.S. tax dollars. Studies have shown that family planning funds actually decrease the number of abortions performed. Private, non-governmental organization funds save lives and empower people. This bill does not let them accomplish this most critical mission and should be defeated.

Mr. Speaker, I yield 12 minutes to the gentlewoman from New York (Mrs. Maloney).

Mr. Speaker, I yield 11 minutes to the gentleman from New York (Mr. Solomon), the very fair chairman of the Committee on Rules, for coming forth with a rule that all of us can adopt; and I would like to especially thank the Chairman of the Committee on International Relations, the gentleman from New York (Mr. Gilman), who held a very long series of hearings on this bill where everyone had the opportunity to present amendments and discuss the controversial issues in this bill. Mr. Speaker, there are some very good areas that we can all agree on, I think, in this conference report. I would like to especially thank our colleagues in the Committee on International Relations for allowing me to present and to have us improve, without problems, some amendments that I have dealing with the Castro dictatorship.

There are two provisions that I think are very important in establishing a firm posture of U.S. policy toward that dictatorship. The first one stresses the concern of the United States Congress about Fidel Castro's completion of the very dangerous nuclear power plant in Juragua near Cienfuegos, Cuba.

Also, another amendment asked the Clinton administration to give us information about individuals and companies that are not complying with the Helms-Burton Act, and this title IV gives us the opportunity to protect U.S. property rights because these are people who are exploiting the Cuban worker and using illegally confiscated U.S. property that used to belong to U.S. citizens. We want to make sure that folks have the opportunity to take their cases to court, and that the U.S. Government will bar entry to anyone who is not complying with our laws.

So I would like to thank the chairs of both committees, the Committee on Rules and the Committee on International Relations for their very fair process; and I urge my colleagues to adopt both the rule and the conference report.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Ms. Pelosi).

Ms. Pelosi. Mr. Speaker, I thank the gentleman from Ohio (Mr. Hall), a distinguished member of the Committee on Rules, for yielding to me, and I rise in opposition to the rule. Mr. Speaker, I yield to the gentlewoman from New York (Mrs. Maloney).
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did not see a copy of the 350-page conference report until after it was filed. Because all Democrats refused to sign the conference report, a member had to be replaced on the conference in order to obtain enough signatures to sign the report.

The process had started in a bipartisan manner. Unfortunately, it ended in a cynically political way. Sad to say that the Republican majority did not want to bring this bill to the floor in a bipartisan manner.

Mr. Speaker, there are many reasons to oppose this bill, and the many reasons why the Democrats refused to sign the bill will be spelled out by the distinguished ranking member, the gentleman from Indiana (Mr. Hamilton) when we take up the bill. But while we are on the rule, I oppose the process under which it was brought to the Committee on Rules, and therefore, oppose it on the floor.

Mr. Speaker, one of the reasons to object to this bill is that giving our negotiators at the U.N. the tools they need to achieve reform, to reduce our financial obligations, and to achieve consensus on issues such as Iraq is what is needed in this bill. What it does instead is to denigrate the U.S. in the eyes of the world because Congress has insisted on micromanaging the U.N. once again.

Last fall, the Congress had the opportunity to get a good deal for the American taxpayer. With a reasonable amount of arrears in place and guaranteed by Congress, we had a good opportunity to achieve a lower assessment rate, concrete budget caps, and even negative growth in U.N. budgets. Congress made the mistake of not acting at that time, and now Congress is making another mistake with the provisions in this legislation.

The real impact of the inaction last fall was to raise the amounts owed by the U.S. taxpayers by at least $300 million. The bill is increasing every day. Our responsibility now is to give our negotiators at the U.N. the funds and flexibility they need to get the best deal they can for the U.S. taxpayer. What this bill does, unfortunately, is guarantee that any reduction in U.S. assessment rates will not occur.

Mr. Speaker, this conference report also makes good on the Republican majority's threat to link two totally unrelated U.N. arrears and the funding for international family planning. This legislation includes an altered version of the Mexico City restrictions on international family planning. This legislation also includes the provision that the U.S. tax dollars shall not be spent on abortions in America. And she is right. There are those of us that do not believe that U.S. tax dollars should be spent on abortions anywhere in the world. Those are U.S. tax dollars. And yet we are hard-pressed to prevent that, and therein lies the argument.

Ms. Pelosi. Mr. Speaker, will the gentleman yield?

Mr. Solomon. I yield to the gentleman from California.

Ms. Pelosi. Mr. Speaker, just to clarify the point, perhaps this is good news to the gentleman, there would be no Federal dollars spent internationally to perform abortions the way that I think the gentleman for yielding.

Mr. Solomon. Mr. Speaker, I know the gentleman believes that, but I have traveled throughout this world and what I have seen just does not concur with that.

Nevertheless, we had another previous speaker from New York who said that someone had told her that there were lines 4 miles long. I believe she said, with people waiting to get information on family planning. I will tell my colleagues, as a member of the Committee on International Relations for many years, and someone who has been active for more than 20 years all around this world on these issues, I have never seen lines like that waiting for family planning information.

I find them in refugee camps waiting for food, but never have I seen anybody waiting for anything other than food in lines 4 miles long.

Mr. Speaker, let me just talk to the issue, this is a 2-year authorization bill, why they should come over here and vote for this bill. First of all, it does have the pro-life issue, and that is a compromise, and whether one is President of the United States or whether one is a rank-and-file Member of this Congress, one has to learn to compromise. Ronald Reagan taught me that. We cannot always have it our own way, we have to give a little bit; and that is the success of legislating.

Secondly, this does not tax the State Department somewhat. It is another step in the right direction to shrinking the size of the Federal Government and making it lean and workable, and that is what we are doing here. Here lies Janice Hesse Helms and Madeleine Albright both agree with what we are doing. So that is another reason why conservatives should come over here.

But more than that, what this bill does, this is a 2-year authorization bill, so listen up, conservatives. What this bill says is that it must be certified to include that the United States has no plans to tax U.S. citizens. There are people all around this world that believe in the U.N. that want to have a worldwide tax, they want to tax my people up in the Adirondacks and Catskill Mountains; and in the Hudson Valley, they want to levy, have a tax. Some One World government wants to levy a tax. This bill says we cannot do that or else we do not give them any money; it is as simple as that. It says that nothing in the U.N. will assume sovereignty over U.S. parks and lands. That is very important to have and the people I represent. It says that if there is any violation of the U.S. Constitution, we will not pay any more taxes. Now, conservatives ought to come over here and vote for that.

More importantly, in the 2-year authorization bill, in the first year, coming next year in 1999, this says there will be a reduction in the U.S. share of the peacekeeping budget, down to 25 percent. That means we are going to have continued funding for this rather money that we are spending on U.S. troops in Bosnia and in all of these peacekeeping efforts.
In addition, this says we are going to reduce the United States' share of the regular U.N. budget down to 22 percent. That is in the first year of this 2-year authorization bill.

In the second year of this 2-year authorization bill, it says we are going to reduce that regular budget cost to the American taxpayer down another 2 percent, down to 20 percent. Conservatives, what more do we want? That is what we have been fighting for, to get a fair share of the burden shared by other countries throughout this world.

I was going to talk to each of the conservative Members as they come through that door. I ask them to please come over here and vote for this bill.

I yield back the balance of my time, and I move the previous resolution. A motion to reconsider was laid on the table.

The SPEAKER pro tempore announced that a quorum is not present.

Mr. GILMAN. The question was taken; and the Speaker pro tempore announced that the answer appeared to have it.

Mr. HALL of Ohio. 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 Yeas—234, nays 172; not voting, 24, as follows:

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. EWING). The question is on the resolution.

The Yeas—234, nays 172; not voting, 24, as follows:

[Roll No. 75]
conference report on the Foreign Affairs Reform and Restructuring Act of 1998. This measure has three major components. It provides for the consolidation of international affairs agencies. It provides funding in other authorizing legislation for the State Department and related agencies, and it provides a U.N. reform and arrearage package.

Through this bill, support is provided for our government's activities abroad to include embassies, American citizens' services, passport and visa issuance, and international broadcasting programs, such as Radio Free Asia and broadcasting to Cuba.

In addition, it funds U.S.-Mexico and U.S.-Canada commissions that have been tasked with matters related to fisheries, sewage disposal, and other border issues. The bill authorizes $6.1 billion for fiscal year 1998 and $6.7 billion for fiscal year 1999. The restrictions level for fiscal year 1999 is $125 million below the President's request.

Funding for a strong U.S. presence abroad is in our vital national interest and provides a platform for a myriad of U.S. interests. Specifically, we need to have a healthy diplomatic presence abroad to develop markets to maintain stability, to protect our friends in this still dangerous world, and to meet humanitarian needs.

This conference report incorporates the President's decision to consolidate the U.S. Information Agency and the Arms Control and Disarmament Agency into the State Department. The consolidation is the first step toward reforming the international affairs apparatus to meet the changed post-Cold War world.

The third major component of this conference report is the United Nations Reform Act of 1998, which includes payment of our arrears for reductions in our U.N. assessments, freezing of our overall payments to all international organizations, and the implementation of major reforms throughout the United Nations.

Mr. Speaker, according to a February GAO report on the U.N. financial status, our unpaid arrears have impeded progress in reducing our Nation's assessment rate and in encouraging other countries to pay their fair share of the costs of running this international organization. Many of our colleagues agree on the need for a plan to repay our debts to the U.N. which is linked to implementation of fundamental and thorough reforms.

This conference report is a comprehensive multitrack approach that advances our Nation's interest while also overhauling the entire U.N. bureaucracy. It reduces our annual assessment rate to the U.N. down to 22 percent and ensures that our peacekeeping assessment rate would be capped at 25 percent. It also ensures that U.N. imposes no taxes or proposals for standing any of our states. The condition of the package is that the U.N. agrees that our arrears would be reduced to zero after implementation of the reform package.

In addition, this bill would cut through the underbrush of programs, commissions, and other committees that have grown up over the past 50 years, and it sunsets unneeded programs and strengthens the office of the U.N. Inspector General. We can state that the American taxpayer comes out ahead with the full implementation of this U.N. reform package. The implementation of these reform proposals will save more money than the total of arrears we are proposing to pay over the pay period.

Accordingly, Mr. Speaker, I urge our Members to fully support this measure to ensure efficiencies in our foreign affairs agencies and to advance reforms with the United Nations.

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

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume. I rise in opposition to the conference report. This conference report is presented to us through a highly partisan process. I oppose it and I urge other Members to do the same.

We began last summer with a bipartisan product on this conference report. The conference report is presented to us through a highly partisan process. We halted our work at the end of July, as we got hung up on the Mexico City provisions. Since that time, not a single meeting of the conference has taken place.

The gentleman from New York (Mr. GILMAN) met with Senate Republican conferees in recent weeks to craft a Republican conference report. They gave no notice to the minority that they were reconvening the conference. They did not consult us in any way. They simply were not interested in the minority view.

In order to get this report to the floor, the Speaker of the House removed a very distinguished and senior member on the majority side from the conference. He appointed another member, and they were able to vote out the conference report because of the change in membership in the conference committee. With this kind of a process, Mr. Speaker, we are not deliberating, we are politicking; we are not making law, we are making political speeches; we are not working together, we are working separately.

Let me call to my colleagues' attention some of the troublesome issues, some of the frustration that the United Nations. This conference report creates more U.S. arrears to the United Nations. We are not going forward, we are creating larger arrears. And it fails to provide sufficient funds even for our current dues. It does not pay what we acknowledge we owe to the United Nations. It ties the funds to conditions which are very desirable in this Chamber and all of us would agree with them. The only problem is, those conditions are not doable in the context of the United Nations. When we pay late and in part and with imposed conditions, it is not likely that the United Nations is going to cancel hundreds of millions of dollars in debt that we say we will not pay.

The United States is already being called into question in the United Nations. We have already lost our position on the Committee on the Budget, on the key committee of the United Nations. The Secretary General was here a week or 2 weeks ago, and he told us that we could lose our vote in the General Assembly.

Secondly, this conference report merely strengthens the State Department. It requires a whole new bureaucracy to report every single time a U.S. government official from any agency travels to an international conference. It tells the State Department how to staff its embassies overseas. It even tells the State Department how to submit nominations to the Senate for confirmation. It imposes a whole slew of new report requirements on the executive branch.

It limits our ability to participate in the international criminal court. It mandates $38 million in various types of assistance for Iraq, but 20 million of that is for humanitarian assistance with Saddam Hussein. It is supposed to be providing to his own people out of oil-for-food funds. So the effect of this bill is to relieve Saddam Hussein of some of his responsibilities.

Third, this conference report contains a number of provisions designed to undermine the President's authority and undermine his ability to conduct foreign policy. It cuts funding for volunteer contributions to international organizations, including such key ones as the IAEA, a key agency in the fight against proliferation. If threatens the leadership position of the United States in helping parties to negotiate peace agreements in the Middle East and in Ireland. It requires the President to make public law. It is not a carefully crafted document that would be seen as the work of the Congress in determining foreign policy. I urge a no vote on this conference report.

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

Mr. GILMAN. Mr. Speaker, I yield 7 minutes to the gentleman from New Jersey (Mr. SMITH), distinguished chairman of our Subcommittee on International Operations and Human Rights.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend for yielding, the distinguished chairman of the full committee, and for his work on
this very important legislation before us.

I just want to remind Members that during the course of the process of consideration of this bill we had 77 amendments that were offered in subcommittee, full committee, and on the floor from both sides of the aisle, 4 days on the floor for consideration and a number of very important and productive meetings of the conference committee. The bill came down on the floor frankly and in all candor, was the Mexico City policy. It was the right-to-life issue.

Let me just say a couple of things on that this afternoon. I think it is important to clear up some of the misinformation about the compromise language in the conference report that would impose some restrictions on U.S. assistance to foreign organizations that perform and promote abortions overseas.

During the last 3 years, the House has voted 10 separate times for the pro-life Mexico City policy, which prohibits U.S. population assistance to foreign organizations that perform abortions, violates the existing laws of certain countries, or engage in activities that change these laws. We have also voted to restrict aid to the United Nations Population Fund unless the UNPF ended its participation in the forced abortion program.

The People's Republic of China and the Mexico City policy was enforced throughout the Reagan and Bush administrations. It did not reduce family planning money by one dime. Rather, it protected family planning programs by erecting a wall of separation between family planning and abortion. President Clinton repealed that policy. We in the House, thankfully, again and again have gone on record saying that wall of separation needs to be reerected.

Mr. Speaker, I and other pro-life Members were reluctant to agree to the compromise, and I want to say that very clearly up front. We are on this. Regrettably, we give but this far there has been no give by the other side on this issue. We have done so because we believe this compromise is necessary to save some babies lives. We believe it will protect some unborn children by prohibiting a particularly ugly form of cultural imperialism in which U.S. taxpayers support entities that are actively engaged in bullying smaller nations into rejecting the traditions and moral values of their people.

Many of my colleagues have received some talking points sent out by population control organizations. These talking points are misleading and in many instances untrue. First, the population control groups tell us over and over again that they are using what they call their own money to perform and promote abortions. This is a red herring. It is designed to divert attention from the undeniable fact that millions of our foreign aid dollars can and did finance some of the biggest abortion providers in the world.

Similarly, some of the biggest international population control grantees are actively engaged in efforts to overturn pro-life laws in countries around the world. This is because existing laws require only that the organization keep a set of books that shows that it did not use their funds for the actual abortions or for proabortion lobbying. This bookkeeping trick ignores the fact that money is fungible. When we subsidize an organization, we unavoidably enrich and empower all activities of that organization.

The Mexico City policy recognizes that money is fungible. Every million U.S. tax dollars that go to an abortion provider frees up another million dollars to pay for abortions and more proabortion lobbying.

The Mexico City policy also recognizes that our family planning grantees are seen as representatives in the countries within which we operate as extensions, as surrogates for U.S. foreign policies. When organizations prominently associated with the United States family planning programs perform activities in these countries logically associate these activities with the United States.

Opponents of the Mexico City policy also claim that if we require our family planning grantees to pledge not to perform or promote abortions, only two, let me repeat that, only two organizations decided not to agree to that and therefore were deprived of that money. More than 350 grantees took the money, and that wall of separation between destroying an unborn child and promoting violence against children and family planning was erected.

Some of the talking points that my colleagues have seen in their office claim that the compromise language would punish grantees for merely attending conferences at which somebody else discusses abortion. This too is monstrously false. The Clinton administration knows it is false and the population control grantees know it is false as well. The bill prohibits assistance of foreign organizations that, and I quote, organize or engage in or attempt to change the laws of foreign countries with respect to abortion.

Every legislative provision has to be interpreted by the rule of reason. It is unreasonable to claim that activities that change laws includes merely attending a conference. As the conference report makes crystal clear, there is a world of difference between mere attendance and a situation in which an organization finances, sponsors, and conducts a conference that is clearly designed to bring about the repeal of laws against abortion, as the International Planned Parenthood Federation recently did in the Francophone countries of West Africa and has done in other countries around the world.

Such sponsorship, financing and organizing should fairly be construed as an activity to change the abortion laws in that nobody believes that this issue has suggested that such activities include mere attendance at a conference.

Finally, when pro-abortionists run out of arguments, they fall back on slogans that this is somehow a gag rule because it says to organizations they have to choose, either be international abortion lobbyists or they can be representatives and surrogates of the United States in family planning programs.

The administration says that the purpose of our family planning program is to prevent abortions. If we want to prevent alcoholism, would we hire the liquor industry to do it for us? If we wanted to stop gambling, would we give money to the gambling owners? If we wanted to stop the use of drugs, would we give the money to organizations that use our money to lobby for the legalization of drugs? Of course not. If Congress stands behind the position that there must be a wall of separation between abortion lobbying and U.S. family planning programs, we can save innocent lives. That is what this is all about. Nothing could be more important. I urge a yes vote on the conference report.

Mr. HAMILTON. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Florida (Mr. Hastings).

Mr. HASTINGS of Florida. I thank the gentleman for yielding me this time.

Mr. Speaker, it is regrettable that this measure is before us as the President is in Africa with 17 of our colleagues, one of whom is the chairwoman of the Black Caucus that asked that we not proceed in this matter. The historic visit and the important foreign policy statements by the President and our colleagues are undermined by our taking action on this extremely untimely and partisan process. This report was never even shared with Democrats before it was filed and the final product was signed only by Republicans, but not even all the Republicans originally on the conference committee.

Not surprisingly, the report that came out of the process is loaded with bad policy. Let me give my colleagues an example. The President announced last April that he would consolidate two foreign policy agencies into the Department of State. Those agencies are the United States Information Agency and the Arms Control and Disarmament Agency.

Is it possible that this purport has to have done that in this conference report. They claim that they have done in this conference report only what the President announced last April. This is just
Mr. SMITH, which will end all U.S.
like the gentleman from New Jersey
Mexico City policy supported by pro-
Mr. HAMILTON. Mr. Speaker, I yield
2 minutes to the distinguished gen-
tleman from California (Mr. TORRES).
Mr. TORRES asked and was given
permission to revise and extend his re-
marks.
Mr. TORRES. I thank the gentleman
for yielding me this time. Mr. Speaker, I
rise in strong opposition to this con-
ference report on the State Depart-
ment authorization legislation. As we
have already heard from the gentleman
from Indiana, I object not only to its
substance but to the process that was
used here and how we came about it
today. Democrats were not involved
in the drafting of this conference report
and there were no Democratic signa-
tures on this measure.
Mr. Speaker, I do not think this is
the best way to conduct foreign policy
decisions. There is much in this con-
ference report that is objectionable and
objectable. First, once again it contains
the Mexico City restrictions on inter-
national family planning programs
that are clearly unacceptable to the
administration as well as to many
Members of this body.
Secondly, the conference report does
not solve the arrears problems of the
United Nations. It makes it worse. Rather
than providing the extra funds, the
conference report actually cuts au-
thorized funding for U.S. dues.
Thirdly, I would note that the con-
ference report contains provisions on
Cuba which go really the wrong way.
Certainly the Pope's visit, the unprece-
dented worldwide publicity and expo-
sure about life in Cuba, the increase
in religious freedom and practices and the
recent release of Cuban prisoners are
clear signals that the Cuban govern-
ment is seeking a change in relation-
ship to the United States. The con-
ference report makes it appear that our
foreign policy turns a blind eye to the
signals for a change in Cuba or that we
do not want a change, and we want to
continue to punish the Cuban people
because we disagree with their
government. I urge my colleagues to reject
this conference report and take a more
responsible approach to dealing with
crucial foreign policy questions.
Mr. HAMILTON. Mr. Speaker, I yield
2 minutes to the distinguished gentle-
man from California (Ms. NORTON).
Ms. NORTON. I thank the gentleman
for yielding me this time. Mr. Speaker,
we must reject this conference report
and allow families in the developing
world to plan their families just as we
insist upon planning our own. How
many times are we going to have to
scrub this bill of abortion to allow im-
poverished women and families life-
saving funds for family planning?
Do we care about life? We have taken
care of the life of the fetus in this bill
because there is not one dime for abor-
tion. It is time to move on to care
about millions of children in Africa and
in South America and in Asia.
Do we care about life? Then care
about family planning, the most im-
portant and effective tool against abor-
tion.
Do we care about life? Then care
about the 20 children and the one
pregnant woman who lose their lives per
day in the developing countries for
lack of family planning.
Do we care about life? Then care
about all the 25 percent of women who lose
their lives in childbirth because they
have no family planning.
Do we care about life? Then care
about sparing the lives of millions of
children who are twice as likely to lose
their money as are in advocacy. Ulti-
mately, its impact limits the availability of fam-
ily planning services to poor women and fami-
lies around the world, and will, tragically, result
in an increase in abortions.
Second, the conference report doesn't solve
the arrears crisis of the United Nations. It
makes it worse. Rather than providing the
extra funds, the conference report actually
cuts authorized funding for U.S. assessed
dues to the U.N. and other international orga-
izations by over $40 million from the Presi-
dent's request. In essence, it creates even
more arrears. Third, I would note that the conference
report contains provisions on Cuba which go the
wrong way. Certainly the Pope's visit, the unprece-
dented worldwide publicity and expo-
sure about life in Cuba, the increase
in religious freedoms and practices, and the recent
release of Cuban prisoners are clear signals that the
Cuban government is seeking a changed relation-
ship with the U.S. This conference agreement makes it appear that our foreign
policy turns a blind eye for change from Cuba, or that we do not want change,
and want to continue to punish the Cuban people because we disagree with
their government.
I urge my colleagues to reject this conference
report and take a more responsible approach to dealing with
crucial foreign policy questions.
First care about life, millions of these lives, and then care about the freedom to speak and to petition your government. We do nothing in this Chamber but talk and listen to our constituents talk. How can Americans, flag戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾戾_ciphered in the wrong direction. Because of our aid, our help, the size of the average family in poor countries has dropped from six to three. This reduction in family size has helped millions escape poverty. It has increased the prospects of girls being educated and a richer, healthier life for women and children. It has given thousands of families a way up and a way out and helped them survive and thrive.

Despite all of our success, despite the distance we have traveled, there are some who do not understand the importance of our work. This legislation effectively cuts funding for family planning, it has a chilling effect on our family planning efforts abroad. This legislation is a giant step in the wrong direction. Let me be clear. Not one penny of U.S. family planning aid has ever been
used to fund an abortion abroad. Our laws prevent it. We are not trying to change that. We are simply trying to continue a successful program that saves human lives. It is cruel and barbaric to stand in the way of poor families getting the basic information about their health in this country or some distant land.

I urge my colleagues to support healthy families worldwide and vote down this destructive and mean legislation.

Mr. Speaker, I think it is unfortunate this legislation is coming to us today when 16 Members of our body, black Members, are in African countries, and I wish it could have been postponed and come up some time later.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Connecticut (Ms. DeLAURO).

Ms. DeLAURO. Mr. Speaker, I rise in strong opposition to this conference report. At this critical time, we should not hold U.N. and IMF funding hostage to the hardliners who oppose family planning funding. Business, economic and social experts have told us that this IMF funding is needed to contain the Asian financial crisis and to protect American jobs. Our economy is too important to play Russian roulette with. But that is what this conference report does when it adds Mexico City language.

I remind my colleagues, under current law not one dollar of U.S. family planning funds can be used to perform or even counsel women to obtain abortions anywhere in the world. Women and children around the world depend on U.S. family planning funds to improve their health and to give them a real chance at a healthy life. If my colleagues vote for the Mexico City policy, they are voting to abandon these women and children. The President has said he will veto this legislation if this language is included.

Do not waste any more time. Vote against this bill. Remove this language from the conference report. Let us protect American jobs and let us get on with the people's business.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from New York (Mrs. Lowey).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this conference report. Once again the lives and well-being of women around the world are being held hostage. We are faced with a bill that forces the Mexico City global gag rule upon us. This bill, like so many defeated before it, prohibits organizations from receiving any U.S. funding if they use their own funds to provide abortion services or advocate on the abortion issue. The need for family planning services to prevent unintended pregnancies in developing countries, as we noted at the hearing, is absolutely critical. When women are unable to control the number and timing of births, they have more dangerous and complicated pregnancies, and too many will turn to abortion, often illegal, unsafe and life threatening. Passage of this conference report will mean more abortions, not fewer. It will mean women dying and children dying. It will mean an increase in unintended pregnancies, and it will mean women taking desperate, dangerous measures to end those pregnancies. And that is the fact, that is the reality.

Mr. Speaker, I am also opposed to the provisions in this bill regarding the United Nations. The funding level provided is too low, and the requirements attached to that funding micromanage the President as he attempts to push the U.N. to reform itself further. Our debt to the U.N. leaves the United States with no leverage to reduce our annual assessments and weakens our leadership in the organizations. This bill will not solve the critical problem. It will not stop the evil taking desperate, dangerous measures to end pregnancies, and it will mean women dying and children dying.

I want to remind colleagues that in China, it is illegal to have more than one child. Brothers and sisters are illegal. The Government is aggressively antibaby. Wei Jing Sheng, the great human rights activist who had been before my subcommittee just a few weeks ago, said he could not believe, he said he was outraged that the U.N. Population Fund and U.N. personnel were working side by side with family planning cadres, those oppressors of women, who enforce the one-child-per-couple policy in China with forced abortion.

Forced abortion was convicted to be a crime against humanity at the Nuremberg War Crimes Tribunal. It is no less a crime against humanity today. Our conference report says that we are serious in dealing with those crimes against humanity and any organization like the U.N. Population Fund will lose its funding unless they get out of China.

I earlier the gentleman from Georgia (Mr. Lewis) said that for 30 years we have been making a difference in family planning. That was absolutely true during the Reagan and Bush years when the Mexico City policy was in effect. We provided 40 percent—40 percent of all the population control aid during the Reagan and Bush years. That is a fact, that is counted, that is counted with the Mexico City policy in full effect.

It is a red herring when Members on the other side stand up and say that we are holding hostage family planning. Monies flowed; people were given the opportunity to take that money and give out condoms and do all kinds of family planning, but a wall was erected between performing child abuse, killing unborn children, the promotion of violence against children and preventive means.

One hundred countries around the world protect their unborn children from the violence of abortion on demand. The main engine trying to topple those laws and family planning organizations. Some see it as their mission to nullify pro-life laws in other lands. Planned Parenthood, in their "Vision 2000" statement adopted in 1992, lays out an action plan to vanquish legal protection for unborn children in other nations.

Here is what it says in part. It declares that family planning organizations around the world, and I quote this, must bring "pressure on governments and campaign for policy and legislative change to remove restrictions against abortion." It provides the money to these organizations that "campaign" and "pressure" governments to topple their pro-life laws. That is what this is all about. That is why my good friends and colleagues on the other side of the aisle will not sign the conference report.

The pro-life safeguards in a compromise version were in there.

I think we have a moral obligation to say, if we are going to pour hundreds of millions into groups that advertise as family planners, let us have a truth in advertising. Let us separate abortion out of it, because abortion takes a life, a life of a child—it is not family planning.

Finally, just let me say, Mr. Speaker, this conference report and the work that went into it was bipartisan. Process, 77 amendments in subcommittee, full committee, and on the floor of the House, and many, many conference meetings.

We went through a give and take. We had Democratic staff and Republican staff studying and working on the provisions of this conference report.

It is another red herring to say that they were not part of it. Yes, maybe in the end, when it came to signing it, but that is because the pro-life Mexico City policy was in there.

Again I say, if we are going to send out roughly $400 million to abortion providers or family planning providers, and they wear the same hat as abortion providers, those that we do not want to see any more babies die or any more women exploited or any more forced abortion in China must stand up and say, well, on this bill or any other bill that comes down that pike, we will be offering this language. It is absolutely true that we cannot compromise as far as we can go. We have half of Mexico City in here. It is a significant half, but it is only half.
It is about time the President and those on the abortion rights side met us halfway, and then those other issues could go forward unencumbered. Failure to meet us halfway—and we will fight and unceasingly raise this issue on every floor—means we will stand and fight.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Connecticut (Mrs. KENNELLY).

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise to oppose this conference report, and I do it with some pain, because I have always supported fully the men and women who work for the State Department and who represent us so well around the world.

But no matter how emotionally one speaks or how strongly one feels about both sides of this question, the fact of the matter remains that we do not have to codify the Mexico City language. It is untenable, because we know for a fact and we know from statute that U.S. funds cannot be used for abortion.

Second, if the President waives the Mexico City restrictions, there is the effect also that the bill would reduce the amount of money available for family planning. This is unacceptable because we all understand that family planning, and we agree, that family planning saves the lives of both mothers and children in developing countries. We do not think this should be the vehicle for reducing those funds.

But I think the thing that bothers me most, and I think worst, about this conference report is it is such a sharp limit on debate and discussion of the issue before us that is in contention: Choice.

Here we are today on the floor of this House, saying exactly how we feel, saying it as strongly as we might want to. Some of us are feeling very, really emotional about this issue, but understanding that we all can have those strong feelings and express them on this floor. But as long as every thing will be fine because we are in the United States of America. But the limits we put in this conference report would be unconstitutional in this country; and, yet, we ask other countries to abide what we are saying in this conference report.

Mr. Speaker, as the United States seeks to lead the world into a new century of democracy, I find it deeply disappoenting that some seek to deny people in other nations the opportunity that we are carrying out and expressing at this very moment on this floor.

So as I say, with pain, I oppose this report. I do wish, as the gentleman before me said, that we could get together and face it and in the correct way.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland (Mr. BARTLETT).

(Mr. BARTLETT of Maryland asked and was granted permission to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, my friend from New Jersey says that the antiabortion compromise with this bill leaves us with half a loaf. In reality, it leaves us with a thin slice.

The President can waive the antiabortion provision and use hundreds of millions to perform abortions. And even the thin slice we are left with will be vetoed by the President.

The fact that this report is scored both ways by family values groups indicates how imaginary is. But let me tell you what this report will do. It will send $100 million on its way that was appropriated last year. It is unfenced by this authorization. It goes to supposed U.N. dues. It also authorizes the rest of nearly a billion dollars and starts it on its way.

But in this report, there is no recognition of a GAO report that says from 1992 to 1995, we spent $6.6 billion on legitimate U.N. peacekeeping activities. $1.6 billion that was credited to us for dues that recognizes the legitimacy of these expenditures.

CRS, more recently, reported that between 1992 and May of last year, we spent $11.1 billion. The Pentagon said that last year alone, we spent $3 billion. Shortly, we are going to vote $3.3 billion, a supplemental emergency supplemental for Iraq.

We spent, since 1992, about $14 billion. We have been credited with $1.8 billion. This is a fatal flaw in this bill. We need to go forward. What we cannot pass this bill until there is a recognition of all the money that we have spent.

The Senate voted 90 to 10 yesterday, no dues without a tally of the peacekeeping. Please vote no on this, send it back to the conference so they can bring a bill to us that we can pass, recognizing the legitimacy of our U.N. peacekeeping activities, and trade those off against any dues we might owe them.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman from Indiana (Mr. HAMILTON) for yielding, and would ask this question: Why would we want poor children growing up in nations that are getting only poorer? Why would we oppose family planning money which prevents pregnancies and, in some cases, abortions?

It just does not seem logical to me that many on my side of the aisle would oppose family planning money which actually prevents abortions. Family planning money is not used for abortions or even to promote abortions. It is used to help women have the number of children they want and can afford.

When my colleague, the gentleman from New Jersey, talks about a compromise, I think the compromise was struck a deal that this compromise was the pro-life movement won. Federal dollars could not be spent worldwide for abortions. But under this compromise, it seems logical to me that family planning funds can be used to prevent abortions.

I think in the pro-choice movement, there is an extreme group that opposes the ban on partial birth abortions. The pro-life movement opposes the ban on partial birth abortions and uses it as a litmus test. If you vote for the ban, you are not pro-choice. But I think there is also an extreme in the pro-life movement that opposes family planning. I just hope that we can get to the point where we can have the extremes fall by the wayside and we can have a sensible policy.

I strongly support family planning money being used for family planning, and I believe that nations throughout the world need the help that we can provide them. As a country like Egypt sees its economy grow, it sees its population outpacing this economic growth, and it becomes a poorer and poorer nation. Why would we want children to continue to grow up in such a poor environment? They are basically the seed for the terrorists that ultimately may destroy this world.

Mr. Speaker, I strongly oppose the conference report, I think it is a mistake, and I am sad that my party has moved forward on this issue.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Indiana (Mr. HAMILTON) has 5½ minutes remaining, and the gentleman from New York (Mr. GILMAN) has 8½ minutes remaining.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank my friend from Indiana, the ranking member of the committee, for yielding to me.

Mr. Speaker, I rise to oppose the bill. Undoubtedly, there are some good things in the bill, and I really wish that I could vote for the bill. But this bill is mixing apples with oranges. The Mexico City language con troversy over abortion, does not belong in this bill. It sullies the bill and takes away from the bill. As far as I am concerned, it is really improperly in the bill.

It is an embarrassment that our country is the biggest deadbeat in the world of the United Nations. For the United Nations to function, we say that we are the leaders of the world, and we are the leaders of the world. We want to have influence on the world. We want to have influence.

We encourage countries to turn to free market economies. We encourage countries to turn to democracy. Then what do we do? We do not pay our U.N. dues. So we owe a billion dollars. Then when we want to try to attempt to pay our dues, we attach it to abortion language and Mexico City language and other language to placate the lobby, the pro-life lobby. But, in reality, it does not make any sense to put it in this bill.

If we want to build an international coalition against Saddam Hussein, if
we want to build a coalition to march forward into democracy, then we really should not act irresponsibly. I believe this bill is acting irresponsibly by mixing apples with oranges and putting this abortion language in the bill.

We believe the President is going to veto this bill in its present form. So we know, in essence, this is a game and a charade. I do not know why we have to play again. We played this game last year, it was an embarrassment to the world, and we are playing it again this year.

I think the language pertaining to abortion ought to be struck out, and we ought to pass a bill that can go, pass a bill that will make us proud, pass a bill and act like the leaders of the world which we are. I cannot for the life of me understand why we continue to play these games. I do not doubt the sincerity of anybody on the other side, or of anybody else, but I think we ought not mix apples with oranges. This bill should be defeated.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume, and I do so for the purpose of reading a letter from the White House, addressed:

Dear Representative Hamilton, I am writing to advise you that if H.R. 1757, the Conference Report on State Department Authorization, were presented to the President, he would veto the bill.

Sincerely, L. Larry Stein, Assistant to the President and Director of Legislative Affairs.

Mr. Speaker, I include the following letter for the record.


Hon. LEE H. HAMILTON,
House of Representatives, Washington, DC.

Dear Representative Hamilton: I am writing to advise you that if H.R. 1757, the Conference Report on State Department Authorization, were presented to the President, he would veto the bill.

Sincerely,

LARRY STEIN,
Assistant to the President and Director of Legislative Affairs.

Mr. Speaker, I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I am pleased to yield the balance of our time to the distinguished gentleman from Illinois (Mr. HYDE), senior member of our Committee on International Relations.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for 8½ minutes.

Mr. HYDE asked and was given permission to revise and extend his remarks.

Mr. HYDE. Mr. Speaker, I thank the gentleman from Indiana, ranking member of our Committee on International Relations.

This has been an interesting debate, and not too complicated, because there are a couple of ideas that are pretty crystal-clear that separate us. First of all, we have a lot of conservatives who do not like foreign aid. And anything that reeks of the U.N. is tainted and that involves us overseas, and we ought not to get into those sort of entanglements.

So we have a mountain to climb on our side to get enough people to support this. After all, this pays our U.N. arrearages, not perhaps in the manner in which the Democrats would like it paid, but it is $819 million plus $107 million for a couple of years over 3 years. That certainly benefits where we are now, with zero. So if you think our membership in the U.N. is useful, I would think this is the best opportunity to get caught up on the arrearages.

I have always had a couple of fantasies about the U.N. One is I would like to move it from New York to Beijing. I think that would be a wonderful headquarters. We have had the glory of the U.N. being in New York and avoiding and evading our parking tickets. Let us give the rest of the world a chance at it. But I do not decry the U.N. I think it is useful. I think we should belong to it. I think we are a world leader, and we should lead in the U.N.

And so if we belong to it, we should pay our dues, and this is a medium by which we pay our dues. So I think we should do this.

Now, a couple of other things about the U.N. that bothers me. We pay too much in peacekeeping cost, 31 percent. I would like to get that down to 25 percent. And our dues, it seems to me, ought to be reduced from 25 to 20 percent. We can do that with this bill. So that gives me an added incentive for voting for it.

The gentleman from New Jersey (Mr. SMITH), who has been heroic in defending the defenseless unborn, talks about Mexico City, and I was trying to communicate with him that he should explain Mexico City. People think that is a page out of National Geographic. What it is a policy that we followed under Presidents Reagan and Bush that would give you millions of dollars for family planning, but not to organizations that advocate or perform abortions. In other words, American money should not go to pay for killing unborn children, even if they are Third World unborn children, especially if they are Third World unborn children.

So that is the Mexico City policy, and that sticks in the craw of the left. That is the one thing, that common sense that you can say, why, my God, we are going to stop the torrent of abortions with this bill, and therefore, this is a bad bill. Why American taxpayers' money should be used to subsidize abortions overseas I cannot figure out.

Well, what is the money of the organizations spent for abortions is their own money. They are not mixing our money in with theirs. I wish my colleagues would stop insulting our intelligence. My colleagues know and I know the millions we give to support three lives of dollars we free up, on their own money for their own purposes. It is a bookkeeping transaction. We are subsidizing, effectively, abortions.

Some of us think there is a moral issue here, that this cultural imperialism of ours, telling a country, you have too many people, is across the line. It goes too far.

Now, this bill has so many good things in it that I would like to please make clear family planning is distinct from abortion. Family planning is either getting one pregnant or keeping one from getting pregnant, it is not about pro-life. It is not right to abort a unborn child once one is pregnant. Family planning, properly understood, does not include abortion, so why should we subsidize organizations that lobby countries to repeal their pro-life laws and that perform abortions.

The gentleman from New Jersey (Mr. SMITH), compromised as far as he could. Go ahead and perform abortions with a presidential waiver, but do not advocate, lobby countries to repeal their pro-life laws. That little speck of respectability you are unwilling to give us. You are not compromising; there is no compromise here, and that is tragic.

There is much that is good in this bill; there is much that strengthens our position in the international forum. It helps us get back in good graces with the U.N., it starts to roll back the arrogance of Saddam Hussein. There are so many good things.

It consolidates agencies that ought to be consolidated like the Arms Control and Disarmament Agency, the United States Information Agency, by putting them in the State Department. And so I just hope that my friends, the conservatives who cannot move their hand to vote for something that has foreign aid in it, would understand that this is important. There are many things in this bill that we ought to take advantage of, and most importantly, that little part of the Mexico City policy that is salved in this bill.

Mr. Speaker, I yield to the gentleman from Georgia, say, is important. One cannot have child survival when one aborts that child. Please support this legislation.

Mr. BARR of Georgia. Mr. Speaker, today the House considered H.R. 1757, the Foreign Affairs Reform and Restructuring Act conference report and passed it by a stealth vote; with no warning, while most of us were working in committees. This bill may contain some
Mr. Speaker, I rise today to voice my strong support for Title XVI of the European Security Act, particularly those sections relating to NATO enlargement. The language contained in this section is designed first and foremost to preserve the effectiveness and flexibility of NATO as a defensive alliance. For nearly five decades, NATO has served and advanced the interests of the United States in Europe by preserving peace, promoting economic prosperity, and advancing our shared principles of democracy, individual liberty, and the rule of law. As a long-standing advocate of NATO enlargement, and Chairman of the Helsinki Commission, I have consistently emphasized the importance of Helsinki principles, including human rights, in the expansion process.

Today’s consideration of the European Security Act language comes at a critical time. Mr. Speaker, as the United States Senate will soon vote on ratification of the necessary instruments for the admission of Poland, Hungary, and the Czech Republic as full members of NATO. Despite the fact that the NATO leaders committed themselves to a robust “open door” policy concerning further accession, some seem determined to slam the door shut to other candidates. Instead of spurning those countries aspiring to future NATO membership, we should embrace those states that have demonstrated—in word and in deed—their commitment to the shared values enshrined in the North Atlantic Treaty.

The language designates Romania, Estonia, Latvia, Lithuania, and Bulgaria as eligible to receive assistance under the NATO Participation Act of 1994. Each of these countries has made important strides in political and economic reforms. With respect to the Baltic States, it is worth noting the Charter of Partnership, signed in Washington on January 16, 1998, acknowledges the fact that the United States has a “real, profound and enduring interest in the independence, sovereignty, and territorial integrity of Estonia, Latvia, and Lithuania.” In this historic document, the U.S. welcomes the aspirations and supports efforts of the Baltic States to join NATO, reiterating that enlargement of NATO is an ongoing process. Mr. Speaker, European Security Act provisions will advance U.S. interests by supporting the efforts of Estonia, Latvia, and Lithuania to provide for their legitimate defense needs, including the development of appropriate military forces.

It would be an injustice of historic proportions, Mr. Speaker, if we did not take advantage of the unique opportunity we have today to embrace those countries of Central and Eastern Europe demonstrably committed to the Helsinki principles, including human rights, in Article II, and the rule of law. Having persevered for 50 years and overcome the odds by regaining their independence, the Baltic countries deserve to be fully integrated into the West, including NATO, without further delay.

Mr. Speaker, I appreciate Chairman Gilman’s willingness to incorporate several of my suggestions into the text of Title XVI. The first concern stems from the fact that Russia has not agreed to the demarcation of its international borders with several neighboring countries, including Estonia and Latvia. In addition, while a Framework Treaty has been concluded between Russia and Ukraine and signed by Presidents Kuchma and Yeltsin, the Russian State Duma has yet to ratify this key accord which would validate the demarcation of the Ukrainian-Russian border, including in the Sea of Azov. Moscow has purposefully dragged its feet on this important issue with the aim of intimidating a number of the countries concerned and erecting a potential obstacle to those aspiring to NATO membership.

The second issue concerns the deployment of Russian forces on the territory of other states. The language I introduced calls for the immediate and complete withdrawal of any armed forces and military equipment under the control of Russia that are deployed on the territories of the independent states of the former Soviet Union without the full and complete agreement of those states.

Today, tens of thousands of Russian troops deployed in and around the Ukrainian port of Sevastopol. Meanwhile, an estimated 3,010 Russian troops continue to be stationed in Moldova along with a considerable supply of military equipment and munitions which could prove potentially destabilizing in the Trans-Dniester region.

Finally, the Title XVI calls for a commitment by the Russians to take steps to reduce nuclear and conventional forces in Kaliningrad, where Moscow has amassed a considerable arsenal that poses a potential threat to the Baltic States and Poland. Mr. Speaker, progress in resolving these outstanding security concerns would go a long way to advance peace and stability throughout Europe, recognizing critical importance to the security, economic, and political interests of the United States. I am pleased that the language of the European Security Act is included in the bill. We have an obligation to maintain the effectiveness and flexibility of NATO as a defensive alliance. Inclusion of new members committed to the shared principles of democracy, individual liberty, and the rule of law, and able and willing to assume the responsibilities and obligations of membership.

Mr. CONVYERS. Mr. Speaker, I want to register my strong opposition to the conference report for the Foreign Affairs Reform and Reconstructing Act.

I urge my colleagues not to be fooled by some of the bill’s features such as payments to the United Nations because it also contains some incorrigible features. For example, it eliminates the Arms Control and Disarmament Agency, thereby denying our foreign policy makers the ability to develop an independent voice on arms control matters. H.R. 1757 also resurrects the so-called “Mexico City” language that restricts funding for abortions overseas—even if they are paid for with private funds. But the offensive provisions in particular that I want to bring to your attention today relates to Haiti.

On September 25, 1997, Congresswoman WATERS and I wrote a letter to the chairman and the ranking member of the International Relations Committee, expressing our concern with provisions reflected in this bill in Section 1228. We were joined by CHARLIE RANGEL, ED TOWNS, JIM GLYBURN, RONALD DELLUMS, BILL JEFFERSON, EARL HILLIARD, JOHN LEWIS, BOBBY RUSH, and JULIAN DIXON. I am enclosing this information for the RECORD. Despite our efforts and those of the gentleman from Indiana, the ranking member, this problematic language stands.

Section 1228 creates vague new authority by which the Secretary of State can prevent certain Haitians from entering the United States. The fact of the matter is that the Secretary of State already has authority to deny entry to persons who are suspected of human rights violations or terrorism under Title 8 USC Section 1182(a)(3). This bill has a new, ambiguous standard under which the Secretary of State can deny entry to someone who has been “credibly alleged to have ordered, carried out, or materially assisted” in specific killings listed in the conference report.

This new language in H.R. 1757 will be inconsistent with the existing law and create a new untested standard that will be open to manipulation by anyone who simply makes an allegation. Rather than promoting justice for all victims of violence, this will be used to politicize the murders of some Haitians, rather than serving as a tool to advance justice for all Haitians.

Furthermore, by singling out specific violators the bill fails to send a broad message about human rights violators in general. Perhaps worst of all is that the most egregious enemies of human rights, such as Toto Constant, head of the paramilitary group FRAPH, are already in the United States. Constant slipped into the U.S. (and is comfortably living in New York) not because the Attorney General or the Secretary of State lacks the power to keep him out, but because like other opponents of democracy from Haiti, he is an old CIA asset. We’ve got to start dealing with these facts if we really want justice for Haiti.

I oppose H.R. 1757 for all these reasons and I thank the gentleman.
We strongly support the bill’s basic premise that persons involved in political murders be denied entry to the United States. But, we believe this language raises a number of serious legal issues. It may weaken the ability of the U.S. to deal with extrajudicial killers, and may even make it easier to evade prosecution. We also wish to note that the substance of these provisions appear to be covered by existing law. As a result, we urge you to strike this contentious language and avoid the confusion and litigation guaranteed to result if it becomes law. The legislation so narrowly Mr. DeWine and his supporters have engaged in extrajudicial killings. The Secretary of State can deny a visa application based either on anti-terrorist or foreign policy reasons. We believe it is imperative to communicate our country’s worldwide aversion to political assassinations. It is a matter of principled policy to deny entry to all persons involved in political assassinations, whether they be from Bosnia, Russia, Guatemala, Haiti or anywhere else in the world.

In fact, the Secretary of State in the consular offices in the field already maintains a list of people who fall into one of these two exclusionary categories. This list, commonly known as the “lookout book” is kept by every American consulate. If your name is in the lookout book, the consular officer will deny your visa application.

The DeWine Amendment lists specific individuals, specific dates, and specific factual allegations. This may seem to focus the legislation and get tough on the alleged killers, in fact this language limits the ability of a prosecutor to bring these killers to justice. Any skilled attorney would recognize how any one of these named individuals could escape justice if the fact or dates cited turned out to be incorrect. By writing the legislation so narrowly Mr. DeWine and his co-sponsors risk giving human rights abusers a legal escape hatch.

Beyond the legal problems with this proposed legislation, we also believe the DeWine amendment fails on moral grounds. In limiting the focus to Haiti this legislation fails to convey a universal condemnation against extra-judicial and political murders. We believe it is imperative to communicate our country’s worldwide aversion to political assassinations. It is a matter of principled policy to deny entry to all persons involved in political assassinations, whether they be from Bosnia, Russia, Guatemala, Haiti or anywhere else in the world.

We hope you agree with our analysis of this bill and strike the DeWine amendment from the proposed legislation. We look forward to working with you on this important issue.

Sincerely,

John Conyers; C.B. Rangel; James E. Clyburn; William J. J. Jefferson; J. Julian C. Dixon; Bobby Rush; Maxine Waters; Edolphus Towns; Ronald V. Dellums; Earl F. Hilliard; John Lewis.

CONGRESSIONAL RECORD Ð HOUSE

H1597

March 26, 1998

CONGRESSIONAL RECORD Ð HOUSE

Hon. Lee Hamilton,
Ranking Member, House International Relations Committee, Washington, DC.

We are writing in reference to amendment 833 of S. 903, the Senate Foreign Affairs Reform Act, offered by Senator DeWine. This provision would seek to deny entry into the United States to those who have been credibly alleged to have ordered, carried out, or materially assisted in extra-judicial and political murders" in Haiti.

We strongly support the bill’s basic premise that persons involved in political murders be denied entry to the United States. But, we believe this language raises a number of problematic legal issues, may weaken the ability of the U.S. to deal with extrajudicial killers, and may even make it easier to evade prosecution. We also wish to note that the substance of these provisions appear to be covered by existing law. As a result, we urge you to strike this contentious language and avoid the confusion and litigation guaranteed to result if it becomes law. The U.S. Code currently grants the Secretary of State the legal authority to deny a visa from individuals that the Secretary believes have engaged in extrajudicial killings. The Secretary of State can deny a visa application based either on anti-terrorist or foreign policy groups.1 A decision to deny a visa based on these grounds is not reviewable by any court.

In fact, the Secretary of State in the consular offices in the field already maintains a list of people who fall into one of these two exclusionary categories. This list, commonly known as the “lookout book” is kept by every American consulate. If your name is in the lookout book, the consular officer will deny your visa application.

The DeWine Amendment lists specific individuals, specific dates, and specific factual allegations. This may seem to focus the legislation and get tough on the alleged killers, in fact this language limits the ability of a prosecutor to bring these killers to justice. Any skilled attorney would recognize how any one of these named individuals could escape justice if the fact or dates cited turned out to be incorrect. By writing the legislation so narrowly Mr. DeWine and his co-sponsors risk giving human rights abusers a legal escape hatch.

Beyond the legal problems with this proposed legislation, we also believe the DeWine amendment fails on moral grounds. In limiting the focus to Haiti this legislation fails to convey a universal condemnation against extra-judicial and political murders. We believe it is imperative to communicate our country’s worldwide aversion to political assassinations. It is a matter of principled policy to deny entry to all persons involved in political assassinations, whether they be from Bosnia, Russia, Guatemala, Haiti or anywhere else in the world.

We hope you agree with our analysis of this bill. We urge you to strike this amendment from the proposed legislation. We look forward to working with you on this important issue.

John Conyers; C.B. Rangel; James E. Clyburn; William J. J. Jefferson; J. Julian C. Dixon; Bobby Rush; Maxine Waters; Edolphus Towns; Ronald V. Dellums; Earl F. Hilliard; John Lewis.

Mr. PAUL, Mr. Speaker, last year’s attempts by some in Congress to tie the Mexico City Policy to the issues of funding for the United Nations (UN) and the International Monetary Fund (IMF) this week come back to haunt those of us who believe in the sanctity of all human life, the sanctity of human life, the UN, the IMF, the Sovereignty of the United States, and the rights of the U.S. taxpayers to keep the fruits of their own labor. This week, we see, the “grand deal” struck which will see liberal back dues which we supposedly “owe” this organization. Congressman ROCCO BARTLETT put forward a bill to stop any payment of thisphony UN debt and I proudly co-sponsored Mr. BARTLETT’s legislation.

UNITED NATIONS

The United Nations is an organization which frequently acts in a manner contrary to the sovereign interests of the United States. As such, I have sponsored legislation to get the United States out of this organization. Currently, the most pressing battle is to stop the US from paying “phony back dues” which we supposedly “owe” this organization. Congressman ROCCO BARTLETT put forward a bill to stop any payment of thisphony UN debt and I proudly co-sponsored Mr. BARTLETT’s legislation.

CONGRESS OF THE UNITED STATES

UNITED STATES, WASHINGTON, D.C., September 25, 1997.

We were able to put the breaks to the funding of the false UN debt and the IMF at the end of the last session of Congress by linking these items with the Mexico City Policy language. For political reasons President Clinton steadfastly refused to sign any legislation which contains any anti-abortion language at all.

This linkage presented us with a short term tactical victory but its long term costs are now becoming quite apparent. In linking these two issues together an opportunity for a “deal” has become apparent, a deal which will compromise principles on several fronts.

The so-called “bargain”

The so-called bargain here is maintaining the flawed Mexico City language in exchange for paying the alleged back-dues to the United Nations. But this, from a true conservative standpoint, is a double take. In a world of so-called give-and-take, this is a double-take. This is no bargain at all. Obviously, the Mexico City policy is riddled with fungibility holes but such a waiver would automatically reduce total U.S. funding for family planning programs by itself, its effect tends to be positive rather than negative, as I say, I consider it largely ineffective.

We were able to put the breaks to the funding of the false UN debt and the IMF at the end of the last session of Congress by linking these items with the Mexico City Policy language.
to $356 million, 11% less than current appropriations. In other words, Abortion is A-O-K if done with 11% fewer taxpayer dollars. Now that’s not worth compromising principle.

“PEACEKEEPING”

This compromise authorizes $430 million for U.S. contributions to our “police the world” program. I can hardly reconcile the phrase “humanitarian” with the United Nations. International peacekeeping operations are currently ongoing in the Middle East, Angola, Cambodia, Western Sahara, and the former Yugoslavia. Additionally, the measure authorizes $146 million to international operations in Sierra Leone and Cyprus.

ADDITIONALLY

This “agreement” authorizes $1.8 Billion for multilateral assistance in excess of the previously mentioned contribution to the United Nations; $60 million dollars for the National Endowment for Democracy; $20 million for the Asia Foundation; $22 million for the East-West Center for the study of Asian and Pacific Affairs; $1.3 billion for international migration and refugee assistance and an additional $160 million to transport refugees from the republics of the former Soviet Union. If that were all. Also, $100 million is authorized to fund radio broadcasts to Cuba, Asia and a study on the feasibility of doing so in Iran.

Lastly, foreign policy provisions in this report suggest an ever-increasing role for the United States in a police-the-world mentality. Strong language to encourage all emerging democracies in Central and Eastern Europe to join NATO area amongst these provisions in the conference report. It also authorizes $20 million for the International Fund for Ireland to support reconciliation, job creation, investment therein. For Iraq, the bill authorizes $10 million to train political opposition forces and $20 million for relief efforts in areas of Iraq not under the control of Hussein.

Apparently contrary to the first amendment, the conference report contains language that the U.S. should recognize the Ecumenical Patriarchate in Istanbul, Turkey, as the spiritual center of the world’s 300 million Orthodox Christians and calls upon the Turkish government to reopen the Halki Patriarchal School of Theology formed in 1971. Congress shall make no law respecting an establishment of religion ** ** (Except abroad?)

CONCLUSION

Fortunately, many genuinely conservative pro-life and pro-sovereignty groups are making it known that they do not support this so-called “compromise.” I, for one, refuse to participate in any such illusion and oppose any effort to pay even one penny of U.S. taxpayer dollars to the United Nations, subsidize family planning around the world, and intervene at U.S. taxpayers expense in every corner of the globe. Ms. DANNER, Mr. Speaker, I regret the fact that H.R. 1757, The State Department Authorization Conference Report, was passed today on the floor of the House of Representatives by a voice vote, thereby authorizing payments to the United Nations by the United States of $819 million over fiscal years 1998 through 2000.

This legislation also includes language that would force up to $107 million in U.N. payments to the United States for U.S. military contributions in peacekeeping efforts. I do not believe that this voluntary disputed amount takes into account all of the costs and expense incurred by the taxpayers of the United States in various peacekeeping missions.

I am very disappointed that I did not have an opportunity to cast a recorded vote on this measure. Had I been given the opportunity to cast a vote on this legislation in a rollcall vote, I would have voted against H.R. 1757.

Mr. BUNNING, Mr. Speaker, like many of my colleagues, I truly hope with the final version of this bill. However, I have been around here long enough to know that some times you have to take what you can get.

While I am no fan of the United Nations, and I have serious reservations about paying any of the so-called debt to the U.N., we have an opportunity to make some very substantive changes to our nation’s foreign policy regarding abortions. We need to seize this opportunity.

By ensuring that the Mexico City Policy is written into law we will send an important message of how much we cared and understood the needs of the unborn. For far too long, we have allowed the President to provide aid to nations that promote the use of abortion, even in countries that have laws on the books prohibiting the procedure. This is wrong, and by passing H.R. 1757, we can hopefully stop a part of it.

I understand that on this bill is a tough pill to swallow. But, if we don’t take action today, millions of abortions will occur around the world with the assistance of U.S. taxpayer dollars. This is unconscionable and it is time Congress stopped it. Vote “yes” on H.R. 1757.

Ms. JACKSON-LEE of Texas, Mr. Speaker, I rise in strong opposition to the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act. All I can think of as I stand before you this afternoon is “here we go again.” It is disheartening to see certain Members of this body once again hold funding to meet our nation’s commitment and investment in foreign affairs hostage to provisions placing stringent and unacceptable restrictions on funding for international family planning. And once again, those Members are inaccurately attempting to characterize this as a vote about abortion.

Proponents of the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act, that release of family planning funds without restrictions will allow U.S. aid to support abortion services abroad. These funds, however, can not by law be used to provide or promote abortions. Proponents of this legislation argue that funding is fungible, but the Agency for International Development has a rigorous process to ensure that the current ban on the use of U.S. funds for abortions is adhered to and that no U.S. funds are spent on abortion services.

Funds to support family planning are not funds for abortion. Family planning funds are used to provide contraceptives to persons who would otherwise not have access to them. Family planning funds support education and outreach on family planning options, family counseling, health care, and technical training to greatly improve the health and increase the survival rate of women and children during pregnancy, in childbirth, and in the years after. Family planning allows parents to control the number of children that they have and the timing of those births. And in so doing it allows women the opportunity to reach beyond the walls of their homes, to get an education and to work outside of the family.

A recent report of the Rockefeller Foundation argued that devoting less time to bearing children, reducing family size, and improving the health and survival of women and children results in better economic prospects in developing countries. Withholding these funds will reduce access to contraception and in so doing increase unintended pregnancies. Experience demonstrates that as unintended pregnancies increase, so does the abortion rate.

In fact, U.S. funding to Hungary has coincided with a 60% reduction in abortions in that country. In Russia, increased use of contraceptives has led to a 30% reduction in abortions. My colleagues, this is not a vote on abortion. A vote against this Conference Report is a vote to provide more options and opportunities for the people of developing nations around the world. Once again we are here debating language that will codify a global gag rule—language that is clearly unacceptable to pro-family planning Members of this Congress and to the Administration and that the Administration is opposed to. For these reasons, I call upon each Member to signal their support for the health and welfare of women, children and families and vote against the Conference Report on H.R. 1757, the Foreign Affairs Reform and Restructuring Act.

Mr. DAVIS of Illinois, Mr. Speaker, I rise today to oppose the Foreign Affairs Reform Act. In this time of competitive interests and thoughts, the United States presence is more important to world peace and progress than ever before. As our world becomes more interdependent than ever before the United States must improve its relations. Most Americans know this. We must not ignore the benefits of cooperation nor must we ignore our own interdependence and responsibility as a leading nation to share the blessings of the entire world.

Mr. Speaker, I wholeheartedly reject the dangerous Mexico City Policy. It is my determination that any delay will cause serious, irreversible and avoidable harm. We must recommit the United States to the health and well-being of millions of women and children and American credibility as the leader in family planning programs around the world. For half a decade anti-family planning lawmakers have attempted relentlessly to impose the Mexico City Policy on organizations that receive U.S. international family planning money, and make this debate a referendum on abortion. International family planning is not about abortion. No U.S. dollars are used to provide abortion services and in fact, access to international family planning services is one of the most effective means of reducing abortion.

I oppose the provision which allows the U.S. to renounce its full debt to the United Nations. The United States is $321 million behind in its payment. There is a great international game being played out here today. Why must we continue to barter for the health and well being of millions of people around the world? I think it is the wrong time to do this and we will reap disastrous results.

We must remember and act as though this is an interdependent world. It cannot be overstated that building the Global Village and a better world for the 21st century requires a United Nations that is supported, fully funded,
The UN provides a multilateral forum for peace to be negotiated, so that international tensions will not again escalate to another world war. H.R. 1757 does help to pay off the arrears that we have accumulated so that we can hopefully regain our leadership position in this organization. However, this bill also contains a provision that runs in direct opposition to the spirit under which the UN was created. This lack of U.S. support for and leadership in the UN is an embarrassment which has also greatly encumbered the performance of our foreign policy.

In addition to continuing assistance to the UN for the UN, this legislation also attaches extremely controversial and damaging restrictions on private organizations that provide family planning assistance. There has always been a prohibition on these organizations using U.S. funds to perform abortions. However, many feel that this is not a great enough safeguard and have chosen to also place an effective gag rule on what these organizations can do with their own funds. This restriction is in violation of our own Constitution yet many approve it abroad, to me, this is the greatest form of hypocrisy to which I am strongly opposed.

While I believe that nothing is more important to our foreign policy at this moment than paying our UN dues and regaining our credibility and leadership abroad, I cannot support this legislation because I believe it may do more harm than good for the long term. Placing unilateral conditions on UN funding and enacting unconstitutional requirements for family planning organizations into permanent law will only prolong the problems that have led us to abandon our fundamental freedoms guaranteed by the National Labor Relations Act. I certainly hope that my colleagues will recognize this mean-spirited attempt to discriminate against organized labor and vote against the bill.

The history of workers to organize is a precious freedom, one that has fought for many years to strengthen and protect. Employers currently have at their disposal an arsenal of weapons with which to fight unionization, and tens of thousands of American workers lose their jobs illegally each year simply as a result of their own union organizing campaigns. I fail to understand how my colleagues on the other side of the aisle can, with a straight face, claim that this bill is a necessary tool for employers. This bill is anything but anything but anything.

Mr. Speaker, I rise today in support of the conference report to H.R. 1757, the Foreign Affairs Reform and Restructuring Act. This conference report accomplishes three important international goals by authorizing assistance to the democratic opposition in Iraq; redefining and consolidating the State Department; and most importantly, denying funding to foreign organizations that perform or promote abortions.

There is no justification for using our federal money to perform or promote abortions overseas, or here at home for that matter. This bill also takes an important step in consolidating two out of three international affairs agencies back into the State Department. And, it is important for the U.S. to support the democratic opposition in Iraq. The problems in the Middle East have continued for too long. It is time to put an end to Saddam Hussein’s reign of terror.

I do not like the provision authorizing U.S. arrearages to the United Nations. I am no fan of the United Nations, and do not trust that institution to respect American sovereignty. It is our job as constitutionally elected representatives to protect our sovereignty. I am disappointed that this provision was included in such important legislation.

Again, I strongly support three out of the four key provisions of this bill, particularly regarding no U.S. funds being used to perform or promote foreign abortions. American foreign policy should not include promoting abortions, and no federal funding should be authorized to do so domestically to pay for abortions. I urge President Clinton to do the right thing and sign this important legislation.

Mr. SKAGGS. Mr. Speaker, the conference report before us today is badly needed, but it is seriously flawed in its present form, and so, I am sorry to say, it should be defeated. The bill authorizes funds for the State Department and related agencies, and for money this country owes the United Nations. But the addition of the international gag rule on foreign non-governmental organizations (NGOs) relating to international family planning funds is unacceptable. It attempts to do overseas something that would be unconstitutional if done here at home.

The “lobby” ban means that the United States would be using them to withhold U.S. money to blackmail foreign NGOs to promise not to use their own money not to lobby their own governments. The definition of “lobbying” is so broad that it includes making public statements that may call attention to “alleged defects” in abortion laws.

One of this country’s most cherished foreign policy goals is to bring democracy and the values of civil society to other countries. This provision would stifle the kind of debate on a critical issue that we are free to conduct in this country.

As Secretary of State Madeleine Albright said: “This is basically a gag rule that would punish organizations for engaging in the democratic process in foreign countries and for engaging in legal activities that would be protected by the First Amendment if carried out in the United States.”

The practical effects of the lobby ban would be ridiculous. For example, the “lobby” ban would mean that a foreign NGO could lose its U.S. family planning support if, with U.S. funds it writes a paper or makes a public statement that cites the incidence of maternal death due to illegal abortion, thus showing a “defect” in abortion laws. Or, in a country where abortion is legal, an NGO could lose U.S. support if it offers government advice on how to make abortion safer.

The gag rule approach contradicts deeply-held American values of free speech and participation in the political process. In the 104th Congress, we rejected a similar attempt to use the leverage of federal funds to prevent domestic NGOs from engaging in advocacy with their own money. We should not impose on foreign NGOs an anti-democratic gag rule that would be unconstitutional to impose on domestic organizations.

It is most unfortunate that this issue has delayed payment of U.S. arrearages to the United Nations. This country uses the United Nations to seek international support for many important foreign policy goals, most recently to enforce compliance by Iraq’s commitment to destroy its weapons of mass destruction. We risk influence in the international community on critical foreign policy goals by being seen as international deadbeats when it comes to paying our bills.

The same controversy over family planning funds last fall kept us from paying our arrearages to the UN. As a result, we lost negotiating leverage at the United Nations to lower the
Mr. NADLER. Mr. Speaker, the State Department Authorization bill would place an international gag rule on organizations that use their own non-U.S. funds to provide abortion services. It also threatens to cut off $29 million from our international family planning efforts if the President attempts to defer the ban on funding to organizations that use their own private funds for abortion services. This policy is clearly unacceptable, and is not supported by the President or by the American people.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from New York for his remarks, and I just want to remind our distinguished whip for his kind remarks, and I think this is a wonderful day for the House of Representatives in reflecting this vote. We think this is an excellent bill, and we want to give credit where credit is due to the Members of the House, and particularly the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on the Judiciary. The chairman of the Committee on International Relations has done a great service for this House, and the gentleman is to be commended for a bill that is consolidating the State Department and bringing some very needed reforms.

Mr. DELAY. Mr. Speaker, I yield to the gentleman from New York.
Mr. Speaker, I urge my colleagues to oppose this rule and oppose the bill. This is bad news for American workers, particularly construction workers, and it seriously undercuts the National Labor Relations Board. This bill hurts workers' rights to bargain collectively by allowing them to refuse to hire people suspected of joining a union or even fire people who have been members of unions or who have worked in union shops.

Let me repeat this, Mr. Speaker. This bill allows employers to refuse to hire anyone they suspect is associated with a union. In other words, Mr. Speaker, it allows businesses to fire workers who might report unlawful conduct, but it allows businesses to keep hiring outside union busting consultants. That is all right.

Keep in mind, Mr. Speaker, that these so-called union organizers do a good day's work. They show up on time. They work hard. They follow the rules. They are not standing around the water coolers passing out leaflets all day. They do their jobs satisfactorily. If they do their job satisfactorily, Mr. Speaker, they should not be hired for union activities or affiliations. After all, Mr. Speaker, these operators come to organize, not to eliminate their jobs, as my Republican colleagues will imply.

But, because some employers fear the power of collective bargaining, they want to be able to refuse to hire someone one or even fire someone for suspicious siding with the unions. This bill allows them to do that, Mr. Speaker, and that is patently wrong.

It also gives employers a powerful tool to slow down workers' choice of unions. This bill makes taxpayers pay the legal fees under the National Labor Relations Act whenever the business wins. Mr. Speaker, making taxpayers pay, even in cases where the National Labor Relations Board's position was contrary to the employer's, is a violation of the "American rule" under which each party to a suit pays their own costs.

There is no reason to think that the NLRA is bringing up frivolous cases. In fact, Mr. Speaker, last year the NLRA won 83.7 percent of the cases which went to the courts on appeals, so they are not just taking any old case lying around. When they do take a case, they prosecute it very well.

If the NLRA were gone, there would be no one to prosecute employers for violating our laws. Mr. Speaker, the bill will end the whole practice of what is known as salting, whereby professional agents and union employees are sent in to nonunion workplaces under the guise of seeking employment, only to inflict harm on those employers.

Mr. Speaker, I want to applaud the gentleman from Pennsylvania (Chairman Goodling) and the gentleman from Illinois (Mr. Fawell), the chairman of the Subcommittee on Employer-Employee Relations, for their very thoughtful work on this bill in moving it forward.

If enacted, the bill will end abusive practices against workers by organized labor and promote fair and balanced procedure and practice. It will end the water cooler practice and will level the playing field for small businesses, small unions, and employees by creating an impartial National Labor Relations Board.

It will also end the practice of what is known as salting, whereby professional agents and union employees are sent in to nonunion workplaces under the guise of seeking employment, only to inflict harm on those employers.

So, Mr. Speaker, let me say, this is, I believe, a very fair and balanced rule designed to support this measure, which makes employers pay the legal fees under the National Labor Relations Act whenever the business wins.

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people's jobs as employees who have an interest in keeping businesses running.

Collective bargaining is not a tool to destroy companies, and neither are unions. Unions give workers a voice at a time when the gap between rich and poor is widening, so we need all the unionizing we can get.

Unions raise living standards, they help close the wage gaps between women and people of color, they fight discrimination, and promote civil and human rights. But as it stands today, Mr. Speaker, about 10,000 working Americans get fired every year just because they support unions. This bill is just one more attack on the working people's rights.

Mr. Speaker, this bill is a giant step backwards in worker-employer relations. It gives employers even more ways to trample the rights of workers to organize and bargain collectively, and, along with this rule, should be defeated.

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

Mr. Speaker, all we are trying to do is make sure that small businesses have the exact same rights that the gentleman and I do in hiring practices in our offices.

Mr. MOAKLEY. Mr. Chairman, will the gentlema...
against these small businesses and against these small unions, then under those circumstances we are suggesting that the small business should be reimbursed for the legal fees because they cannot afford to continually try to defend themselves and oftentimes as many as 40 or 50 unfair labor practice charges.

Then we have several other bills, too, that I am not going to go into at this time. But suffice it to say that if Members will look carefully at this, it does not have anything to do with the union-bashing. These are bills that we have worked on for quite some time. There is some bipartisanship to it. There is some opposition, obviously, but it is not union-bashing. And hopefully we can have a debate that can be heighted over that kind of rhetoric.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MILLER).

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

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this bill is the latest in a series of efforts by the Republican majority to undermine working men and women in this country. First the Republican Majority tries to silence the voices of rank-and-file Americans under their phony campaign finance reform bill. Now they want to give employers the power to hire and fire workers based solely on their support for union representation.

Again, we have very damaging legislation clothed in an innocuous title. This bill is called the Fairness for Small Business and Employees Act of 1998, but it is not fair, it is not limited to small businesses, and it certainly does nothing for employees.

Mr. Speaker, make no mistake about it, this bill discriminates against workers on the basis of the worker’s union support. It would permit and even encourage employers to discriminate against workers on their preferences for union representation and refuse to hire the applicants on that basis.

This bill overturns the unanimous 1995 Supreme Court decision. The Court said that a worker can be a company’s employee and simultaneously work in support of a union. But the Republican majority does not like the Supreme Court decision and they do not like labor unions so they plan to overturn the Court’s decision with the passage of this bill.

The Republican majority says that this bill is necessary to prevent abuses by employers. This is nonsense. Employers already have more than enough power to control what goes on in the workplace. Current law already provides that enterprises may prohibit union solicitation during working hours. Current law allows employers to prohibit their employees from even discussing the union during work time. Current law allows companies to require employees to attend meetings, listen to campaign speeches and watch campaign videos. Current law allows employers to fire employees who refuse to listen or dare to ask questions in such captive-audience meetings.

This is nonsense. The purpose of this bill is that employers can never have enough power over their workers. The message of this bill is that employers’ decisions to hire or fire employees can be based solely on that employee’s belief in the union. This bill gutted workplace and their activities outside of nonworking hours. The message of this bill is regardless of how hard one works, how much they produce, how impeccable their record of service, they can be fired for wanting and seeking a better representation for themselves and their co-workers by having a union in the workplace.

Mr. Speaker, this bill is antideocratic, it is antiworker, it is antunions, and my colleagues ought to vote against it.

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, working families will look carefully at this, it does not do any credit to call this union-busting bill. It would ban organizing at nonunion workplaces. This is nonsense. Current law already provides that employers may prohibit union organizing activities. This bill is a clear, shameless attempt to ban organizing at nonunion workplaces. It is an attempt to deny collective bargaining rights to workers who want the right to organize.

Finally, this bill is an attempt to tear down the unanimous 1995 Supreme Court ruling that says that it is illegal to deny employment to a paid union organizer, or to fire that person, if the person applies for a job for the purposes of organizing a union in a nonunion workplace.

Mr. Speaker, in closing I ask my colleagues to vote against this bill. Its purpose is to bust unions, to bust the people that are in them, and to weaken the labor laws which were written to improve the lives of America’s working families. We should not allow it. Let us fight with all we have got.

Mr. MOAKLEY. Mr. Speaker, I yield 12½ minutes to the gentleman from Missouri (Mr. CLAY) the ranking member on the Committee on Economic and Educational Opportunities.

Mr. CLAY. Mr. Speaker, I rise in opposition to this rule. It is appalling that we would limit on a bill that tramples the rights of millions of workers and their families. It is no exaggeration that this bill rips the heart out of the National Labor Relations Act and says a good deal about the priorities of the majority.

Rather than working on measures that will improve the lives of working families, this legislation would jeopardize the great progress the NLRA has made in providing workers with better wages, benefits, and working conditions.

The enactment of the historic National Labor Relations Act was prompted by a severe and violent labor unrest. Back then, labor laws were stronger against the infringement of the rights of workers and their families. Today, this bill takes three steps backwards. It reverses a key provision of the National Labor Relations Act which prohibits employers from discriminating against workers who hire. What this bill says is that if an employer suspects a person is applying for a job to organize a union, then the applicant is out the door. Imagine the leeway an employer would have to turn a job applicant is out the door. Imagine the leeway an employer would have to turn away job applicants. An employer’s convenient excuse not to hire a person of color, for example, is because that person is not the right representative. This bill would gut the National Labor Relations Act to that point of ineffectiveness.

Mr. Speaker, I understand the gentleman from Pennsylvania will offer an amendment to attempt to eliminate the ambiguity. The amendment states that any “bona fide” applicant will be protected under the NLRA. What subjective criteria would an employer use to determine who is a “bona fide” employee? This amendment and that it just did not like the bill and did not want to do that when we were holding the hearing up in the Committee on Rules. I think
Mr. Speaker, we were prepared to make the gentleman's amendments in order and, in fact, we did make them in order, and the gentleman from Massachusetts (Mr. Faowell) offered the motion that unanimously passed in the Committee on Rules that, in fact, allowed for the withdrawal of those two amendments which had been submitted by the gentleman from Missouri.

Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, if the gentleman is going to quote me, I wish he would quote me accurately.

Mr. DREIER. Mr. Speaker, I am happy to yield to the gentleman to clarify that.

Mr. CLAY. Mr. Speaker, what I said to the gentleman was, first of all, it is not an open rule because the committee required preprinting in the Record. Mr. DREIER. Mr. Speaker, that is correct.

Mr. CLAY. Mr. Speaker, the second thing I said before the Committee on Rules is that no amendments whatsoever could make this bill worth passing by the backdoor that is how I wanted to be quoted. We cannot fix this piece of trash that we are now deliberating.

Mr. DREIER. Mr. Speaker, reclaiming my time, if we had an open rule, the gentleman would not offer any amendments. And we have now a very well-structured rule that would have made the amendments that the gentleman talks about offering and did initially submit in the Committee on Rules in order, and he has chosen not to do that.

Mr. CLAY. Mr. Speaker, if the gentleman would continue to yield, it would have permitted other Members who might have wanted to offer amendments to offer them. I said in my opening statement before the Committee on Rules that this should not even be considered by this body.

Mr. DREIER. Mr. Speaker, we certainly welcome the opportunity for all of our colleagues to submit amendments to us, as we had announced earlier on the House floor. And so I think that we have pretty well clarified the issue.

Mr. CLAY. Mr. Speaker, we are going through an exercise in futility. We do not know whether the Senate will take it up or not, but we know that the President has declared that he will veto this piece of legislation, and my colleagues on the other side of the aisle do not have enough votes to override a veto.

Mr. DREIER. Mr. Speaker, again reclaiming my time. I think the very hard work of the gentleman from Illinois (Mr. Faowell) and the gentleman from Pennsylvania (Mr. Goodling) has brought forth thoughtful legislation, and we are going to work our will here in this case.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. Lewis), the minority whip.

Mr. LEWIS of Georgia. Mr. Speaker, this bill is a thinly veiled attack on America's organized workers. It is a Republican retribution bill. If one disagrees with the Republican majority, it will not be long before they are under investigation or under attack right here on the Floor of the House of Representatives.

Mr. Speaker, this bill is not just an antionion bill, it is un-American. This bill will allow employers to discriminate against and deny employment to workers' completely on their connection with a union.

What happened to freedom of speech? What happened to freedom of assembly? What happened to freedom of association? This bill is a naked attempt to intimidate American working families. It is a shame, it is a disgrace, and it has no place on this House floor.

I urge my colleagues to kill this bad un-American bill. Get it off the floor, and send it to the trash heap dump right now.
Mr. MOAKLEY. Mr. Speaker, I yield 2 1/2 minutes to my good friend, the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Speaker, 22 million small businesses thrive in America, thanks to the free enterprise system. Today, the bill before us, the Fairness for Small Business and Employees Act, will further guarantee a fair and level playing field for all employees.

Many of America’s small businesses are crippled by a tactic known as ‘‘salting.’’ Salting has nothing to do with how our food tastes, believe me. But it will raise their blood pressure if they are a small business owner. Salting occurs when a union agent, which is known as a ‘‘salt,’’ applies for a job in a nonunion company. This agent intentionally conceals his true objective, which is to sabotage the company and drive them out of business because it is nonunion.

Now that is not American. I think my colleagues would agree. But some salts are straightforward and just come right out during the hiring process and interview and they identify themselves as union agents and they demand, if they are not fired, they will then file a grievance against the company. Either way, Mr. Speaker, this is criminal. It is not the American way.

Let me give an example of how salting destroyed a company in my home state of Texas. A nonunion electrical contractor in Dallas, about 30 employees, was hired to work on a school construction project. They advertised the jobs in the newspaper. The local electricians union saw the ad and paid union agents to go and apply for a job. The electrical contractor hired these agents, unaware that they had an ulterior motive. The agents then proceeded to destroy the company.

They staged small strikes by leaving the job for 3 or 4 hours, but returning just before they could be replaced. They also sabotaged the electrical work and went on to file close to 50 grievances against the company, eventually driving it out of business.

This bill will put a stop to malicious activity like this and protect small businesses in their efforts to hire loyal, hard-working employees. The small businesses will no longer fear the threat of destructive lawsuits filed by union agents.

Mr. MOAKLEY. The generosity of my colleague is just overwhelming. I urge my colleagues to reward work and vote against this rule.

Mr. DREIER. Do not say I did not ask you.

Mr. DREIER. Do not say I did not offer.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN. Mr. Speaker, I yield as much time as the gentleman from California (Mr. DREIER) has 8 minutes remaining, and the gentleman from Massachusetts (Mr. MOAKLEY) has 11 minutes remaining, and the gentleman from California (Mr. DREIER) has 18 minutes remaining.

Mr. MOAKLEY. The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Massachusetts (Mr. MOAKLEY) has 11 minutes remaining, and the gentleman from California (Mr. DREIER) has 18 minutes remaining.

Mr. MOAKLEY. Is the gentleman from California interested in yielding me any time, Mr. Speaker?

Mr. DREIER. Mr. Speaker, I do not think so.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. DREIER). (Mr. ROTHMAN asked and was given permission to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Speaker, I rise in opposition to the closed rule and the underlying antiworker bill. This debate is about fairness and the basic rights of hard-working Americans. If this bill passes, a worker could be fired just for trying to improve working conditions by organizing his or her fellow workers; or they may not even be hired in the first place, even though he or she is the most qualified applicant, just because the company executive thinks that that person might organize workers in the future.

In 1995, the U.S. Supreme Court said that it is unconstitutional for American executives to fire or discriminate against those who they want to silence. But these corporate executives refuse to take no for an answer, so they are trying to ram the bill to the floor.

H.R. 3246 defies what we fundamentally believe as Americans. It gives companies a license to discriminate against hard-working Americans who only want to be able to speak out and stand up for their rights, who want a safe work environment and who want their desire for reasonable health care for themselves and their family, and a livable wage.

I strongly urge my colleagues vote against this rule and the bill.

Mr. DREIER. Mr. Speaker, I yield 2 1/2 minutes to my good friend, the gentleman from Dallas, Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Speaker, 22 million small businesses thrive in America, thanks to the free enterprise system. Today, the bill before us, the Fairness for Small Business and Employees Act, will further guarantee a fair and level playing field for all employees.

Many of America’s small businesses are crippled by a tactic known as ‘‘salting.’’ Salting has nothing to do with how our food tastes, believe me. But it will raise their blood pressure if they are a small business owner. Salting occurs when a union agent, which is known as a ‘‘salt,’’ applies for a job in a nonunion company. This agent intentionally conceals his true objective, which is to sabotage the company and drive them out of business because it is nonunion.

Now that is not American. I think my colleagues would agree. But some salts are straightforward and just come right out during the hiring process and interview and they identify themselves as union agents and they demand, if they are not fired, they will then file a grievance against the company. Either way, Mr. Speaker, this is criminal. It is not the American way.

Let me give an example of how salting destroyed a company in my home state of Texas. A nonunion electrical contractor in Dallas, about 30 employees, was hired to work on a school construction project. They advertised the jobs in the newspaper. The local electricians union saw the ad and paid union agents to go and apply for a job. The electrical contractor hired these agents, unaware that they had an ulterior motive. The agents then proceeded to destroy the company.

They staged small strikes by leaving the job for 3 or 4 hours, but returning just before they could be replaced. They also sabotaged the electrical work and went on to file close to 50 grievances against the company, eventually driving it out of business.

This bill will put a stop to malicious activity like this and protect small businesses in their efforts to hire loyal, hard-working employees. The small businesses will no longer fear the threat of destructive lawsuits filed by union agents.

Mr. MOAKLEY. Mr. Speaker, once again, may I inquire as to the remaining time?

Mr. DREIER. Mr. Speaker, I would be happy to yield time to my friend if he were to have maybe one more speaker and I would yield him one minute if that would be an arrangement.

Mr. MOAKLEY. The generosity of my colleague is just overwhelming. I urge my colleagues to reward work and vote against this rule.

Mr. DREIER. Do not say I did not offer.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN asked and was given permission to revise and extend his remarks.)
Mr. GREEN. Mr. Speaker, I am glad to follow my colleague from north Texas. Although I have to admit the free enterprise system is great, what concerns me about this bill is, it removes the free enterprise system from the employees' right to fair representation. The Small Business Employment Act of 1998 more appropriately should be called the antiworker freedom bill of 1998.

This Republican bill allows businesses to fire or refuse to hire employees based on their union affiliation. What does that mean? That this bill will allow us, if I went and applied right now for a job in a printing company because maybe I had at one time been a union member and maybe still am, I could not be hired based on that purpose, Mr. Speaker. And that is what this bill is allowing us to do.

I call the sponsors' attention to page 4 of the bill, where it says "a bona fide employee applicant." That language in there will allow that person making that decision to say, if you are not a bona fide employee just because you happen to have maybe been a union member or maybe a current union member, even if you are not an organizer.

Further, it would allow employers to discriminate against people who might try to organize in the workplace by simply refusing to hire them. How can that be fair or equitable to determine someone who might be a union member or former union member? These type of characteristics are not determined by physical characteristics, such as eye color or hair color. What is next? Maybe we are going to discriminate against individuals because maybe their religious beliefs maybe have more propensity to be a union member. Maybe Christian employees should not apply for businesses that maybe have a different religion. Is that what you are going to in our society?

I think we are taking away the freedom of employees, in some cases the freedom of businesses to be able to say, "We're not going to hire you based on you may be a union organizer." I think that would leave such a gaping hole in the law. The rule does not allow us to amend that, Mr. Speaker. That is what is wrong with this rule.

This bill would overturn a unanimous 1995 Supreme Court decision which held that union organizer employed by a company was entitled to the same protections as any other employee. My concern is that just because I am a union member and I may vote for a union if I worked at a nonunion company, this bill would allow me to be called a union organizer just as a union member. That is what this bill would allow us to do, Mr. Speaker.

Mr. FAWELL. Mr. Speaker, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Speaker, I simply want to make it very, very, very clear that we do not in this legislation say that the employer has any right to discriminate against an applicant because the applicant is a member of a union. We make it clear that the Supreme Court decision is not in any way affected. One can also even be a paid member of a union. There can be no discrimination against you because you are a member of a union or were a member of a union. Nothing like that is touched.

Mr. GREEN. If the gentleman will let me respond, I will be glad to read him the section of the law that I have the concern about.

Mr. FAWELL. Mr. Speaker, the point I want to make is you can have all the union organizing you want. There can be no discrimination against you because you are a member of a union or were a member of a union. Nothing like that is touched.

Mr. GREEN. If the gentleman will let me respond, I will be glad to read him the section of the law that I have the concern about.

Mr. FAWELL. Let me just conclude by saying, the only person that we are concerned about is the person who is applying for the job primarily, "primarily," so that is more than half of his basic reason for applying is because he wants to further some other business. It does not even have to be a union necessarily. Then he is not a bona fide applicant. That is the concern.

Mr. GREEN. Is the general counsel of the NLRB that has to make the initial decision as to whether that is true. Mr. FAWELL. The gentleman did not read the definition of a bona fide applicant. The definition of a bona fide applicant is an applicant, we tried to bend over backwards by saying it is somebody who basically is there who really does not want to work there, he is primarily there in furtherance, primarily, the motivation is in furtherance of another agency or another employment. Bear in mind that it is the general counsel of the NLRB that has to make the initial decision as to whether that is true.

Mr. GREEN. Again I am concerned about how it works in the real marketplace.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Pleasantville, PA (Mr. Petersen).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise to support the rule. It is interesting as a former employer for 26 years and a small businessman myself, I guess I feel like I am suddenly the bad guy, that America's small businesses are some evil force that wants to hurt workers. If we are going to keep it that way in this prosperity and prosperous, small business and workers and unions need to work together.

This bill addresses a practice of professional agents or union employees or other people, a competitor's employees coming into a workplace under the guise of wanting employment when they are really there to cause problems. If you had invested everything you have into a business, you would be much more willing to discuss this issue. If you had put everything you own on the line in a business and somebody was coming to work for you who was there for subversive reasons, whether it is organizing or it is your competitor to cause problems with your workers, that person should be very much against that. That is not fair.

In chapter 2, we talk about the NLRB to conduct hearings to determine when it is appropriate to certify a single location or multiple locations. What is wrong with having a hearing? What is wrong with public process? Letting both sides be heard to make a decision?

Chapter 3 deals about a time limit of what the rules need to come out, the rulings. What is wrong with the 1-year time limit? That makes sense. That is what is usually done. When it is not done, it is usually done to hurt somebody.

The final provision in chapter 4 is legal costs. If you are a small business and a bigger entity is after you and has unlimited legal ability, they can break you. If it is found that you have been fair, they should pay your legal fees. If we do not give small business a decent break in America, we are not going to grow, the poorest of America will not get jobs, because that is where they start, in small businesses who are growing and prospering. That is the future of America.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York (Mr. OWENS).

Mr. OWENS asked and was given permission to revise and extend his remarks.

Mr. OWENS. Mr. Speaker, what we are saying is that we want working families to live by a different set of rules. We want two Americas. Working families and the people who represent working families have to live by a different set of rules.

We want a loyalty oath for a worker going into a business; they must take a loyalty oath. We do not ask people going into management to take loyalty oaths. They do not ask the employee or competitor's employee who come to work for a company to take loyalty oaths. They might be spying on you, industrial spying might take place by an outside company. Nobody asks them to take some kind of loyalty oath and prove their intent.

What would happen if Bill Gates was to say to all the young people who are information technology workers that if you want to come in, that you have got to take a loyalty oath that you are not going to use our experience here to develop some business later? Half of them who go in go into the larger enterprises for the purpose of learning the ropes, then they go out and they...
develop their own entrepreneurial activity. That is the American way. It is that way for businesspeople. Why should it not be that way for people who represent working people or working people?

You have a different set of rules. This is part of the Republican assault on working families. We had it in 1994. There was a Contract With America. In the Contract With America, they said nothing about attacking working families. When they arrived, we found that they had a covert plan to attack unions and working families. They launched it. It was like Pearl Harbor. They launched a massive attack against unions and working families. The unions were not docile. They did not sit still and remain silent. They refused to take it. They fought back.

Now we have a regrouping. Speaker Gingrich uses the metaphor often that politics is war without blood. Now you have a regrouping of some of the forces. This Congress, they are now launching a new assault on working families. This is the first salvo of a new assault. There is coming later the Paycheck Fairness Act; they have got a whole line of offensive that they are working on. Working families are still the target. This time it is going to be the Battle of the Bulge. They are going to go all out. The Paycheck Protection Act seeks to strangle, smoother or stab unions in a way that nobody would be able to recover. This is the opening salvo.

We have got a whole series of bills like this designed to create an America for working families and their representatives which has nothing to do with the America the rest of us live in. I appeal to the Republicans to call off their war against working families. Let us not go through it all over again. We went through it in 1994. All the salvos against OSHA, we beat them back. NLRB, you wanted to kill before by going through the appropriations process and lopping off half the budget. You had one attack after another that failed in the last Congress. Now you are launching a desperation attempt because unions would not take it, they fought back, and they are vocal, they are defending the interests of working people.

Now we have unheard of restrictions on activities that are designed to balance off the interests of the business class against the extreme minority of folks who are demanding that you go through with this attack, you continue this attack, and we have a series of bills that now are clearly out to destroy the rights that everybody enjoys in the name of trying to protect us from unions that are extreme and subversive. Why should organizing a union be subversive? Why should a person who goes to work for a business be automatically suspect because they are a worker? Why should the NLRB now be reformed when it existed under the Bush and Reagan administration for many years and it took them forever to come out with decisions. The NLRB, OSHA, anything that relates to working people is under attack. This is the first salvo. I think we should understand it and get ready for it.

Davis-Bacon, all of the kinds of things that have been set up over the years, the gentlemen from Davis and Bacon were Republicans. But Davis-Bacon is under attack, too, the prevailing wage law. There is nothing that benefits working families in America that will not be attacked in the next few months as the new Battle of the Bulge is launched to try to get even with the unions for defending their own interests.

You had Pearl Harbor. We suffered a terrible attack at Pearl Harbor. But remember who won the war. The unions in fighting back have only done what they are supposed to do in terms of representing the interests of workers. For representing the interests of workers now, they are told you are going to have to give reports; you are going to have to vote and decide on any position you take. Corporations spend billions of dollars of shareholders money, but they never have to make reports. Corporations spend large amounts of political money, millions of dollars spent to keep the unions by more than 20 to 1 in soft money in the last election, but corporations will not have to make the same kinds of reports to their members. They will not have to have their decisions voted on every decision they make. This is clearly an attempt to create two societies in America, one for working families and one for everybody else. I think that we should understand this assault and stop it right now.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my friend and fellow Californian, the gentleman from Del Mar (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, this is the opening salvo. Now the unions have won World War II. This is the same group that said that sharks still follow the ships because of the number of slaves that fell over. The gentleman is factually challenged. He talks about American families, American working families. Over 90 percent of the jobs in this country are small business and business, nonunion. Over 90 percent are nonunion. But yet the people that support this do everything they can to kill small business.

The issue, salting, you go into a small business and you try and destroy it. How many of them have ever been organized? Zero. Yet you go in and tie them up before the board and actually force them out of business. When you talk about the working family, talk about the 90 percent that are nonunion. You talk about Davis-Bacon, you say, "Well, I’m for the children." In Washington, D.C., schools, the buildings are 50 years old. We could have gone in and waived Davis-Bacon to build schools and saved 35 percent. But are you for children or union bosses? No, the union bosses. Why? Look at the paper. The AFL-CIO, the Teamsters, hundreds of millions of dollars that go to the DNC tied to organized crime, but yet they support their campaigns. Less than 10 percent. They know that small business cannot organize. There is no organized labor. It is 90 percent Republicans. 10 percent are third party, and they charge that 40 percent union dues to be used against candidates that they do not support.

The gentleman talks about working families. Why does the gentleman not support the 90 percent of working families that are out there that the unions try and persecute? No, because they fund the gentleman’s campaigns.

Mr. GOODLING. Mr. Speaker, I have often heard it said that if one really wants to be passionate about something, they should talk about it. It is that that is going to be discussed and debated, and then they can get up and wax eloquently. And I think I may have heard some of that this afternoon. I cannot believe that some of the people who were waxing eloquently have read anything about what it is that is in the legislation. It was amazing, all the things that I heard.

One of them that really concerned me is someone was talking about sweatshops, and then somebody else was talking about the workingmen and women, and I visited an area that somebody in this House represents, and I could not believe that it could happen in the United States. And guess what? Most of them were represented by organized labor. We will hear a lot more about that when we get to that point next week.

Well, let us make it very clear that all we try to do is bring labor and management into the 21st century. If we cannot bring labor and management into the 21st century, I will guarantee there will be no jobs out there for anybody. We will not be able to compete.

Keep in mind that all or most all the labor laws were written in the 1930s because that was men only in the work force, and when it was manufacturing predominantly. That is not the 21st century, my colleagues, and we have a worldwide competitive effort if we are going to succeed and provide jobs.

Well, someone said, "How are you going to determine whether somebody is a bona fide employee or not?" All we say is that one’s motivation when they seek a job is 50 percent. The motivation is that, as a matter of fact, they want to be less than 30 percent of the time that they have a job so that they can get better wages, so that they can get better fringe benefits. The motivation has to be 50 percent.
And, of course, the gentleman from Illinois said, “Who makes that determination?” The counsel at the NLRC, the counsel at the NLRC. Can we get any more protection than that in this day and age?

Well, let me refer to two editorials. I think they are kind of interesting. I think they also point out what it is we are trying to do. One of them is entitled “When You Can’t Afford To Win.” “When You Can’t Afford To Win.” It happened to be a contractor in Little Rock, Arkansas. Two men appeared there, wanted a job.

He said, “I’m sorry, we don’t have any openings. We don’t need any employees.”

Well, he thought, that was the end of it. A couple months later he is notified by the National Labor Relations Board that charges have been filed against him.

So he gets a good labor lawyer, and the labor lawyer said, “Well, there’s no doubt about it, you win, but it will cost you.”

Now how did the labor lawyer know that? Because most of those suits are thrown out. Most of the time they are strictly frivolous.

And so he started doing a little arithmetic, and he found out that it will cost him $23,000 to win.

Now it is a small business, he does not have $23,000. So he says, “What does it cost me to lose?”

And the labor lawyer said, “Well, that will only cost you $6,000. It will be 3,000 for each of the two that came looking for a job that you didn’t have.”

Well, he looked at his arithmetic and he said, “$23,000 to win, $6,000 to lose; I’ll take the $6,000.” Obviously most small businesses are going to take the $6,000.

And so all we are trying to say is, well, it seems to me that one’s motivation should be at least 50 percent that actually go there and work, actually try to make the business improved so they can get more money and so that they go get better benefits. It does not sound like that some mean-spirited kind of nasty people over here on this side of the aisle that want to take advantage of the working Americans.

Well, we had one person testify who said that he was an organizer. That was his job. And he said to some of those who were involved, “Well, why don’t we try to do a little more actually organized and working to see whether we can bring about an organization of this company, because I know a couple members who are willing, who are em-
ployees who are willing to move ahead and help us.”

And he was told by the high-ups, “That isn’t what we’re in the business of doing. We’re in the business of saying we’re going to squeeze you and squeeze you and squeeze you. We want your money, we want to put you out of business. We’re not necessarily interested in organizing a lot of these little businesses.”

I think the closing paragraph of another editorial I saw is exactly what this is all about, exactly what we are trying to do. And the closing paragraph says, it is reassuring to know that some relief is being considered for the real victims of the status quo, workers, I repeat workers, small businesses and small unions. I repeat that also, and small unions.

That is what the legislation is all about. The legislation is to try to make things better for workers, small businesses, and small unions.

So I hope all will read the legislation and then be a little more passionate about the facts rather than fiction.

Mr. DREIER. Mr. Speaker, I urge support of this very fair and balanced rule, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The question was taken; and the previous question was ordered.

The vote was taken by electronic device, and there were—yeas 220, nays 185, not voting 25, as follows:

(Roll No. 76)
PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, FRIDAY, MARCH 27, 1998, TO FILE 2 PRIVILEGED REPORTS ON BILLS MAKING SUPPLEMENTAL APPROPRIATIONS AND EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1998

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, March 27, 1998 to file two privileged reports on bills, one making emergency supplemental appropriations for fiscal year 1998 and the other making supplemental appropriations for fiscal year 1998.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XXI, all points of order are reserved on the bills.

FAIRNESS FOR SMALL BUSINESS AND EMPLOYEES ACT OF 1998

The SPEAKER pro tempore (Mr. KINGSTON). Pursuant to House Resolution 393 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3246.

Mr. FAWEll, asked and was given permission to revise and extend his remarks.

Mr. FAWEll. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, H.R. 3246, the Fairness for Small Business and Employees Act is a pro-employee, pro-employer, pro-labor organization bill that is also good for the economy and good for the American taxpayers.

Having into account last session three of the four bills which comprise the four titles of this legislation, I would like to focus my time on two titles. Title I is a targeted provision intended to help employers who are being damaged and even run out of business due to abusive union "salting" tactics. Title IV is a provision allowing small employers and small labor organizations who prevail against the NLRB unfair labor practice complaint to recover their attorney fees and costs.

Title I says that someone must be a "bona fide" employee applicant before the employer has an obligation to hire them under the National Labor Relations Act. Mr. Chairman, a "bona fide" applicant is defined as someone who is at least half-motivated to seek employment to further their own goals.

Now, significantly, and I want to make this clear, the test of whether a job applicant is a "bona fide" applicant under Title I is a decision that will, in the first instance, be made by the general counsel of the NLRB. This legislation seeks only to prevent the clear-cut abusive situations in which union agents or employees openly seek a job as a "salter" with nonunion businesses. Mr. Chairman, people will listen to this one point. A "salter" is described in the Organizing Manual of the International Brotherhood of Electrical Workers as an employee who is expected, now get this, and I quote, to threaten or actually apply economic pressure necessary to cause the employer to raise his prices to recoup additional costs, scale back his business activities, leave the union's jurisdiction, go out of business.

Now, that is an exact quote in the manual of the International Brotherhood of Electrical Worker's definition of what a salter can be. How is that for a bona fide applicant?

A final point on Title I. This legislation does not overturn, does not overturn the Supreme Court's decision in 1955 in Town & Country. That decision held very narrowly that the definition of an employee under the NLRA can include paid union agents. Title I does not change this, nor the definition of an employee, nor the definition of an employer under the NLRA. They obviously can still be involved in customary efforts to organize a non-union shop. It simply would make clear that some employer or workers are at least 50 percent motivated to work for the employer or workers to be taken seriously as a job applicant.

Title IV is a reasonable provision which ensures that taxpayer dollars are spent wisely and effectively. It tells the Board that if it overrides the facts of a case, then the law provides a complaint and does not issue a complaint against the "little guy," whether union or business, that it should be very careful to make sure it has a reasonable case. If the NLRB does move forward against these small entities of modest means and loses the case, then it simply must reimburse the small business or labor organization, the winner's legal expenses.

Title IV is a winner for the small company and the community, who do not have the resources to mount an adequate defense against a well-funded, well-armed National Labor Relations Board who pays, by the way, from the taxpayers all of the expenses of the complaint, whether it is the union or an employer.

This bill ensures that the little guy has some sort of an incentive to fight a case and ensures that they will not be forced into bankruptcy to defend themselves, as countless employers have been. H.R. 3246 is a narrowly crafted, targeted bill attempting to correct four specific problems at the NLRB. It is benign, and it is fair, and I urge my colleagues to be serious and look at the real facts of this issue.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. SAWYER).

Mr. SAWYER, asked and was given permission to revise and extend his remarks.

Mr. SAWYER. Mr. Chairman, I rise in opposition to the bill.

This country was founded on democratic principles; on majority rule that protects the rights of the minority. Yet for 150 years, we failed to have democracy in the workplace. In 1935, the passage of the National Labor Relations Act for the first time ensured that workers, unions, and employers were given a forum for resolving labor practice disputes. Not every worker will join a union, or even has the desire to do so, but democracy in the workplace means that workers can make that choice. The bill before us today would take away that basic worker right to choose whether or not to join a union.

This legislation is being portrayed as necessary to modernize this law. I agree that given the fundamental changes in the labor market since the 1930's this law may be ripe for reform. But we must not undermine the principles of democracy that it took so long for workers to get.

In its 1994 report, the Dunlop Commission recommended a number of changes that...
My Republican colleague referred to title IV as the loser pays provision. The term is false. Nothing in this bill requires employers to reimburse taxpayers when the Labor Board prevails in a case, but taxpayers are required to pay if the board does not win. In other words, only that loser pays, and that loser is the taxpayer.

Mr. Chairman, under the Equal Access to Justice Act, the Board is already required to pay lawyer costs for frivolous actions. In fact, the Board must pay every time it takes a position that is not substantially justified in law.

Title IV is especially unfair to workers. Workers have no private right of action under the labor law, and are wholly dependent upon the Board to enforce their rights. However, under title IV, the Board is effectively precluded from acting unless it is guaranteed a win. Such a standard clearly and obviously trumps reasonable and legitimate law enforcement.

Finally, Mr. Chairman, this bill ups a 40-year-old presumption in favor of single-site bargaining units. Under title II, workers may have to organize every facility an employer owns before they have a right to bargain at law.

This bill is a radical attack on the basic rights of workers, and I urge its defeat.

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

Mr. GOODLING. Mr. Chairman, I yield 3 1/2 minutes to the gentleman from Missouri (Mr. Talent), who has many talents, and is the chairman of the Committee on Small Business.

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding and for his kind compliments.

I rise in support of the bill on each of its sections, and I want to address specifically the single facility site section and to do that, Mr. Chairman, I need to explain the rule that the Board has require whether it is one of the facilities, or is it all of the facilities, or is it some, but not all.

The union has the right in the first instance to file a petition and choose the size of the bargaining unit that it wants. If a union files a petition and limits it to one facility, that is presumptively, under Board law, and has been for 30 years, under both Republican and Democratic boards, that is presumptively the appropriate unit for bargaining.

But it was also possible for the last 30 years for a question to be raised concerning representation, a question to be raised concerning whether that was, indeed, an appropriate unit of bargaining. Then the Board would look at a hearing at a number of different factors. This is the way it has been for a generation.

Mr. Chairman, the key here is to decide whether the control over those facilities is so centralized; whether, for example, labor relations are controlled by one central supervisor at one location, and that controls it for all the locations, that it would be inappropriate, as the Board says, to have bargaining in one location.

You can understand why, Mr. Chairman. We do not want to have a franchisor who has several different chain restaurants, for example, bargaining with different unions in each different restaurant, when the classic tradition has been to have one set of policies, one set of pay, one policy regarding uniforms and vacations and the rest of it.

So the Board looked at a number of different factors to determine whether control was so centralized that one single facility would be an inappropriate unit for bargaining. Then a couple of years ago the Board decided that was all that out. The Board proposed a rule and made the whole thing turn on the presence or absence of several factors, which really do not have anything to do with what the Board has traditionally considered a relevant factor; factors like are the locations more than a mile apart?

What does that have to do with anything? What does that have to do with the stability of collective bargaining? That is what we are trying to achieve with these laws, the stability of labor relations. That is why the National Labor Relations Act was passed in the mid-1930s. Mr. Chairman, you can run a business from around the world today with a fax machine and phone, so what difference does one mile make?

Another factor, whether there are more than 15 employees in the facility, it is a totally arbitrary criterion. So Congress for the last 2 years has passed riders in appropriations bills saying, no, do not implement that rule. It will disrupt collective bargaining, it is frankly kind of silly, and do not do that.

Now what we have is an opportunity to codify into law what has been applied for 30 years that was developed by the Kennedy-Johnson Board in the sixties. It has worked very well. It is not overburdensome. It allows these matters to be taken up in a hearing, to be disposed of. Let us do that with this bill. Let us preserve the stability of labor relations in this country, and with regard to this important aspect of collective bargaining.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan (Mr. Bonior), the minority whip.

Mr. BONIOR. Mr. Chairman, I thank the gentleman for yielding me the time.
Mr. Chairman, this bill is a dangerous, a dangerous attack on America's working families and their right to organize. It is dangerous because it says some Americans do not have the same rights to free speech as the rest of us. It says that because it says some Americans do not have the right to voluntarily join together in pursuit of a common goal. It is dangerous because it encourages employers to discriminate against people simply on the basis of their beliefs and actions.

It is about silencing the voices of people who speak out for decent wages, for basic health care, for a secure retirement. It is about silencing the voices of people who make this country work and expect the same rights as any other American, the right to express their own beliefs and act upon them.

This bill is radical. It singles out people who believe in unions. It is aimed at protecting the courage to stand up against injustice and intimidation to organize democratic elections for their co-workers, so they might decide for themselves whether or not they want a union, people like Betty Dumas, a woman who for 18 years was an officer at the Avondale Shipyard in Louisiana, who was fired because she refused to denounce her democratically elected union. Betty Dumas was fired because of her beliefs.

So what is next? Are we to sanction discrimination because of religious beliefs, because someone is Catholic or Jewish or Baptist or Muslim? Such discrimination I think everyone would agree is morally repugnant, but this bill is different. It overturns an unanimous Supreme Court decision that prohibits discrimination based upon people's affiliation with organizations outside of work.

It prohibits discrimination against people who believe in unions, organizations that speak out for working families on issues like raising the minimum wage, extending Medicare, protecting retirement. It sanctions discrimination against people simply on the basis of their beliefs.

Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. Balenger), someone who knows what is in the legislation.

Mr. BALenger. Mr. Chairman, I would like to ask a question. Why would any small business man who is sane hire someone to unionize his business? It does not make sense. Yet, the present law today demands that he must.

Some unions have concocted the ideal trap for employers, an unscrupulous workplace Catch-22 called salting. Dozens of union activists will show up at a nonunion company and apply for work. If they are not hired, they file an unfair labor practice charge. If they are hired, they disrupt the workplace, destroy property, and do whatever it takes to get themselves fired. Then they file an unfair labor practice charge, alleging wrongful discharge.

To Members know how long it takes today for the NLRB to settle this? It takes an unlawful discharge union activist case, treated like any other labor dispute. Right now the median time for the NLRB to process an unfair labor practice case is 546 days. Imagine a small business man having to face this charge. The uncertainty for all sides can be maddening.

The answer is to clarify the rules so an employer is not forced to hire nor keep on the job anyone with ulterior motive or use his leverage to take pains not to infringe upon employees' existing protections, such as the right to organize.

Mr. Chairman, this bill, that is the only part of this bill that has any reason for the unions to fight. In reality, for years they have been taking the small business man for granted. I think we need to pass this bill.

Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. Andrews), someone who knows more about this bill than anybody in the House.

Mr. ANDREWS asked and was given permission to revise and extend his remarks.

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me the time, and for his compliment.

Mr. Chairman, I rise to oppose this bill because of what it does to working people, what it does to working people and what it does to small businesses.

To understand what is wrong with this bill, we have to walk in the shoes of someone who wants a job and needs a job who does not intend to organize a union, who does not intend to do that.

If that person is denied that job because sometime in the past they have been a union officer, a union organizer, or even a union member, they have all kinds of rights. They can file a complaint with the National Labor Relations Board, and many months and many dollars later they can get a decision.

If they do not like that decision, they can hire an attorney. Many months and many dollars after they have hired an attorney, they can get another decision. After the decision has been made, they can have their attorney file or fight an appeal. Many months and many dollars after they have fought and examined the appeal, they get an outcome.

Mr. Chairman, this bill is a dangerous attack on America's working families. It is a shameful attack on all of us, and it threatens the constitutional rights that have been the foundation of our country to organize, anyway. To come to the floor with a bill like this that would shut down the limited window that people have worked for 18 years to have and to organize for a better living for them and their families is an outrage. I urge my colleagues to vote against this bill.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. Krolenberg).

Mr. Krolenberg. Mr. Chairman, I rise in very strong support of H.R. 3246, the Fairness to Small Business and Employees Act. I believe it strikes a unique balance that gives the more than 22 million small businesses in America relief against a very well-funded, well-financed, well-bureaucratized labor movement, and gives employees something called "justice on time" to get their jobs back.

Title I, as we have heard, deals with the unions' practice of salting; some might say espionage, but it is salting, the practice of the unions that betrays many of my colleagues on the other side of the aisle have succumbed to the typical union practice of never letting the facts get in the way of a good story.

I might send a clear message that if a valid union member's primary purpose is to work for the employer, he or she is protected. If, however, that person is found to be there to disrupt or
Title II codifies the NLRB’s long-standing practice of giving employers the right to argue before the Board whether a single site, and this has been repeated over and over this afternoon, whether a single site should be considered part of a bargaining unit. The Board’s promotion of a one-size-fits-all approach was ill-conceived, it ignores reality, and it is inflexible in today’s competitive global economy, which has also been pointed out.

Title III ensures that employees, their families and children, should not have to wait over a year for resolution of their cases, for over a year. The Board’s bureaucratic practice thumps its nose at these hardworking men and women by taking a median time of almost 600 days, and in some cases, 800 days to decide their fate. That is wrong, it is unacceptable, and it is frankly disrespectful. H.R. 3246 corrects this by making the NLRB issue a final decision within a year. This is justice on time.

Title IV, finally, protects the little guy against the heavy-handed lawyer-fortified NLRB. It will make the Board think twice before they bring a case against a small business or a labor organization. I did say labor organization. If they lose, the Board, not the little guy, should pay for the attorneys’ fees and the expenses the company or the union had to spend to defend itself.

Mr. Chairman, this is a good bill. It is a fair and balanced bill. I commend the gentleman from Pennsylvania (Mr. Goodling) and the gentleman from Illinois (Mr. Fawell) for their efforts to bring this bill to the floor, and I urge my colleagues to vote for its passage. It is common sense.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. Owens).

Mr. OWENS. Mr. Chairman, this is not a fair and balanced bill. This is a bill filled with dirty tricks. The tricks are pretty obvious. This bill to restrict workers from organizing is radical and extreme. The bill is part of a larger plot to create a separate America for working families and their representatives. It want workers to abide by rules that we are not making for anybody else.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. McKeon), a fine subcommittee chairman.

Mr. McKEON. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. Perriello) for his remarks, and commend him for his leadership on this bill. I also wish to commend the gentleman from Illinois (Mr. Fawell), chairman of the subcommittee, for the fine work that he has done in bringing this bill to the floor.

Mr. Chairman, I rise in strong support of the Fairness for Small Business and Employees Act. H.R. 3246 is one of the most important pro-business, pro-employee bills before the House. I hope this Congress will adopt a compromise version of this legislation.

Mr. Chairman, as a small businessman, I am well aware of the burden of Federal taxes and regulations on our Nation’s businesses. During the 105th Congress, small businesses simply had to provide relief from these hardships. Last summer we enacted the Taxpayer Relief Act which provided billions of dollars in tax relief through capital gains and estate tax cuts. And now today, we are addressing the need for regulatory and legal relief.

Under this bill, we will make critical changes to the National Labor Relations Act that will ensure a more level playing field for small businesses, small unions, and employees. H.R. 3246 incorporated four pieces of legislation that address distinctive parts of our labor law. Together, the Truth in Employment Act, the Fair Hearing Act, the Justice On Time Act, and the Fair Act accomplish much-needed reform to our Nation’s labor laws.

And then once the they are working, employees are ensured that they will be given timely legal recourse in the event they feel their rights have been violated. Taken as a whole, these measures help correct some of the unfairness in Federal labor law and the NLRB. We need to reduce these excessive, burdensome, and unfair regulations that create additional hurdles on our Nation’s businesses, and I urge my colleagues to vote for H.R. 3246.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. Woolsey).

Ms. WOOLSEY. Mr. Chairman, the Fairness for Small Business and Employees Act is neither. It certainly is not fair to employees and it is certainly not fair to businesses.

Mr. Chairman, H.R. 3246 allows any employer, large or small, to refuse employment to workers because of suspected labor union affiliations. Suspected.

This is the road that this Congress and this country should not and cannot go down. First of all, the right to organize and join a labor union is a basic American civil right. Unions give American workers a voice at their jobs and they give the union worker a voice in our economy. They also give American workers a voice in our electoral process, but that is another bill we are going to have to fight.

This bill, H.R. 3246, allows employers to refuse to give jobs to workers they suspect will organize other employees to join a union. Suspect.

Once employers can refuse to hire suspected union members, what will come next? Some employers may want to take a woman off the payroll because they suspect she will get pregnant someday, or an older man because they suspect he will take too many sick days. We could end up with employers telling job applicants, I am just not willing to hire you for the way you look.

Mr. Chairman, it is every American’s right not to be judged by suspicions. Surely American workers have this right too.

H.R. 3246 punishes American workers. It is antiworker, it is anti-American. And I do not suspect, but I know, we must vote it down.
Mr. GOODLING. Mr. Chairman, I yield 2½ minutes to the gentleman from Nebraska (Mr. BARRETT).

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. GOODLING) for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3246. The purpose of the legislation, as I see it, is to help small businesses and labor organizations in defending themselves against government suits to ensure that employees entitled to reinstatement get their jobs back quickly, and to protect the right of employers to have a hearing to present their case in certain representation cases and, of course, to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers.

H.R. 3246 contains four narrowly drafted titles addressing four specific problems in the National Labor Relations Act. The legislation recognizes that the NLRA, which is supposed to be a neutral referee in labor disputes, is applying the law in a way that not only harms small employers, business and unions, but does a great disservice to hardworking people who may have been wrongfully discharged.

Mr. Chairman, title 4 of the bill is modeled on the effective "loser pays" concept and requires the NLRB to pay attorney's fees and expenses of small employers of modest means, including businesses and labor organizations, who win their cases against the Board.

H.R. 3246 only applies to the smallest businesses and unions which have 100 employees or fewer and a net worth of $14 million or less.

The bill before us today would force the government to consider carefully the merits of the case before it proceeded against a small entity with few financial resources.

Right now small employers often settle with the Board rather than spend significant amounts of money and time in litigation. I believe Chairman GOODLING's legislation would make certain that small employers and unions have an incentive to stand up for their rights by fighting cases of questionable merit.

Mr. Chairman, I urge my colleagues to support H.R. 3246.

Mr. CLAY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. SANCHEZ). (Ms. SANCHEZ asked and was given permission to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Chairman, I ask my colleagues to reject H.R. 3246. It should be titled the "Silence Working Families Act." It is a shame that the House is jeopardizing the living standards of working families.

As a result of the National Labor Relations Act and other Federal laws, working families have livable wages and job protections. And now the House is attempting to roll back the clock on American labor law.

Mr. Chairman, because workers can organize to represent themselves, workers are able to raise their families and to make this country strong. If workers have a pension, they can thank organized workers. Thank them again for the 8-hour day, for the 40-hour work week, for overtime pay and for compensatory time off. They can thank organized workers for workplace safety, for grievance procedures, and perhaps, most importantly, for health benefits.

Before workers could organize and represent themselves, we did not have maternity leave, let alone paid leave. These are just some of the improvements that all working families in the United States enjoy because of the struggles of organized labor.

Mr. Chairman, I ask my colleagues to reject H.R. 3246.

Mr. BRADY of Texas. Mr. Chairman, thank goodness that the practice of salting is not approval of the House. Mr. Chairman, thank goodness that the equivalent of salting were applied to us, we would easily see this scenario: If a Democratic Congressman or woman with a strong, proud, liberal philosophy were to seek the office of an important job in their district, under salting an applicant who minimally met the criteria for that job position could walk in in a "Rush is Right" T-shirt and proclaim to that Congressman or woman that "I have no intention of representing your constituents, of serving the people in your district. My sole job in this job is to organize the workers on your staff against you, to create an environment resentful of your philosophy. And if you do not go along with this process, I have a right to bring your office and your staff down."

If that Congressman or woman were to make the right decision and not hire that person, they would be subject to a National Labor Relations Board complaint, subject to spending thousands of dollars to defend a reasonable decision, and perhaps compelled to hire that person.

In conclusion, Mr. Chairman, I urge my colleagues to reject H.R. 3246. This legislation would overturn a longstanding Supreme Court decision which held that union organizers are entitled to the same worker protections as any other employee. In addition, the Republican bill, through the attorneys' fees provisions, would have a significant chilling effect on future NLRB actions, making it less likely that American workers will have their right vigorously defended and preserved.

Finally, the Republican bill provides employers with a new way to delay and challenge union elections and restrict the NLRB's ability to reach a fair and just conclusion on unfair labor practice complaints.

In conclusion, Mr. Chairman, one of the most precious freedoms of the working men and women in this country is their right to organize. The bill Republicans have brought to the floor today would have a devastating effect on the labor movement in this country, which has done so much to ensure that working Americans earn livable wages and have decent benefits for their families.

President Clinton has already pledged to veto this harmful legislation. I urge my colleagues on both sides of the aisle to vote against this bill and stand up for the rights of the hard-working men and women of this country.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, there they go again. The Republican leadership has once again launched a major attack on working families and the unions that simply try to represent their interests.

Just last week, Republicans passed a campaign reform bill through committee which has as its centerpiece a worker gag rule which would silence the voice of American workers by shutting them out of the political process.

Now, today Republicans have brought to the floor a bill which represents a frontal assault on the National Labor Relations Act and the rights it preserves for millions of working people across this country.

Mr. Chairman, this Republican bill would make it more difficult for workers to organize and easier for employers to get away with violating labor laws.

The most egregious part of this bill is the so-called antisalting provision which would completely and seriously undermine organized labor movement in the United States. Under the Republican bill, businesses could refuse to hire or fire people, just because the employer suspects them of trying to organize their workplace.

This legislation would overturn a unanimous Supreme Court decision which held that union organizers are entitled to the same worker protections as any other employee. In addition, the Republican bill, through the attorneys' fees provisions, would have a significant chilling effect on future NLRB actions, making it less likely that American workers will have their right vigorously defended and preserved.

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Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, I thank the gentleman for yielding.
I would urge some of the previous speakers at some point recently to read the bill, because if they had read the bill, they would not have made the statements that were just made. In America, if we want the unemployed to have jobs, if we want the underemployed and the underemployed to have better jobs, we need to nourish and be fair with small businesses.

The Fortune 500 companies are not growing. The small businesses are growing and will grow faster if we are fair to small business. What is wrong with someone, who mortgages everything they own to start a business, to ask for loyalty from those they hire to help them build that business, and if they are there to help them do that, they are going to support them? That is America.

What is wrong with a hearing process to decide if they are being organized, and they have three or four sites, whether it is going to be a single site or a single business, that is America.

What is wrong with putting a limit on a decision to 1 year? A year is long enough to have delay.

What is wrong with when the big NLRB, with all of our money and all of their resources down on small businesses unfairly, and it is proven they were unfair, that that small business can at least get its legal fees back? That is the way America ought to be standing for and what America is about.

Those who have talked about all the labor issues of the past have not read this bill. This bill is fair to small business giving an equal, level playing field so that we can grow small businesses, so unemployed people can have jobs, so underemployed people can have a better job. It is about fairness.

If we in this Congress are fair to small business, this country will grow and the workers of America will have choices of jobs.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, H.R. 3246 is a terribly unfair bill, but it is part of a wider assault on the rights of workers to free association. This bill would turn back the clock to a time when employers had absolute power over the lives of workers and their families. It would effectively blacklist people who believe that employees need to band together to pursue their collective interest.

This bill would have a huge negative impact on the rights of all working people, making it far more difficult for the NLRB to carry out our Nation’s industrial relations laws. This bill would have a devastating impact on our Nation’s workers and the building and construction trades.

Every day millions of men and women go to work, building the roads and bridges, building the high-rise office towers, building the schools that our Nation depends upon. These workers risk their lives every day to build America and to maintain our infrastructure. They work under harsh conditions. They are compelled to move from job to job, from one employer to another, to make a decent living.

What keeps these workers productive is the training they have received from thousands of joint apprenticeship programs, high-quality programs that are only available to them because of their affiliation with construction unions. It is their union membership and their dedication to training, to education, which allows them to contribute to our economy. And they are proud to carry their union membership from job to job.

This bill would make these hard-working Americans second-class citizens. It would allow employers to fire construction workers, or not hire them in the first place, simply because they have chosen union membership. This is blatantly unfair. It is discriminatory.

It is unworthy of the democratic tradition of the right to organize, the right to join a union are not simply political rights, they are moral rights essentially to protect liberty and equality and justice.

Mr. GOODLING. Mr. Chairman, I yield the gentlemen to the gentleman from Colorado (Mr. BOB SCHAFFER).

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, I appreciate the gentleman, the distinguished chairman, yielding me the time.

Those who claim that there is some unfairness in this bill, I would submit, probably have not read the bill or are not knowledgeable about the component parts of the legislation. House Resolution 3246 does not affect in any way the legitimate applicant’s or employee’s rights to engage in union organizing efforts.

I have heard a lot of these stories about salting from many employers within my district in Colorado and other districts in the State of Colorado. Here is how this works, for those who are unfamiliar: A union organizer with the deliberate, distinct purpose of dragging an employer before the Labor Relations Board walks into an employee’s place of business and says, “Please hire me. I am a member of a labor union and I am an organizer and I am here to organize and destroy your place of business.”

The employer takes the application, considers it among all other applicants, and if that employer decides for a variety of reasons, based on merit, based on qualifications, based on completeness of the application, and on many occasions based on whether the applicant signed the application, the employer may decide to hire someone more qualified.

If that occurs, in a salting case, that activity alone almost guarantees and virtually guarantees the hearing before the National Labor Relations Board. It has been the practice for decades in organizing cases involving single-site locations; it is the epiphany of fairness, in my estimation, with workplace fairness and job security and job opportunity.

I think we should not attack those, as my colleagues on the other side of the aisle are suggesting here today, attack those who are legitimately employed and are legitimately competing for an opportunity to work, and are gainfully employed and wish to remain so.

Mr. CLAY. Mr. Chairman, may I inquire as to how much time is remaining on both sides?

The CHAIRMAN (Mr. McCOLLUM). The gentleman from Mississippi (Mr. Goodling) has 6½ minutes remaining, and the gentleman from Pennsylvania (Mr. Goodling) has 6½ minutes.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Chairman, I thank the gentleman for yielding me the time.

It strikes me, the perspective of the sponsors of this legislation, I think, was fairly well recapped by the gentleman from North Carolina a few speakers ago who said, “Why would a small business member hire someone who wants to organize the workplace?” The answer is, he would not.

Well, that is the attitude of the sponsors of this bill. Right from the start, they suspect anyone they wish to hire to work with them. How sad that there are sponsors who believe that we cannot hire someone who we cannot look at as an enemy in the beginning. What a way to begin a working relationship. Why would any new employee want to undermine the very employer who will issue her first paycheck? And more than that, if they think of some of our successful small businesses, they originally started as successful family-operated businesses, but once they became too successful they had to hire outside of the family. They expected the same things from these nonfamily employees as they got from their family employees, probably good working companions, commitment to the effort. And the employee, whether family or not, probably expected the same as well, a decent wage, reasonable benefits.
Well, what makes anyone believe that if we start off with suspicions, we are going to be able to treat anyone as a good worker, let alone the family of your business? Unfortunately, that is what this bill says. Beware, any employer who is not a large employer may be treated with suspicion simply because they wish to work and work under decent working conditions and also receive decent benefits. And if we cannot do that collectively, why do families do so well? They do it collectively.

Let my employee come to any place of work and say, I will work competently for you, hard. I will make you succeed. I will make you have a profit. In return, let me have something decent. And if I wish to do it collectively as many family-operated businesses do, do not think of me as someone you suspect.

Please defeat this bill.

Mr. GOODLING. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. FAWELL).

Mr. FAWELL. Mr. Chairman, if I could just get this thought in. The Supreme Court in Town & Country made it very clear that an employer, in dealing with an applicant, has to treat that applicant, even though the applicant is a member of a labor union and even though he may be a paid employee of a labor union, he has to give him all of the rights of the National Labor Relations Act.

Now, the only thing that the employer is coming back here and saying is, can I not at least, when I know that that person is primarily there, and I have got the facts to prove it and I am going to have to prove it, general counsel is going to have to agree that I can prove it. But if I can show that his primary motivation is going to be able to help some other employer by whom he is employed or to whom he has a loyalty, do I not at least have that much right? Are we going to say to the small business people of America they do not even have that right?

That is what we are trying to express here. And it has nothing to do with taking away the rights of people to collectively bargain or to organize or anything of that sort.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, I hope the gentleman from Illinois will listen, because his effort to make this Title I become very misguided. I want to tell him specifically why he is wrong. By the way, this has nothing to do only with small employers. Title I affects all employers. So do not wrap small employers around Title I, and do not say it applies only to paid union organizers. This applies to any employee, any prospective employee, any person. And here is what it says.

The person comes up, wants a job. This gives the right to the employer to read or try to guess his or her intent. And then if the employer decides what the primary purpose is, it is very clear from their own majority report who has the burden of proof, it is the NLRB, where a charge has been filed that has to show a prima facie case that the employer was wrong.

Mr. FAWELL. Mr. Chairman, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Illinois. Mr. FAWELL. It is the affirmative defense that the employer has to undertake to be able to show.

Mr. LEVIN. But the prima facie case, reading from their own language, the burden is placed on the NLRB. Now, generally speaking here, my colleagues are bringing about a chilling effect on the right of people to organize. They are letting an employer guess intent and then make somebody prove that that employer is wrong. That is wrong.

Already the deck is tilted in favor of the employer under the NLRAs, as it has been interpreted in terms of captive audience provisions in terms of the right of people to express themselves on the floor of the shop. They do not do that. And now they want to go one step further and try to chill the traditional American right to associate, to organize. They are wrong.

Mr. VISCLOSKY. Mr. Chairman, I rise to the gentleman from Indiana (Mr. VISCLOSKY)

(Mr. VISCLOSKY asked and was given permission to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Chairman, I rise in opposition to H.R. 3246 and would like to take this opportunity to talk about union organizing. The people of the debate here are correct. Much work needs to be done. But the work to be done is not to stifle people's opportunities to associate with one another on an economic basis, but to protect access of workers to legitimate union representation. The real problem is that this must be addressed in this House that is every year clear majorities of workers at businesses across the country indicate their support for union representation and 1, 2 or 3 years later the representation is still not approved because it is tied up with appeals to the National Labor Relations Board. In the meantime, unscrupulous employers too often take advantage of the opportunity to illegally intimidate, fire or commit other unfair labor practices against workers. In order to defeat such abuses, Congress must take action. H.R. 3246 would simply aggravate this problem. I urge my colleagues to join me in voting against the bill. Instead this House needs to pass real labor law reform.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon (Ms. FURSE).

Ms. FURSE. Mr. Chairman, how quickly do people forget our history, but we Democrats do not forget. We remember that less than 100 years ago in Centralia, Washington three woodworkers were hanged because they tried to organize the timber industry. But we are not discouraged. They were not intimidated. They went ahead and they organized the mills and the woods. That is our history, too. We have a right in this country to organize. We must not be naive. This bill is anti-labor, it is anti-organizing, it is anti-union. Vote no.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. GREEN).

(Mr. GREEN asked and was given permission to revise and extend his remarks.)

Mr. GREEN. Mr. Chairman, I thank my good friend from Missouri, the ranking member of the Committee on Education and the Workforce, for some time this year the name keeps changing every session. I rise in opposition to the bill. I spoke earlier on the rule. I am glad to have the opportunity to close, because, one, I think this legislation is misguided. The opposition is based on, one, it is a closed rule. There are some of us who would like to have a real debate on labor law reform. Yet from what I understood in committee, the bill came out on a party line vote and here on the floor those of us may not serve on the committee anymore do not have the opportunity to offer amendments to correct what we see in the legislation. That is why the bill's intent is misguided, but it also did not give us the opportunity today to change it.

Bill withdraws the benefits of free enterprise to the employees. We heard a lot today about free enterprise is great, and it is. We are all products of the free enterprise system. But it includes both the employers and the employees, and that is what this bill takes away, the free enterprise of the employees. This free enterprise system is the greatest in the world and it is the greatest in the world because of the last 50 to 60 years we have recognized that it has both sides of the bargaining table. This takes away even a level playing field. I do not think the playing field is level today even between the employee and the employer, but this makes it even more unlevel. That is why this bill is so wrong.

I guess I have a concern because only 14 percent of the workforce in the United States is unionized. Granted, there are efforts to organize, but 14 percent. This is like taking a bomb and say it applies only to paid union organizers. Men who are not paid union organizers would use it. You really needed it. This is so overwhelming for that 14 percent that are unionized. Maybe next year if this bill is not passed, maybe it is 15 percent,
but we have not had this bill in the law and that percentage of unionization has actually gone down.

So what is the need for the legislation? Except to pay back a debt or to pay back what may have happened last year and hall that we are paying right.

We do need real labor law reform, Mr. Chairman. I would have liked to have seen a real debate today and a real give and take for labor law reform, to say, yes, okay, maybe you do not like what is happening with salting. Maybe you do not like that. Also I do not like what happens because I see people who do sign cards or do have an election that may take them years before they actually have a contract or have that representation that they voted for. To this day we have people who are fired from their jobs because they voted for a union. It takes them years to get that job back. They ultimately may. But justice delayed is justice denied. That is what is happening today. That is what is wrong.

I asked earlier under the rule, because I happen to have a card in the union, I did my apprenticeship as a printer but I also went to law school. I said to him that my card now may be more as well as print a newspaper. What worries me about page 4 of the bill is where it says, “Nothing in this subsection shall be construed as requiring an employer to employ any person who is not a bona fide employee applicant.” My concern is that definition of bona fide employee. I looked in the report. I am concerned that the person who makes that hiring decision out there in the real world will not know what is in this report and does not even have the standards. I want to make sure that they are not going to discriminate against someone because they had a union card or maybe they were a former union member, then we need to put it into law and put those protections in here.

That is why this bill ought to be defeated tonight. If it is not defeated, I hope to be able to stand here and oppose it, also, when the President vetoes it.

Mr. GOODLING. Mr. Chairman, I yield myself the balance of my time. This is not legislation that takes a step backward, as some people mention. It is a matter of fact, it is an attempt to move into the 21st century.

This is the 21st century, not the 1930s when the labor unions were at their heights and there was a labor union card in the backyards of the country. It is the 21st century, not the 1930s when the labor unions were at their heights and there was a labor union card in the backyards of the country. It is the 21st century, not the 1930s when the labor unions were at their heights and there was a labor union card in the backyards of the country.

Mr. Chairman, that is what this legislation is about, because that is exactly what is happening. Do not ask me whether that is happening. Let listen to someone who was a union organizer who told us before our committee. This is what he said. Why don’t we “spend more time negotiating in good faith with the company we were organizing. Example was one that we had an employee or two willing to request us as an agent to collective bargaining?”

And what was the response that he got? “He told us that the NLRB is committed to prosecute every single charge, that there was no expense to us at all for it and that, at the very least, the contractor would be forced to spend time and money to defend themselves.”

That is why these two people who came to a place of employment in Arkansas and were told, “We don’t have any jobs,” they left, the employer thought, “Well, that’s it.” Lo and behold, the National Labor Relations Board said, “No, we have a case against you, a discrimination case.” He went to his lawyer, his lawyer said, “You have two choices. You can fight it and win and I’ll guarantee you you’ll win but it will cost you $23,000. You’re a small business, that may put you out of business, but if you can pay $5,000 and lose.” He did a little arithmetic and said, “ Gee, I’ve got to pay to lose, otherwise I’m out of business.” So he paid his $6,000 to lose rather than the $23,000 to win.

How frivolous are these suits? Time and time and time again. Let me just read my colleagues a list. From Indiana, 96 charges, 96 dismissed by the National Labor Relations Board. But what did it cost the small businesses $250,000, to get 96 cases dismissed.

From Missouri, 47 dismissed, one settled for $200. What did it cost $150,000. Little Rock, Arkansas, 20 dismissed, $80,000.

All we are saying here is that your motivation to be employed, at least 50 percent of it should be a motivation to improve the company, to work to help make the company successful, so that you get higher wages, so that you get greater benefits. That is all it says. In another part of the legislation, I have watched in my district and throughout this country people lose jobs, businesses go out of business. Why? Time and time again they were sitting there waiting rather than negotiating in good faith, labor and management both, waiting for the NLRB to act, because they both thought they will act in their favor, and they took 1 year, 2 years, 3 years. Finally, no jobs, no business. We are saying in the legislation, a person who is interested in union has the right to know. The employer has the right to know. Then we can get on with the negotiating business. Those who are so concerned, as I am, about the working men and women out there, I hope you will join with me as we move forward with some legislation, because I have been in the backyards of some of those who are speaking today, and they are not going to do anything anyone can ever imagine, and you say, “It is in America?” What did I see? No unemployment compensation, no workers’ compensation, no OSHA, no wage and hour, a fire trap, they would all die if there was a fire. There is only one exit to get out of the place. No ventilation, no overtime. Most of them were represented by organized labor. Where is the Federal Government? Where is the State government? Where is the city? Where is OSHA? Where is Wage & Hour? Let us really think about the difficult cases that are out there. Let us not try to put people out of business who are trying to do well, because it is the employee that loses the job. We pass the employees of the small business, we protect the small unions in this legislation. That should be a reason for everyone to vote for this legislation.

Mr. NETHERCUTT. Mr. Chairman, I rise today in strong support for the Fairness for Small Business and Employees Act. According to the Small Business Administration, 19 cents out of every revenue dollar is spent on complying with federal, state, and local regulations. When you consider that there are over 22 million small businesses in the United States, these regulations more than add up—they cost jobs—they stifle the American dream.

For too long Congress has passed mandates on small businesses and federal agencies have regulated compliance without even considering its impact on a business.

Mr. Chairman, today Congress is going to do the opposite—we are going to bring some relief to small businesses. I hope my colleagues will review this legislation with small businesses in their district in mind.

H.R. 3246 has four provisions, but I want to focus my attention on Title I, the Truth in Employment Act. Under current labor law, job applicants may or may not be employed for personal reasons, they may be seeking employment as a union agent solely in order to unionize the organization. This tactic, otherwise known as salting, is not truthful nor does it benefit the company for which they hope to work.

Mr. Chairman, in salting situations a company is put in the difficult position of deciding whether to hire a union salt or face NLRB, company is put in the difficult position of deciding whether to hire a union salt or face NLRB, company is put in the difficult position of deciding whether to hire a union salt or face NLRB, company is put in the difficult position of deciding whether to hire a union salt or face NLRB, company is put in the difficult position of deciding whether to hire a union salt or face NLRB.
company was hit with NLRB grievances equal to the number of salt applicants. The company has spent thousands of dollars fighting these and other NLRB grievances. In the end, the federal government forced him through the NLRB to pay backpay and agree to hire those union members for the employer's salty employees who have no desire to work for his company.

Mr. Chairman, salting affects hard-working small business owners. Unions have a valid place in American enterprise, and most union members are hard working, well intentioned employees. Unions have a heritage of which they are proud, but salting is a practice that hurts the labor movement, gives it a bad name, and doesn't serve well the cause of organized labor. I believe Congress should outlaw this tactic. I urge my colleagues to help small businesses in their district by supporting H.R. 3246.

Mr. KILDEE. Mr. Chairman, I rise today to voice my strong opposition to H.R. 3246. This bill is less about fairness to small business, and more about unfairness to working men and women.

H.R. 3246 would empower the right to fire or deny employment to any worker they suspect is not a bona fide employee applicant. In the bill's words, someone whose primary purpose is to organize the employer's salted workers.

The committee report states that the primary purpose provision would apply to a person who was seeking a job without at least a 50 percent motivation to work for the employer.

What set of scales will employers use to determine what percentage of the employee's motivation is to work for the employer versus working to help organize his or her coworkers?

Mr. Chairman, we are not engaged in an idle academic exercise here.

This legislation will have real-life consequences for real-life men and women in real-life workplaces.

The Dunlop Commission reported that, each year, 10,000 American workers are wrongly fired from their jobs for trying to organize their co-workers.

H.R. 3246 would further weaken the federal laws which currently provide American workers with a modicum of protection.

As others have pointed out, the U.S. Supreme Court, in an unanimous 1995 decision, ruled that a worker could be both a company employee and a paid union organizer at the same time. The High Court further stated that employers have no legal right to forbid an employee from engaging in organizing activity protected by the NLRB.

Mr. Speaker, H.R. 3246 would overturn that unanimous opinion of the High Court.

H.R. 3246 is a terrible piece of legislation which should offend the sensibilities of every Member of this House who values our American tradition of freedom, fairness, and fair play.

Let's vote down this very bad bill.

Mr. HOYER. Mr. Chairman, I rise today in strong opposition to H.R. 3246, a bill the Republican Leadership has seen fit to name the "Fairness for Small Business and Employees Act" but should more appropriately be called a "Bill to Restrict Workers from Organizing".

This bill should not have been brought to the House floor for a vote. The only reason we are debating this bill today is because the Republican Leadership has, as part of their agenda, set a goal of removing the right of American workers to organize.

The current law protects American workers. An employee who holds a job for the purpose of organizing a particular workplace is an official employee of the company that hired that person. If this worker performs their employment duties satisfactorily, they are protected from employer discrimination and unfair employer discharges. If H.R. 3246 passes, it will overturn a 1995 unanimous Supreme Court decision that upheld the current law. This bill will give employers the ability to discriminate against workers who exercise the right to organize. The bill empowers employers to prohibit workers against unfair employer discrimination.

This anti-labor bill also gives employers the ability to frustrate and delay their employees' choice of union representation. The NLRB, through years of experience, has determined that in most situations, it is appropriate for workers to organize in a single location of a multi-facility business rather than organizing at all locations at once. This bill requires the NLRB to apply a subjective test to determine the appropriate unit to organize. This will allow employers to control over their workers' right to organize.

Mr. Chairman, H.R. 3246 is unfair to our workers and unfair to America. One of the foundations of this Nation is the right for workers to organize to protect their rights with basic principles of American labor law and jeopardizes fundamental worker rights. The bill is a direct and specific attack by the Republican Leadership on American workers and unions, and I urge my colleagues to oppose it.

Mr. KLINE. Mr. Speaker, let's face it. It's screw labor week!

My colleagues on the other side of the aisle have decided that they know better than the entire Supreme Court in this instance.

We're not talking about a 5 to 4 decision here, or 6 to 3. Nooo. My Republican friends want to overturn a unanimous, 9 to nothing Supreme Court decision that said that union organizers who apply for and hold jobs for the purpose of organizing employees in a workplace cannot be fired for disloyalty.

By reversing the Supreme Court on this issue, my colleagues are turning labor history on its head and giving employers another tool against organized workers.

And that's what this bill is all about, my friends. It's another battle in the Congressional Republicans continuing campaign against working families.

In the last Congress, the Republican-controlled House tried to repeal the Davis-Bacon Act, which provides for prevailing wages in Federal construction contracts. They tried to repeal the Service Contract Act, which provides for prevailing wages in Federal service contracts. They also tried to abolish the Department of Labor and they cut millions from job training funding.

They tried to win through legislation that would allow corporations to raid worker pensions to the tune of $20 billion.

In the 105th Congress, the attack continued within H.R. 1, the Comp Time Act and the "Team Act."

Later this week, the Republicans will be at it again. They are bringing the worker gag rule to the floor of the House, which will basically require workers to get a note from their mommys before they can be politically active.

But before I get off course, let's get back to the Anti-Organizing Act currently before us. Because it goes beyond discrimination in hiring.

It would also make it harder for workers to organize by forcing them to organize all the facilities of an employer, instead of just one. So if you tried to organize the workers in a McDonalds, you would be forced to organize every worker in every McDonalds in the country.

And while we're at it, I want to have the Federal Government pay the legal bills of businesses in National Labor Relations Board disputes. That will only ensure that fewer such cases are brought, and further weaken hard won worker protections.

The masks are off Mr. Chairman. We can see the true agenda this week. It's all about screwing the working families of America.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to H.R. 3246, a bill that is mislabeled the Fairness For Small Business & Employees Act. It should be titled a Bill to Keep Organizers From Organizing. This bill undermines the fundamental right of workers to choose a collective bargaining representative from among their own employees.

This bill just adds to the arsenal of weapons that employers currently use in their anti-union campaigns. Under current law, an employer may lawfully order all employees to listen to a speech or watch a video urging them to vote against union representation. Employees who refuse to attend such anti-union campaign meetings can be disciplined, including being fired.

Employers may also prohibit union organizers from entering their premises throughout the organizing campaign, and may prohibit employees from discussing the union among themselves except during breaks.

This bill gives powerful new weapons to employers, large and small, to prevent employees from joining unions.

Let me turn my attention to the issue of "salting", because it deals directly with an issue in which the Supreme Court has ruled. Contrary to the claims of the bill's supporters, "salts" do not come to a company to destroy the union. They come to organize the company's employees—not to eliminate their jobs. They understand that they need to fulfill the employer's legitimate expectations.

Salts must obey employer rules that apply to their employees. In addition, they may lawfully prohibit union activity in work areas during working time. Employees engage in salting activities who do not comply with such rules, or who are insubordinate or incompetent, can be lawfully fired on the same basis as other employees.

Clearly, employers who object to salting do so not because of any inherent unfairness in the practice, but because they object to the fact that the law permits their employees to organize, and prohibits them from firing employees who promote unionization.

The Supreme Court, in a unanimous 1995 decision, NLRB v. Town and Country Electric, ruled that a worker could be both a company employee and a paid union organizer at the same time, and that an employer has no legal right to require that a worker who becomes an employee, refrain from engaging in union activity protected by the NLRB. This bill would effectively overturn that ruling. This is unacceptable and should not be allowed.

I urge my colleagues to vote against this bill.

Ms. CHRISTIAN-GREEN. Mr. Chairman, I rise in opposition to H.R. 3246, another example of the majority's continued assault on the
rights of working men and women in this country. If allowed to become law, H.R. 3246 would shift power away from workers, making it more difficult for them to organize and for the National Labor Relations Board to stop employers from violating laws.

When will these attacks on the men and women who are the backbone of this country end? H.R. 3246 would allow employers to discriminate against people they suspected of trying to organize their workplace by refusing to hire them or firing them if they are already employed at the company. This clearly anti-union bill is intended to overturn a unanimous Supreme Court decision of 1995 which held that a union organizer employed by a company was entitled the same protections as any other employee.

My colleagues, employees’ rights are already seriously in jeopardy. Thousands of working Americans lose their jobs every year just for supporting union organizing. H.R. 3246 would make an already difficult period of time for American workers even worse. We must oppose this attempt to give employers a license to discriminate against workers rights to organize and protect the integrity of the National Labor Relations Act as well as the collective bargaining process.

Support our American workers—vote no on H.R. 3246.

Mr. BONILLA. Mr. Chairman, I rise today in support of the Fairness for Small Business and Employees Act. This bill might just as easily be called the No-Brainer Act. If you support reducing red tape and promoting a strong economy, you should support this bill. It should be a No-Brainer for all of us to support this goal.

This bill is necessary because for years the NLRB has considered imposing a single site rule. For over 40 years, the courts have interpreted the law to provide employers with the right to a hearing on whether a single facility selected by a union is an appropriate bargaining unit. A reversal of this precedence by NLRB would create a litigation nightmare. Simultaneously, the increase in size of labor units would be threatening jobs. It should be a No-Brainer for employees to realize that this is a dangerous path to take. Passage of this bill will help ensure NLRB will not threaten jobs with this approach in the future.

This bill makes other necessary reforms to abuses of the current system of labor-management relations. The bill stops “salting,” a practice where union organizers seek employment solely to organize a workforce. It should be a No-Brainer to recognize that a company must be concerned about certifying an employee’s genuine interest in contributing to a company’s success, not on their desire to promote big labor’s agenda. The bill requires the NLRB to issue a final decision on certain unfair labor complaints within a year. It should be a No-Brainer to support resolving these disputes in a timely manner and not leaving companies in bureaucratic limbo.

Finally, the bill requires the NLRB to pay attorneys’ fees and costs to parties who prevail against the NLRB in administrative and court proceedings. It should be a No-Brainer to support the commonsense effort to deter bureaucratic persecution.

The bill before us represents a common sense effort to protect our economic prosperity from costly government interference and small business from big labor.

Mr. SCHUMER. Mr. Chairman, I rise today to oppose H.R. 3246, another attempt by this Republican Congress to cripple the ability of working men and women of America to organize.

At the beginning of the 20th century, workers organized in order to attain a better standard of living for their families. As we approach the end of the century, unions still serve this noble purpose. The bill before us is another partisan attempt to end unions as we know them.

H.R. 3246 would debilitate unions by putting a scarlet letter on union organizers. Title I of this legislation makes it legal for companies to discriminate against job applicants who have been involved in union organizing. Furthermore, it would overturn a unanimous 1995 Supreme Court ruling that allows unions to place organizers in jobs for the purpose of organizing a particular shop.

The workers in my home state of New York cannot afford to lose these protections. Just this month, a U.S. District Judge ordered a company in Staten Island, Kathy Saumier and Clara Sullivan. These two women had been fired for trying to organize a union at the plant because of unsafe working conditions.

Under this law, those women would still be jobless because of their activism on behalf of their co-workers. In fact, companies could refuse to hire workers like Kathy Saumier and Clara Sullivan simply because they might become leaders. That is unfair. That is un-American.

Mr. Chairman, to protect American workers, we need to preserve their right to organize. That is why we need to oppose this legislation. I urge my colleagues to vote “no.”

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 3246 is as follows:

H.R. 3246

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fairness for Small Business and Employees Act of 1998”.

TITLE I—TRUTH IN EMPLOYMENT

SEC. 101. FINDINGS.

Congress finds that:

(1) An atmosphere of trust and civility in labor-management relationships is essential to a productive workplace and a healthy economy.

(2) The tactic of using professional union organizers and agents to infiltrate a targeted employer’s workplace, a practice commonly referred to as “salting” has evolved into an employment practice that is harassment not contemplated when the National Labor Relations Act was enacted and threatens the balance of rights which is fundamental to our system of collective bargaining.

(3) Increasingly, union organizers are seeking employment with nonunion employers not because of a desire to work for such employers but because of their desire to organize the employees of such employers or to inflict economic harm specifically designed to put non-union competitors out of business, or to do both.

(4) While no employer may discriminate against employees based upon the views of employees concerning collective bargaining, an employer should have the right to expect job applicants to be primarily interested in utilizing the skills of the applicants to further the goals of the business of the employer.

SEC. 102. PURPOSES.

The purposes of this title are:

(1) to preserve the balance of rights between employers, employees, and labor organizations which is fundamental to our system of collective bargaining;

(2) to preserve the right of workers to organize, or otherwise engage in concerted activities protected under the National Labor Relations Act; and

(3) to alleviate pressure on employers to hire individuals who seek or gain employment in order to disrupt the workplace of the employer or otherwise inflict economic harm designed to put the employer out of business.

SEC. 103. PROTECTION OF EMPLOYER RIGHTS.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended by adding after and below paragraph (3) the following:

“Nothing in this subsection shall be construed as requiring an employer to employ any person who is not a bona fide employee applicant, in that such person seeks or has sought employment with the primary purpose of furthering another employment or agency status: Provided, That this sentence shall not affect the rights and responsibilities under this Act of any employee who is or was a bona fide employee applicant.”

TITLE II—FAIR HEARING

SEC. 201. FINDINGS.

The Congress finds the following:

(1) Bargaining unit determinations by their nature require the type of fact-specific analysis that only case-by-case adjudication allows.

(2) The National Labor Relations Board has for decades held hearings to determine the appropriateness of certifying a single location bargaining unit.

(3) The imprecision of a blanket rule limiting the factors considered material to determining the appropriateness of a single location bargaining unit detracts from the National Labor Relations Board’s goal of promoting stability in labor relations.

SEC. 202. PURPOSE.

The purpose of this title is to ensure that the National Labor Relations Board conducts a hearing process and specific analysis of whether or not a single location bargaining unit is appropriate, given all of the relevant facts and circumstances of a particular case.

SEC. 203. REPRESENTATIVES AND ELECTIONS.

Section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) is amended by adding at the end the following:

“(g) If a petition for an election requests that the employer be required to certify the employees employed at one or more facilities of a multi-facility employer, and in the absence of an agreement by the parties (stipulation for certification upon consent election or agreement for consent election) regarding the appropriateness of the bargaining unit at issue for purposes of subsection (b), the Board shall provide for a hearing upon due notice to determine the appropriateness of the bargaining unit at issue for purposes of subsection (b).”
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TITLE III—JUSTICE ON TIME

SEC. 301. FINDINGS.
The Congress finds the following:
(1) The National Labor Relations Act provides significant remedies to small businesses and labor organizations necessitated by large and often underutilized administrative burdens.
(2) Many small businesses and labor organizations are at a disadvantage under the National Labor Relations Act, as compared with those of large businesses and labor organizations.
(3) The National Labor Relations Board has proven ineffective and has been underutilized.

SEC. 302. PURPOSE.
The purpose of this title is to ensure that the National Labor Relations Board resolves in a timely manner all unfair labor practice complaints alleging that an employee has been unlawfully discharged to encourage or discourage membership in a labor organization.

SEC. 303. TIMELY RESOLUTION.
Section 10(m) of the National Labor Relations Act, as added by section 402 of this Act, shall be amended by adding at the end the following new section:

"AWARDS OF ATTORNEYS' FEES AND COSTS"

SEC. 20. (a) ADMINISTRATIVE PROCEEDINGS.—An employer who, or a labor organization that—
(1) is the prevailing party in an adversary adjudication conducted by the Board under this title, or was a prevailing party in a civil action commenced on or after the date of enactment of this Act, and
(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the adversary adjudication was initiated, shall be awarded fees and other expenses as a prevailing party under section 504 of title 5, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the Board was substantially justified or special circumstances make an award unjust. For purposes of this subsection, the term 'adversary adjudication' means an action against certain small businesses and labor organizations by awarding fees and costs to these entities when they prevail against the National Labor Relations Board.

(b) COURT PROCEEDINGS.—Subsection (b) of section 20 of the National Labor Relations Act, as added by section 402 of this Act, applies to civil actions commenced on or after the date of enactment of this Act.

The CHAIRMAN. No amendment to the rule is in order. The amendment printed in House Report 105±463, which may be offered only by a Member designated in the report, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. GOODLING
Mr. GOODLING. Mr. Chairman, pursuant to the rule, I offer amendment No. 1.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. Goodling: Page 4, line 17, before the first period, insert '(b) C ORT PROCEEDINGS.ÐAn employer who, or a labor organization that—
(1) is the prevailing party in an adversary adjudication conducted by the Board under this title, or was a prevailing party in a civil action commenced on or after the date of enactment of this Act, and
(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the adversary adjudication was initiated, shall be awarded fees and other expenses as a prevailing party under section 504 of title 5, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the Board was substantially justified or special circumstances make an award unjust. For purposes of this subsection, the term 'adversary adjudication' means an action against certain small businesses and labor organizations by awarding fees and costs to these entities when they prevail against the National Labor Relations Board.'
Mr. GOODLING. The level of intent would be determined by the general counsel of the National Labor Relations Board, and someone just a little while ago said we are putting it on the National Labor Relations Board. That is exactly who makes the decisions now. We are not giving them anything new. The same individual makes the determination of the intent of employers under current case law. If the appropriate referee of an employer's intent is the NLRB's general counsel, then the reference of an employee's intent is also NLRB's general counsel.

Mr. FAWELL. I have also heard it said this week that union salting is protected by the United States Supreme Court in its decision in the Daniels v. Town and Country decision, and that title I seeks to overturn this case which held that union organizers are employees under the NLRA and enjoy all of the act's protections.

Mr. GOODLING. That is deliberate misinformation as well. The holding of NLRB versus Town and Country Electric was very narrow. The Supreme Court held simply that paid union organizers can fall within the liberal statutory definition of 'employee' contained in section 23 of the NLRA.

Title I of the Fairness for Small Business and Employees Act does not change the definition of 'employee' or 'employee applicant' under the NLRA. It simply would change the NLRB's enforcement of section A by declaring that employers may refuse to hire individuals who are not at least half motivated to work for the employer. So long as even a paid union organizer is at least 50 percent motivated to work for the employer, he or she can not be refused a job in violation of section 8(A).

Mr. GOODLING. The truth is this amendment does not seek to overrule Town and Country Electric or the decision that held union organizers are employees for the purpose of the NLRA. Indeed, the Supreme Court's holding that union organizers are employees for the purpose of the NLRA does not infringe on the limited collective bargaining activities. It simply would change the NLRB's enforcement of section A by declaring that employers may refuse to hire individuals who are not at least half motivated to work for the employer. Section A as currently written states the current law protections

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Mr. GOODLING. Mr. Chairman, I yield myself 2 minutes. I wish to continue the colloquy with the gentleman from Illinois (Mr. FAWELL). As I was indicating, title I thus establishes a test which does not seek to overrule, does not seek to overrule Town and Country, does not infringe on the legitimate rights of bona fide employees and employee applicants to organize on behalf of unions within the workplace. Indeed the Supreme Court’s holding that an individual can be a servant of two masters at the same time is similarly left untouched. Title I simply calls for at least 50 percent to be for the employer. If an applicant cannot show the NLRB’s general counsel that he or she sought the job at least half because they really wanted to be an employee, then I believe we would all agree that the employer should not have to hire them.

Mr. FAWELL. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. FAWELL. So under H.R. 3246, Mr. Chairman, even organizers are not prohibited from getting jobs.

Mr. GOODLING. That is correct. Title I is completely consistent with the provisions of the National Labor Relations Act. All the legislation does is give the employer some comfort that it is hiring someone who really wants to work for the employer, and as my amendment points out with particularity, title I in no way infringes on the rights granted by the National Labor Relations Act.

I would hope my colleagues on both sides of the aisle support my amendment, which while granting some protection to the employers against clear instances of abuse, also makes crystal clear this legislation does not in any way scale back on the rights contained in the National Labor Relations Act.

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

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding and I appreciate the gentleman from Pennsylvania, the chairman, trying to correct the impression that I have from this bill. I think the problem is that this bill tends to want to throw out the existing law and existing court cases with regards to what constitutes a bona fide employee. The court has ruled on this, and the effect of this, of course, is to drag it back into court, change the circumstances and to undercut the ability of someone to be employed that happens to harbor the notion and of exercising their freedom to in fact seek a collective bargaining election or join a union.

That is what this is all about. It just reschedules the deck to bring it back up against the court with the option that they can undercut that person’s ability to do what they see and what we think is proper in a free economy.

As has been said by my colleague from New Jersey, I think this goes right to the issue of mind control. This invites absolute control by the employers over the thoughts and over the views of employees with regards to how they ought to be organized and their opportunity to change the circumstances and decent working conditions and wages.

Mr. Chairman, I rise in opposition to this bill H.R. 3246.

This measure has numerous provisions which are specifically defined to frustrate the ability of working men and women from organizing and joining a union. The result denies the fundamental freedom of association and speech at the care of our society and our basic freedoms.

The collective bargaining process is the vehicle that serves the workers and employer to achieve an agreed upon condition on the job with a fair wage and benefits.

Unfortunately because of the evolution of our U.S. mixed economy labor unions and organizing represents less than 20% of our total labor force. This is also a result of the fact that labor law and policy has not kept pace with the changes and a concerted effort by many business to contest and successfully resist efforts by workers to achieve union representation and access to the collective bargaining process.

This bill before the House will make that process even more difficult. In a situation where workers are already at a disadvantage this bill seek to tilt the table and stack the deck against worker.

Working men and women deserve a fair shake and regards the law as a measure to undercut and shred what remains of our labor laws.

This bill plan and simple permits an employer to fire or not even hire a person who has an interest and may play a role in organizing a collective bargaining election. Today that is an unfair labor practice, but this proposes to make such an discriminatory action legal. Today a prospective worker’s values and thoughts are private and an employer appropriately consider a employment situation based on qualification and the willingness of a worker to perform his or her assigned tasks. This bill crosses the line into mind control and invites absolute employer control of the worker’s private thoughts and values as to their interest in collective bargaining and joining a union. Control of the communication and the thoughts of a worker deny the fundamental freedoms that characterize a free society and a free labor force.

Additionally this measure which purports to advocate for small business denies a collective bargaining election for a separate work place, rather it mandates that the collective bargaining election must take place on an overly broad basis rather then permit a one location election—turning a single facility collective bargaining election into a multi-state or even national election. Just the provision to prevent the hiring and permitting the firing of a employee and the mandate to deny a single site election over turn court cases and current law that permits union organization on this basis.

This legislation turns the process of litigation and National Labor Relations Board appeal inside out requiring in the bill that small business must be compensated if they prevail in a complaint. Today the NLRB and court have such discretion, but to require such no matter the circumstance will assure that almost all decision will be carried forth with the hope of success and payment.

This measure certainly don’t achieve a common sense result in terms of labor-management accord and fair treatment, rather they are a transparent attempt to superimpose a disadvantage upon working men and women and their access to the collective bargaining process. One may wonder if this is some part of retaliation for the fact that organized labor has become more politically active in recent years and that this is some small minds is the may to penalize labor.

These actions are poor policy and the weaker is the work force. The reaction to this bill can only be to reject the proponents and to re-double the effort to change the political equation.

Rather than loading the NLRB down with more paper work and appeals and requests for reports along with the mandate to pay legal fees for those who successfully appeal, Congress should provide the resources that would address the backlog that has been building up the past decade to permit timely investigation and decision making by the NLRB. This measure is a bad faith effort to disadvantage workers and the unions they may choose to represent them. I certainly urge its defeat.

Mr. CLAY. Mr. Chairman, I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

I would merely indicate to the gentleman who just spoke that obviously he had the faith in the general counsel at the National Labor Relations Board. I will guarantee him that all employees have great confidence in that general counsel. I will guarantee him that organized labor has great confidence in that gentleman at the National Labor Relations Board.

Let me close simply by repeating what was said in an editorial in a paper that I read today: It is reassuring to know that some relief is being considered for the real victims of status quo: workers, small businesses, and small unions.

Let me repeat that; it is reassuring to know that some relief is being considered for the real victims of status quo: workers, small businesses, and small unions.

My colleagues have an opportunity to help all three. All they have to do is vote yes on the amendment and on the legislation.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Goodling).

The question was taken; and the Chairman announced that the ayes appeared to have it. 
Mr. GOODLING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—aye 398, noes 0, not voting 32, as follows:

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Messrs. BOUCHER, CUNNINGS, OBERSTAR and STARK changed their vote from “no” to “aye.” So the amendment was agreed to.

The result of the vote was announced as above recorded.

### Personal Explanation

Mr. SHERMAN. Mr. Chairman, during roll call vote number 77 on the Goodling Amendment to H.R. 3246 I was unavoidably detained. Had I been present, I would have voted yes.

The CHAIRMAN. No other amendment being in order under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TIAHRT) having assumed the chair, Mr. McCOLLUM, Chairman of the Committee of the Whole on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 3246) to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers, pursuant to House Resolution 393, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered. The question is on the amendment. The amendment was agreed to. The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes had appeared to have it.

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The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill. The question was taken; and the Speaker pro tempore announced that the ayes had appeared to have it.
The Clerk announced the following pair on this vote: Mr. Bonilla for, with Mr. McDade against. So the bill was passed. The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, during the final vote on H.R. 3246 (Rollcall 78) I was in the Chamber and attempted to vote, but the Speaker closed the vote before I could cast my vote. I attempted to secure the attention of the Chair but was unsuccessful. Had I been allowed to vote I would have voted "no."

GENERAL LEAVE

Mr. FAWELL. Mr. Speaker, I ask unanimous consent that all Members may have printed in their legislative records, within which to revise and extend their remarks and include extraneous material on H.R. 3246, the bill just passed. The SPEAKER pro tempore (Mr. TIAHRT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2515, FOREST RECOVERY AND LANDS PROTECTION ACT OF 1998, AND LIMITATION OF TIME FOR AMENDMENT PROCESS

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent that House Resolution 394, the rule, be considered as adopted, and that during consideration of H.R. 2515, the forestry bill, in the Committee of the Whole, pursuant to the amendment to the amendment in the nature of a substitute made in original text, the amendment in the nature of a substitute made in original text. The Speaker pro tempore (Mr. TIAHRT). Is there objection to the request of the gentleman from Oregon?

There was no objection.

The text of House Resolution 394 is as follows:

H. Res. 394

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XIX, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2515) to address the declining health of forests on Federal lands in the United States through a program of recovery and protection consistent with the requirements of existing public land management and environmental laws, to establish a program to inventory, monitor, and analyze public and private forests and their resources, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Agriculture now printed in the bill, it shall be in order to consider an original bill for the purpose of amendment under the five-minute rule for an amendment in the nature of a substitute consisting of the text of H.R. 3230. Each section of that amendment in the nature of a substitute shall be considered as read. Points of order against that amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI or clause 5(a) of rule XXII are waived.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like the RECORD to reflect that I would have voted "no" on H.R. 3246, but the gavel was pounded before I registered my vote. I tried to...
Mr. Speaker, I am going to talk about a transportation bill that will cost the American taxpayers $216 billion. This will make the typical American think of the public's trust in the government. We cannot afford to play games with the public's money and trust.

The typical American believes politicians are more concerned about preserving their position than the long-term consequences of their policies, and this system perpetuates that perception. Reforming this system will be an important step in that process. We should let the states make decisions about transportation funding and get it out of the hands of Washington.

We must do the right thing for the country on this issue before we throw away more of the public's money and trust.
If we make this our practice, with every compromise, with every sellout, we will drain the lifeblood from the movement that brought us into Congress. Our souls will depart from us and we will become the hollow politicians the public expects us to be, but sent here to replace them.

I urge my colleagues to do what is necessary to reform this system when the House takes up the transportation bill next week.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

(Mr. HUNTER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BARR) is recognized for 5 minutes.

(Mr. BARR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

YOUTH FIREARM VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON. Mr. Speaker, 2 days ago the Nation was shocked when two adolescent boys opened fire on the students at Westside Middle School in Jonesboro, Arkansas, which killed four students and a teacher. Eleven others were wounded. One of the boys had told his friends that he had a lot of killing to do, according to the police.

Teacher Shannon Wright died trying to shield another student from the deadly fire. She was 32, the mother of a 2½-year-old son. The police found a cache of guns at the site.

Just yesterday, a 14-year-old boy in Daly City, California tried to shoot his school principal, Matteo Rizzo, who had disciplined the boy last week for fighting with a schoolmate. The shot fortunately missed Rizzo and lodged in the wall behind him.

Today I have had a report from my home district of Indianapolis that a 7-year-old boy brought a loaded gun to school in his knapsack. When confronted by teachers, the boy said he had been threatened and brought the gun to school for his protection.

Last December, a boy opened fire on a student prayer circle at a high school in West Paducah, Kentucky, killing three students for 5 minutes. Two months earlier, two students died in a shooting in Pearl, Mississippi. And in December, a student wounded two students when he opened fire in a school in Stamps, Arkansas.

Mr. Speaker, we are facing a crisis when young kids can get guns easily and take them to school. Marion County, Indiana, a part of which I represent, has seen a 10-fold increase in firefight by firearms in the last 5 years. Of these deaths, 33 were from handguns. Statewide in Indiana, some 40 children 14 and younger committed suicide with firearms in 1995. Four of these suicides were by children aged 10 to 14. Eighteen children died from firearm accidents in 1995.

Nationwide, more than 1,000 children aged 14 and younger committed suicide with firearms from 1990 to 1992, according to the Center to Prevent Handgun Violence. More than 1,700 were killed in accidents. An average of 14 teenagers and children are killed by guns each day.

Children committing acts of violence are not the only problem we have with children and guns. Adults carelessly leave guns around children and can be just as dangerous. I just this past Sunday in Indianapolis, a 3-year-old boy accidentally shot and critically wounded his mother’s boyfriend. This man allowed his 3-year-old to hold his 9-millimeter handgun. Apparently the gun owner removed the ammunition clip but failed to remove the one round in the firing chamber. The boy pulled the trigger and the bullet struck the owner in the abdomen.

Two years ago, Michelle Miller of Indianapolis lost her 3-year-old son when a boyfriend let the child play with his gun. The gun went off, killing the child. As part of her sentence, Michelle is telling her story in public and urging families with guns to keep the weapons away from their children.

Mr. Speaker, what are 3-year-olds doing with guns? The Indianapolis Police Department responded to the most recent incident saying that gun owners should keep their weapons locked and out of the reach of children.

According to the Coalition to Stop Gun Violence, half of all gun owners keep their firearms in an unlocked area. One fourth keep their firearms unlocked and loaded, leaving their guns very vulnerable to theft, accidental shooting, suicides, and homicides.

Fortunately, in Congress we can do something to increase the safety of guns that are kept in homes and to keep guns out of the hands of children. H.R. 1047 requires that handgun owners should enact immediately, and that is to require that trigger locks be placed on unattended guns so that our children cannot just use them wantonly.

Perhaps we could look at ways to lock guns when they are manufactured, and require manufacturers to implement trigger lock devices in the manufacturing of firearms. And yes, I know that gun lobbyists across this country would be opposed to this, but we as Members of Congress must step up very boldly and responsibly and act accordingly to the sentiments of our country and to the protection of our children.

The fact is that this new transportation bill is one that has been worked out on both sides of the aisle. It is paid for out of Transportation Trust Fund money. It is paid for each time the motorists go to pay for their gasoline. Those funds are being used that are generated back to protect the public.

This transportation bill is a good one. It means jobs across America. It means improved road safety. It means new and improved public transit systems. It means improved air quality because more people are riding on the trains, subways, and buses. This ISTEA bill is a bipartisan piece of legislation.

The gentleman from Pennsylvania (Mr. SHUSTER), the chairman, and the gentleman from Minnesota (Mr. OBERSTAR), the ranking member, have worked over time with their staffs to make sure it is a positive piece of legislation in the fact it is fair to all States in its allocation and support of our Nation’s governors, along with hundreds of other public service organizations.

We have reduced waste in this Congress. In the 104th Congress, we reduced spending by at least $53 billion. We continue reducing waste in the government by our own reexamination through the Results Caucus through our sunset procedures.

We have several bills, Mr. Speaker. As I am sure my colleagues are aware, we have bills that will make sure that...
our legislation for each agency we are going through with a fine-tooth comb to make sure that where agencies are duplicating what others are doing, whether it be State government or private sector, we are going to downsize, we are going to privatize. We are going to consolidate or eliminate.

So we have done the job, working with Citizens Against Government Waste, to reduce those kinds of expenditures that previous Congresses may have approved, but this Congress does not approve of. The transportation tax is an investment for our children, for our families, for the public.

Many people do not own cars so they rely on public transit. Much of this bill deals with public transit and how to make sure those who do not drive and cannot afford a car can still go to work and still go to the doctor and still do the necessities of life.

I look forward to bipartisan support not only in the House, but in the Senate. So bipartisan bill can be passed and sent to the President for signature.

RESTORATION OF THE FARM CREDIT BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, several of my colleagues have introduced a bill called the Restoration of the Farm Credit bill. I want to report to the House today that the Senate, with their supplemental spending, also adopted that bill, understanding the emergency nature of farmers needing credit.

In the 1996 farm bill meant that indebted credit had been denied to farmers who might have had a blemish on their record. For whatever cause, whether it is due to a disaster, whether it is due to a medical cause, whether it is due to foreclosure, whether it is due to discrimination, any of these reasons, if a farmer had one blemish on his record, he was barred or she was barred from there on out to borrow any money from the USDA, whether that is a guaranteed loan or direct loan. So what it meant was one strike and farmers had no recourse whatsoever.

Mr. Speaker, one of the reasons small farmers are going out of business so fast is because they do not have access to credit. Certainly, when the United States Government is lending money to farmers, usually this is the last resort, the last opportunity farmers have is to go to their government to borrow money. So when the government says, no longer are we interested in small farmers and small ranchers, that means consumers and farmers, all who depend on having small farmers and ranchers participate in farming, are put at risk. It means the quality of food is at risk. It means the low food prices that we enjoy are at risk.

So I am happy to say that the Senate, the other body, was able to see the wisdom of that. I hope, as we have the opportunity next week, that we will have the same opportunity to see the emergency nature of responding to the critical credit needs of small farmers and ranchers.

Mr. Speaker, I commend my colleagues to consider that when they have the opportunity.

GOP NATIONAL SALES TAX IS BAD IDEA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PALLONE. Mr. Speaker, this evening the Democrats plan to discuss the Republican plan to abolish the Tax Code and replace it with either a flat tax or a sales tax.

I yield this point to the gentlewoman from Connecticut (Ms. DELAUR). Ms. DELAUR. Mr. Speaker, I thank the gentleman from New Jersey and I also thank my colleagues who were on the floor and those who are coming tonight to join in this special order to talk about the need to cut taxes for working middle-class families and to reveal the true cost, as my colleague from New Jersey pointed out, of the Republican proposal to impose a national sales tax on the American people.

We have heard quite a bit lately from our Republican colleagues about tax reform. But behind the rhetoric and the calls to "scrap the code," that mantra, if you will, repeated over and over again to scrap the code, behind the rhetoric of that phrase lie some very radical and some dangerous proposals that will actually raise taxes on working families and cut taxes for the wealthiest taxpayers.

I think we all agree that that is not reform, that is not what we are about. Abolishing the Tax Code, replacing it with a sales tax is one of those kinds of easy-listening proposals that Republicans are famous for. If you will, it is the legislative equivalent of elevator music; we might find ourselves humming along. But when we snap out of it, we realize that we hate the song. We have all had this happen to us.

The Republican national sales tax is a very bad idea. My Republican colleagues argue that a national sales tax would be simple and it would be fair. But take a closer look at it and we find that there is nothing simple or fair about it.

A national sales tax is not simple. In fact, several renowned economists have declared a national sales tax as unworkable. Even the conservative Wall Street Journal has panned the proposal and highlighted concerns about administrative take.

A national sales tax is not fair. The Brookings Institute says that of the GOP sales tax, "The sales tax would raise burdens on low- and middle-income households and sharply cut taxes on the top 1 percent of taxpayers." That is not fair.

The GOP national sales tax proposals call for replacing all individual and corporate income tax with a sales tax. But there is a new analysis by Citizens for Tax Justice that shows that the actual rate would be at least 30 percent. That means the American people would pay 30 percent more for everything, 30 percent of every thing. They would pay a 30 percent tax every time they opened their wallet. Talk about being nickelled and dimed to death.

What does that mean to the average middle-class family? Let us take a look. This week U.S. News and World Report did a cover story on the cost of raising a child in today's world. It is an astounding piece. According to U.S. News, for a child born in 1997, a middle-class family would spend $1.4 million to raise that child to age 18. This is the cover of U.S. News and World Report this week, "The Real Cost of Raising Kids." Would my colleagues believe it $1.4 million apiece. This is just the sales tax on top of that and we are looking at life for working families under a GOP national sales tax.

Let us take a look at a few examples of what a 30 percent tax means in real life. This is a box of diapers. It costs $23 today. Add a 30 percent GOP tax of $6.90 and we have the GOP price of $29.90. Let us take a look at what it costs for a pair of children's shoes. They cost about $20. Add the GOP sales tax of $6, and we are paying $26 for the same pair of shoes.

Let us take a look at a box of cereal, and we all want to give our kids cereal. We want to make sure that they are healthy. The price is $2.19 today. The GOP tax of an additional $0.90 would bring the price of a box of Kellogg's Raisin Bran, Two Scoops of Raisin Bran here, up to $3.89.

Let us take a look at a loaf of natural grain bread. Price 59 cents. GOP tax, 78 cents. GOP price, $3.37.

And what about baby food? Price 45 cents. GOP tax, 14 cents. GOP price, 59 cents.

This gives my colleagues some idea of the reality of a national sales tax and a 30 percent increase in that tax. Of course, we all know that children's shoes get more and more expensive. We saw here. So if they take a look at what happens as they grow up and they have a child that is a teenager, his or her shoes could cost $120. Add a 30 percent sales tax, and they are looking at a $36 tax, bringing the cost to $156. It is no wonder that, according to U.S. News and World Report, the cost of clothing a middle-class kid to age 18 costs $22,063.

My colleagues will see on this chart that the GOP sales tax would increase that cost significantly. I think it is important to take a look at this chart.

This is the GOP 30 percent sales tax list for working families, the cost of raising a child.
If my colleagues will bear with me, housing, today's cost is $97,549. The GOP 30 percent sales tax would add $29,000. We are looking at a price tag from the GOP of $126,000.

Food, $54,795. Add to that the 30 percent sales tax of $16,400. We are talking about $71,000 to provide food for our kids.

Transportation costs, $46,000. Add $13,000 from the GOP tax, bringing it up to $60,000 to provide transportation for their child.

Clothing, $22,000; an additional $6,600, $28,600 in providing clothing for their child.

Health care, $20,700; $6,200 additional from the GOP tax; $26,000, almost $27,000 to provide health care for their child.

Day-care, $25,600; an additional $7,700; $33,300 to provide day-care for their child while they are working and trying to make ends meet and scrambling every month to pay the bills.

Miscellaneous costs, whatever it costs, and we know that they are not all set and pat, we never know what is going to come up, $33, almost $34,000. An additional $10,000 is what we would have to pay because of the 30 percent sales tax that the Republican children are thinking about, bringing the total up to $44,000.

The cost of a college education, every family wants to be able to send their children to college if they can afford to do that. And if a child can get into a college today, it is $158,000 to send a child to college.

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You would have to add a 30 percent sales tax to that, another $47,000, making it $205,000 to get your kid to school.

What are working families in our country to do today? It is incredible what they are talking about with this 30 percent sales tax. That is what the Republican colleagues would mean in terms to real families in this country.

Let me just take one other group, because there is one group that would be hit harder than others by the Republican sales tax, and that is the senior citizens in this country. Senior citizens would gain nothing, nothing from the elimination of income taxes since most are retired and many pay no income tax. But a 30 percent sales tax would hit seniors on a fixed income right between the eyes. That is where it hits these folks. One of the most burdensome expenses that is faced by senior citizens is the price of medication. All of us when we go to senior centers, when we go to senior housing, that is what we hear about, is what they are paying for medication and for their prescription drugs which many of them need to lead productive and healthy lives. We have taken a look at five of the most common medications used by seniors and looked at how the 30 percent Republican sales tax would impact those services. Bear with me. These are monthly costs. For blood pressure medication, $110 now, the sales tax would add an additional $33. GOP price tag, $143 a month for blood pressure medication. Arthritis, it is now 75 a month for medication, add another 22.50, bringing that cost to almost $100 a month for senior citizens, again people on fixed incomes. Diabetes, $125 the final cost. The Republicans, 30 percent sales tax, bringing the total cost per month to $162.50. It is incredible what we would be doing to senior citizens in this country. Heart disease, $60. $27 additional in sales tax, $117 is the final cost. We hit them per month for four again seniors, elderly, people who are on fixed incomes. Our mothers, our fathers, paying this cost per month. An inhaler, $80 a month today, the tax would add another $24, bringing the cost per month to senior citizens to $104. This is really incredible and outrageous of what they would add to the cost of people who are frightened to death that these later years, instead of being the golden years, are the lead years, when they are most vulnerable and they have to pay out of their own kind of costs to medications that they need.

We need to have a real debate about reforming our tax system. I believe everybore here believes that. We need to cut taxes for working middle class families. We need to cut taxes for working middle class families. This proposal moves us in the wrong direction. In fact, the Brookings Institute study of the GOP sales tax found that taxes would rise for households in the bottom 90 percent of the income distribution while households in the top 1 percent would receive an average tax cut of over $75,000. Millionaires get tax breaks and working families and senior citizens will be paying more. That is not reform. That is just so blatantly unfair to working families today.

Let me open the conversation to my colleagues. I am sorry I took so long, I truly am, but it is important to put this in context. We need to be doing this every single day and every single term. We need to be doing this in context. We need to be doing this every single day and every single term to real families in this country.

Mr. BONIOR. I thank my colleague from Michigan (Mr. STABENOW), the whip of this House, Ms. DELAURO. Natural grain. We have children's shoes. Kids grow out of shoes very, very quickly.

Mr. BONIOR. In my district and in the district of the gentlewoman from Michigan (Ms. STABENOW), we have a big thing in our districts. Under the plan, an economy car that now costs about $12,000, there is another example here, I am giving one that costs 12, would cost about $14,600. Under the proposal that the gentlewoman from Michigan has, you take a family car priced at $21,000, the GOP tax is about $6,500 and that price goes up to $28,000, which is out of the range of many, many families today. In addition to that, you are talking about a modest home that costs $100,000. If you add $7,000 onto it, you are up to $107,000 with a home purchase with this tax.

I would like to just, if I could, for one second move to another, this is loony tune number two, this is the flat rate tax that my colleagues on the other side of the aisle seem to be in love with. Let us just take a look at what this does.

This is the Armey flat tax. It is going to raise taxes on working families. The green marker right here is what is paid percentwise in taxes now for people who make $25, 50, 100, $250,000 and 1 million a year. Under the Armey tax plan, flat tax plan, those who make $25,000 a year or more will have this much of a jump, from roughly less than 4 percent to almost up to 12 percent for their tax increase. Those who make $50,000 a year will have a tax increase, roughly about 12.5 percent, their tax increase will go up to maybe 16, 17 percent. Those who make $100,000 and $70,000 those folks, they would have a tax increase under the Armey plan, not very much, but about a 1 percent increase. But those who make a quarter of a million dollars a year, you get a
Mr. BONIOR. It is not taxed. If you make your money off the stock market or off of bonds, you do not have to pay a tax on that. That has got to be made up somewhere, so we can pay for the roads, for the water utility and for our national parks and the other things we do. Of course that is going to be taken out by who, well, these people here, the 25, the 100,000, here they go, up the red markers go, more taxes.

This is a huge tax shift, from working people to the wealthiest people in our society. What is so disturbing about this is that when we look at what happened to incomes over the last 20 years, it is the top 25, 20 percent in our country that have done extremely well, and we have people, having that have either stayed level in terms of their income ability, earnings, or they have fallen. Of course those at the bottom have fallen tremendously, over 25, 30 percent over the last decade or so.

The whole progressivity of what we are about as a party in terms of helping working, middle income families who are squeezed every day is being turned upside down by these regressive sales tax and flat tax proposals that the GOP is offering.

Mr. PALLONE. If I could point out another thing that is very unclear, it seems to me, and maybe the gentleman would respond to that right now, because he mentioned sale of a home, which is included in this proposal for the sales tax. We have people, homeowners that rely very heavily on mortgage interest deductions and also in my State, and I think many States, you can also deduct your local property taxes from your income tax. It is not at all clear to me that this would continue.

Mr. BONIOR. It would not under the Armey plan. Maybe the gentelman from Michigan who really knows these tax issues extremely well might want to comment on that.

Ms. STABENOW. The other part that I might add that also adds on top of that, my city of Lansing will pay, for instance, 30 percent more for a police car. But this proposal also counts the wages of public employees as taxable, as value in terms of the sales tax. So the police officer in that car will pay 30 percent more on top of their wages. Either the local unit will pay it, or they will have a new income tax essentially on the wage of that police officer, that firefighter, that school teacher, because it taxes wages of government employees.

So we are going to see the taxes go up for people who serve us in local communities at the same time local units will have to pay 30 percent more to provide the service.

Mr. BONIOR. We are likely to see huge property tax increases in this because the local community, in order to afford the EMS, the ambulance, the police car and the wage structure that you just talked about, is going to have to come up with the resources, and that means going to the property tax.

So this is a huge shift, not only from income, but it is a huge shift on sales tax and on property taxes as well.
Mr. PALLONE. You know, I have to say another thing too. It is very difficult for me to trust the fact that these other taxes are going to go away and this new sales tax is going to take their place. I mean we do not have a national sales tax, and we never had a national sales tax, and I would be very reluctant to suggest that somehow now all of a sudden we are going to allow this door to open where this whole new Federal tax is going to come into play, but we are going to assume that the Federal tax and all these other taxes somehow are going to disappear.

So it bothers me to think that a precedent is even being set of establishing a new type of national tax that we have not had before, because it opens up a Pandora's box essentially, and I would be fearful of that in itself, just based on historical precedence.

Mrs. TAUSCHER. And I would add, I know that the small business community is extremely concerned about that issue. Today we have been debating various issues related to small business, paperwork reduction, and so on, but the reality is that every small business, professional or retailer or manufacturer, will now become a tax collector of sales tax.

And on top of that, the National Retail Federation, and I would quote, based on the last session's bill, this bill was put in last session, it has been put in in the same form this session. So last session this bill was one of us, in front of the Congress, the National Retail Federation said between 1990 and 1994 the retail industry created 708,000 new jobs. A study by Nathan Associates shows that a national sales tax would destroy 200,000 retail jobs over a similar period. Adding these jobs lost with the 708,000 that will not be created, we could result in a net impact of almost 1 million fewer jobs. This is the National Retail Federation talking about small business loss because there will be fewer people buying at Christmastime.

What are the headlines we always read? What are the retail sales, the concern of retailers that people be purchasing? This cuts down on purchasing, it eliminates jobs.

So this is a job killer on top of everything else.

Mr. PALLONE. You know the amazing thing to me, because you started to talk about what is happening to my constituents, what we have—you know, I understand we do a fairly good job compared to what would happen with the sales tax in terms of collecting taxes now, but it seems to me you are talking about a 30 percent sales tax. You are going to get a lot of cheating. It is going to be difficult to enforce. And you know here the Republicans and Democrats alike have been talking about trying to reform the IRS, and we have actually made some significant changes because we don't want them becoming like a police force cracking down.

Would you not have to do a tremendous amount of enforcement? Would not the IRS become even more, have to have more money and a larger budget in order to enforce this kind of a sales tax?

Mrs. TAUSCHER. And on top of that, I would just indicate that one of the reasons is you are moving over again from the other side of the aisle is that we are going to eliminate the IRS under this proposal. We will eliminate the IRS as we know it. In the bill it transfers all the powers of the IRS to a new agency, our sales tax name is gone, but the powers are still there. So then we have to talk about reforming a sales tax bill.

I mean what we need to be doing is talking about ways to reform the system for taxpayers, not just playing around with the name, and that is what this does. It changes the name, and then it drops down and requires every businessperson now and every person who has never collected sales tax, like a doctor, like an accountant, anyone in any kind of business on their own that is providing service, a plumber, electrician, and so on, they now become a tax collector and have to report that to the government.

So this is certainly anti-small business.

Ms. DeLAURO. I think it also, as our colleague from New Jersey pointed out, I mean it leaves you turning every-thing over into a tax collector. You then have an enormous amount of room here for error, for fraud, for all kinds of things that are happening. It seems to me to be a multiplier effect here.

And I think the point you made before, that Mr. PALLONE made before, about folks are so skeptical about, you know, what taxes are going away before you begin to impose another 30 percent sales tax. And you know the public is smart. They are getting hammered, especially working families are getting ham-mered, and they have no guarantee over what is going to go away ultimately and what is going to be imposed on them.

I think the point that you made is so—really about the wage earner, the government wage earner; what happens with the property tax, in addition to which what happens to your own wages. So you are going to get ham-mered several times over on tax issues when people are feeling choked today by taxes, working people are.

I know in my State of Connecticut, I mean that is the cry that I hear about all the time, you know, that wherever they turn, there is another tax that they are paying.

Mrs. TAUSCHER. Well, they certainly will feel that even more under this particular proposal, and right at a time when we have just passed a series of tax cuts, $95 billion in tax cuts. We have been able to focus more cuts on education. The ability for people to be able to go to school, all of those things would be gone.

In Michigan when I was a State senator, I sponsored the State's largest property tax cut. I am not interested in seeing this shift back and seeing property taxes go back up in the State of Michigan or in any State.

And so we are talking about those taxes that the average person pays. It is going to be tax for a tax, the individual to pick and choose what extra things they are going to buy, but the average person who is buying the house, sending the kids to school, needing to buy the clothes, the food, the car and so on, those middle-class folks are going to cut out again in purchasing things, and that is why we see that shift that has been talked about onto middle-income and lower-income people, because we do not have as much discretionary income with which to decide whether or not to purchase items. Most of what we bring in, we are turning around and we are purchasing something with it.

Ms. DeLAURO. I think it is worth pointing out what our colleague, Mr. Bonior, talked about in terms of the folks who are dealing in stocks and bonds and un-earned income, and they are not paying any taxes on that. So what you are saying is that those people who work in the workplace day in and day out, those are the folks who get socked with the additional taxes, in ad-dition to which you are going to take away with the mortgage deduction and some of the other tax relief, if you will, that middle-class families have been counting on, relying on, surviving on.

So you are really hitting them again twice. You know, they are picking up the slack for the folks who are holding the stocks and bonds, and then getting hampered again on things that they have counted on, that American dream and owning that home, and not being able to take the mortgage deduction.

Mr. BONIOR. I am flabbergasted. I do not know what more to say. I mean, I just cannot believe these things are being offered. It is really staggering. The problem is that we have unfortunately let them get away with portraying this as an innocent, wonderful thing for the American working fam-ily, when in fact it is just the opposite. And I think as it gets more exposure and people understand the regressivity and the inequities in it, I think it falls flat on its face, pardon the pun, and I do not think it is going anywhere.

I mean, it is just like this other proposal you made earlier about my constituents, what we have—you know, I understand we do a fairly good job compared to what would happen with the sales tax in terms of collecting taxes now, but it seems to me you are talking about a 30 percent sales tax. You are going to get a lot of cheating. It is going to be difficult to enforce. And you know here the Republicans and Democrats alike have been talking about trying to reform the IRS, and we have actually made some significant changes because we don't want them becoming like a police force cracking down.

Would you not have to do a tremendous amount of enforcement? Would not the IRS become even more, have to have more money and a larger budget in order to enforce this kind of a sales tax?
want our present code to be leaner and trimmer and slimmer, and they want us to focus in on the things that the gentlewoman from Michigan mentioned: education, as we did in the last tax bill; they want us to focus in on tax credits for child care; they want us to be selective and they want us to help average working families.

And I think that you could go overboard, and certainly these two proposals, the sales tax 30 percent increase and the flat tax by Mr. Armey, way overboard.

Mrs. TAUSCHER. If I might also add that I do believe that the people I represent want to see a less complicated tax system, want to see it fairer. And I do, too. And they also want to see IRS reformed, which we passed in the House. It has not yet been taken up in the Senate, very important IRS reforms, changing the burden of proof from the taxpayer to the IRS in Tax Court, very significant changes that need to be moving quickly.

One of the things I am concerned about is that we have passed IRS reform in the House, it has not been taken up yet in the Senate, and that needs to happen, so that we can— we need to be calling on the majority in the Senate to be bringing that up, because while we talk about the proposals that do not make sense for middle-class families and working people, we do know that there needs to be change and that there needs to be positive things.

It is a question of where our values are, who it is that we believe needs to see tax cuts and tax reform. And my vote goes with small business people, family-owned farms, middle-class families working hard to make ends meet. Those are the folks who have not seen the same wage gains and have felt the burden, too much of the burden, on taxes.

And so those are the folks I want to see helped, not the kinds of proposals that have been submitted on the other side of the aisle that will just increase their taxes.

Mr. PALLONE. Maybe we could talk a little bit, because I know the gentlewoman from Connecticut mentioned how Democrats have fought for tax relief, in the time that we have left this evening. We have been basically fighting for families that really need the relief, those with children who are trying to save for their kids' education and their own retirement. As the gentlewoman from Michigan mentioned, thanks to Democrats, the Federal tax burden on families in the middle-income distribution and below has fallen since 1984.

There is an analysis by the Treasury Department that found that the average Federal income tax rate for a median family of four in 1988 will only be 7.8 percent, down from 10.3 percent in 1984. This is the lowest income tax burden for a median family since 1966.

These historically low income tax rates are as a result of Democratic policies. If I can mention a few, some of them have already been alluded to, and that is the expansion of the earned income credit in 1993 that cut taxes for millions of families with children; the States, the States, that have had the States ensured would be available to moderate-income families. In addition, Democrats proposed the HOPE education scholarship tax credit to help families afford postsecondary education for the children. We have not expanded the child care credit to increase the amount of the credit from 30 percent to 50 percent of expenses and make it available to more families. So Democrats also support efforts to reduce the marriage penalty.

We are trying to reduce and we have been successful in reducing the tax burden for families in middle-income families with children who have to pay for education. We have also put bills for child care expenses. These are the kinds of tax reforms and tax cuts that we need to continue with.

I am very proud of the fact that we, as Democrats, have emphasized those targeted tax credits rather than the kind of crazy schemes that we are hearing from the other side.

Mr. Speaker, I yield to the gentlewoman from Connecticut.

Ms. DeLAURO. I am very proud of the fact that it is so important because not only can we not let folks get away with passing off these programs as a savior to working middle-class families, but when you go beneath the surface, you find out how seriously they are going to hurt working families. We should not let them get away with that.

The fact is that Democrats are not for tax cuts. We have started that process over the last several years. It continues so that people can take advantage of Tax Code and the tax credits to get their kids to school: to be able to afford the child care; that small business that you speak so eloquently about has the opportunity for reducing health care costs; or for expanding their business and being able to get the tax relief on equipment that they might buy, and raising those percentages.

There were a whole series of capital gains tax cuts that went into effect for small businesses who ought to be able to take advantage of that, and farmers. And those continue. The benefits continue as pieces of these things get phased in, because I would venture to say today that people are not seeing, immediately, the results of some of these things, so that it is ongoing. We need to be working at that, increasing those opportunities and those targeted tax cuts. That is where they ought to be going. Those are the folks we ought to be helping at this point.

We ought to help seniors cope with fixed income, with a higher rate of illness, perhaps, so that these costs do not skyrocket for them. That is the way we bring some opportunity in folks' lives to be able to raise their standard of living, if you will.

Those who are at the upper end of the scale have these opportunities. Nobody is denying that. They can also be more selective in which taxes they are paying. They have different kinds of shelters, different kinds of opportunities within the Tax Code. I will not even call them loopholes, they are opportunities in the Tax Code, to take advantage of in some way. Working middle-class families do not have these opportunities.

Ms. STABENOW. If I might give just an example.

Ms. DeLAURO. Sure.

Ms. STABENOW. In the last tax debate, when the original bill came to the floor, that was basically the Republican tax bill, we did not see an immediate increase in the exemption for the State tax for small businesses, family-owned businesses, and family-owned farms. It was a phased-in amount that you could exempt that was over 10 years. It really was not very much.

I have been hearing, particularly from my family-owned farmers, and also family-owned businesses, about how it is exempting more of that income when there is a death and be able to protect that income. We fought hard. I voted no on that original bill because it did not have that in it. We have worked very, very hard.

When the final bill was written as a result of our initiatives, we have now exempted $1.3 million for family-owned farms, started this January, $1.3 million for family-owned farms or family-owned businesses. This is the amount of money you do not now have to pay taxes on in your estate. And this was a value that we had about family business and family-owned farms. We fought hard for it, and we were able to make the change.

So we have been moving. We have been taking the proposals and making them better and working very, very, very hard to make sure that we are focusing on families, we are focusing on middle-income people, small businesses, and so on.

I would mention one other thing that we are now working on, and that is, in working with the President in his new pension proposals for small business, I am very pleased to have introduced a bill that will give a tax credit over 3 years for small businesses that set up pension plans for their employees, another important use of the Tax Code in terms of tax relief.

We have now 51 million people working hard every day for small businesses, working full time, no pension; 40 million of those in small businesses with less than 100 employees. So we now are working on an effort to allow that small business to write off the cost of setting up a pension so that those people working hard every day, those that need that pension when they retire, will have the opportunity to do that.
Mr. PALLONE. Reclaiming my time. I just wanted to mention, I appreciate the comments that the gentlewoman from Michigan and the gentlewoman from Connecticut made, because I think the bottom line is that you are talking about targeted tax cuts that help the average working family.

I wanted to say, though, you know, that just for those who think that perhaps the Democrats do not have an alternative, we really have the only new tax system, if you will, new proposal out there that is away the Tax Code, but at the same time provides fairness. This is the one that was introduced by our Democratic leader, the gentleman from Missouri (Mr. GEPHARDT).

It is the only major tax reform proposal that retains the progressive rate structure and ensures that this new system is fair. It is a 10 percent tax plan that has been offered by our House Democratic leader, the gentleman from Missouri (Mr. GEPHARDT), recognizing that the Tax Code is too complex and filled with special interest tax breaks that result in higher tax rates for middle-income families.

So what the gentleman from Missouri (Mr. GEPHARDT) has proposed is basically ratifying and simplifying the system and cutting taxes for 70 percent of families with children, with income between $20,000 and $75,000. Under his plan, more than 70 percent of all taxpayers would have a tax rate of 10 percent or less.

This proposal by the gentleman from Missouri also eliminates the marriage penalty by making the standard deduction in tax brackets for couples double those for single people. It eliminates special interest tax breaks. Very important.

You keep reading on a regular basis, particularly around April 15, about all these special interest tax rates. It eliminates them. It eliminates the role of the army of lobbyists who now dominate tax policy discussions. We see them around here. Every one of us has seen these people. This is the time of year when we see them the most.

It calls for a commission to identify and recommend elimination of wasteful and unwarranted corporate tax and spending subsidies. I think this is something we should look at. This is a Democratic proposal by our leader. It stands for a tax system that is fair and simple, in the event you want to look at an alternative.

Ms. DELAURO. I think what is important to mention there, it also maintains that home mortgage deduction, again, which is so critical to families today. As I say, that is part of the American dream. I just wanted to point out, because I know the gentlewoman from Michigan, if you will, she is a technology maven, you know, and I don't want to put the cart before the horse. We need to move families and so forth to take advantage of technologies, the way our kids are going to get ahead and so forth.

I think it is interesting in terms of this sales tax here, in every family, kids are coming home today, "Why can't I have a computer? I would like a computer. Why don't have one? You know, Mary has one. Jessica has one. Freddie, what about us?"

Well, hold up the chart. I think it is important to note that chart. Family computer, today's price is almost $2,000. It would add an additional 30 percent, another $600, bringing the cost of a family computer to almost $2,600, you know, for the most part, trying to put it out of the reach for working families. They are trying to respond to their kids to allow their kids to get ahead.

It is wrong. This is not what we ought to do. Let us target our tax credits to working families, to small businesses, to small farmers. Let us take a look at that Tax Code. Let us make it simpler. Let us make it easier. These catchwords scrap the code. They are radical.

We are going to make it our mission here to continue to have these conversations so that the American public knows that they are being sold a pig in a poke. We are going to bring it to their attention so that they do not get fooled by this dangerous and extreme rhetoric.

Mr. Speaker, I think we will be up on our feet again on this issue.

TRAGIC U.S. POLICY IN RWANDA

The SPEAKER pro tempore (Mr. HULSHOF). Under a previous order of the House, the gentleman from Florida (Mr. MICA) is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I come before the House tonight to reflect on what we have seen on television and heard about, relating to the President of the United States' visit to Africa. I think all of us have witnessed the President as he has made his way across the African continent.

I read in this morning's Washington Post, and I know it was covered by other newspapers, an account of what the President said. And he was in Rwanda when he made this statement. He said, "We did not act quickly enough after the killing began." I believe he was talking to Rwandans.

I want to talk about that statement in a second. But President Clinton will not be going to Somalia on this trip. In Somalia, our President took a humanitarian mission initiated by President Bush, and turned it into a $3 billion disaster.

Remember, if you will, that President Clinton placed United States troops under United Nations command. Remember, if you will, that as Americans we watched in horror as our murdered troops were left under U.N. command, unable to defend themselves, were dragged through the streets of Mogadishu.

Today, Somalia has slipped back into chaos after this Clinton fiasco. We have to remember what took place in Africa and what the policies of this administration were. I protested the Clinton proposal for Somalia before that tragedy, time and time again, in the well and on the floor of this House.

Let me now turn to Rwanda. President Clinton, as I said in my opening statement, is quoted as saying, "We did not act quickly enough after the killing began." Pay particular attention to what the President said and what is printed in the newspapers.

Let me, if I may, as Paul Harvey says, tell you and repeat the rest of the story.

The President said we did not act quickly enough after the killing began. But what the President of the United States did not say to the world and to Africa is what we should now be remembering.

I saved the newspaper accounts of what the President said, because I was so stunned by the lack of action and actually the blocking of action by this administration, and brought them with me to the floor tonight. I saved them and had them blown up.

The Secretary General of the United Nations, Boutros-Ghali, begged President Clinton to allow an all-African U.N. force to go into Rwanda. Let me read what he said. This is what was in the newspaper.

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When last year's peace agreement collapsed on April 7th and fierce fighting broke out between Hutu and Tutsi, the United Nations cut its 2,700-member force in Rwanda back to a few hundred at the urging of the Clinton administration.

I spoke out then, and I have spoken out afterwards on the floor when we saw what was happening with this administration and this policy before 1 million Africans were slaughtered.

Let me, if I may, recall some of the statements that I made on this floor. I made one statement on this floor, and I will read it. Let me, if I may, trace the history of this tragedy. Let me also, if I may, trace the history of our failed policy.

On April 8th, a plane with the presidents of Rwanda, Burundi, and Tanzania, and 250 soldiers, was shot down. We know then the potential for violence, terror and mass killings.

On May 11th, the United States criticized a U.N. plan to send 5,500 multinational soldiers into Rwanda to protect refugees and assist relief workers. No U.S. troops would have been involved.

On May 16th, the U.S. forced the U.N. to delay plans to send 5,500 troops to end violence in Rwanda, an all-U.N. force.

So we see that the history of action and inaction by this administration, and history should so properly record it.
WELDON) is recognized for 60 minutes.

The SPEAKER pro tempore (Mr. HULSHOF). Under the Speaker's announced policy of January 7, 1997, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise tonight to discuss an issue that is not one of the front page stories nationally, but which really needs to be discussed in this body. I mean, that is the status of our national defense and our national security. It is an especially timely discussion tonight because we are about to take up for consideration both in this body and the other body a supplemental bill that will partially deal with the funds that we have been expending in Bosnia and in other parts of the world where our troops are currently deployed. But before I get into my overview, Mr. Speaker, let me respond to some of the discussions by my colleagues on the Republican side during the other side during the previous hour.

They attempted to portray the Republicans as being insensitive to the needs of working people, not caring about education, not caring about families, not caring about education, not caring about health care. In fact, nothing could be further from the truth, Mr. Speaker.

I take great pride in being a Member of Congress, a public school teacher in a suburban district next to Philadelphia, ran a chapter 1 program for economically and educationally deprived children, and I like my colleagues on the Republican side and on the Democrat side, cared desperately about the future of our young people.

We in the Republican Party simply have a fundamental difference with our Democrat colleagues. We think that the American people more of their hard-earned money to spend on their priorities is in fact the best way to allow us all to enjoy the liberties under this system that we are so blessed with.

In fact, following my presentation tonight, one of our colleagues, the gentleman from Iowa (Mr. GANSKE), will be doing an in-depth discussion of health care, and I think he will be raising some very provocative issues about our need to look at the way health care is being provided in this country.

So Republicans do care, Mr. Speaker, and Democrats do care. And I think for Members of Congress to get up and totally tear apart the other side, in fact, what it appears to be; it is just shallow rhetoric, it is political rhetoric designed to try to continue what happened in the last campaign cycle. We do not need that. With the difficult problems that this Nation has, we need to have intelligent discussion, debate, and deal with the real issues that face this country.

One of those issues, unfortunately, Mr. Speaker, that has not been getting much attention has been our national security. In fact, if we look at the record over the past 7 years, the only major area of the Federal budget that has in fact been cut in real terms is our defense portion of the budget. In fact, it has gone down for 13 consecutive years.

Now, many would argue that the world has changed, and since we are no longer in the Cold War where we are having to keep up with a very powerful Soviet Union, that reductions in defense spending are appropriate; and in fact, Mr. Speaker, I agree with that, and I have supported many of the reductions that we in fact have caused to occur over the past years.

For instance, for the past 3 years, I have been a Republican, as chairman of the Subcommittee on Military Research and Development, voting consistently against the B-2 bomber. It is not necessary, not technologically important, but I just do not think we can afford the B-2 bomber with the budget limitations we have and with the other problems that we have as a Nation.

But we need to look at the facts, Mr. Speaker, in terms of what has been happening with our defense posture, what the threats are, and where we are going to be at the beginning of the next century, because I think we are going to face a very perilous period of time.

First of all, let us make some comparisons. Now the people of America, my constituents back home in Pennsylvania, believe that we are spending too much on defense dollars today on defense than what we did in previous years. The facts just do not bear that out, Mr. Speaker. In fact, in the 1960s, and I picked this period of time because we were at relative peace, it was after Korea, but before Vietnam, the country was not at war. John Kennedy was the President. During that time period, we were spending 25 deployments of every Federal tax dollar sent to Washington on our military. We were spending 9 percent of our country's gross national product on defense. We were at peace.

Today, Mr. Speaker, we are spending 15 cents of the Federal tax dollars sent to Washington on the military, about 2.9 percent of our GNP. So, in fact, as a percentage of the total amount of money taken in by Washington, we have in fact dramatically cut the amount of that money going for national security.

But other things have changed during that time period that we have to look at. First of all, Mr. Speaker, back when John Kennedy was the President, we had the draft. Young people were sucked out of high school, they were paid far less than the minimum wage, and they were asked to serve the country for 2 years.

Today's military is all volunteer; we have no draft. Our young people are paid a decent wage. In fact, many of the troops that we are sending off to high school, college degrees, some have advanced degrees. So we have education costs. We have housing costs because many of our young people in the military today are married; so we have housing costs. We have education costs. Now the people of America, today on defense than what we did in previous years. The facts just do not bear that out, Mr. Speaker. In fact, in the 1960s, and I picked this period of time because we were at relative peace, it was after Korea, but before Vietnam, the country was not at war. John Kennedy was the President. During that time period, we were spending 25 deployments of every Federal tax dollar sent to Washington on our military. We were spending 9 percent of our country's gross national product on defense. We were at peace.

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Now, Mr. Speaker, that has a devastating impact on our ability to modernize our military equipment and to maintain the morale of our troops. Let me give an example.

The Bosnian operation, we were told, would only last for a matter of months, perhaps a year to 2 years at the most. By the end of the next fiscal year, the American taxpayers will have spent $9.4 billion on the Bosnia operation alone. In fact, Mr. Speaker, over the past 7 years, with those 25 deployments, we have spent on contingency operations around the world, none of which were budgeted for.

Now, someone might say, Mr. Speaker, well, that really does not matter. The military is getting paid anyway, why can they not do their training in these faraway places? Well, sometimes they can do some of that training, Mr. Speaker, but by and large, we cannot pay for the bulk of the support necessary to pay for our troops just out of the training accounts. It just does not work.

What is even more troubling is, as the President has deployed our troops at this rapidly escalating rate, he has not taken the time to get our allies to pay their fair share of the defense costs.

Now, let me give a comparison. George Bush deployed our troops to the Middle East in Desert Storm, a very expensive operation. But there was a fundamental difference, Mr. Speaker. In Desert Storm, leading up to that operation, President Bush interacted with the leaders of the world on a regular basis. He said to them, we will go in there and we will provide the support of our military in cooperation with an allied forces group, and we will provide the bulk of the sealift and the airlift. But, he said to our allies, not only must you provide the troops to go in with our troops, but you must pay for the operation.

Desert Storm cost $52 billion. America was reimbursed over $53 billion. So in terms of the cost, there was no negative impact on our budget process.

The $25 billion that we have spent on the 25 deployments since Desert Storm have not been paid for and shared by our allies. America has had to pay that bill itself, and all of that funding has come out of defense budgets, none of which was planned for.

What can we do about it? That means we have slipped programs to the outside. It means we have not bought new helicopters to replace old ones. We wonder why we are having helicopter accidents today. In fact, Mr. Speaker, we are going to be flying helicopters built during the Vietnam War that will be 45 years old before they are retired, because to pay for those deployments, we have had to stretch out the replacement buys that will allow those helicopters to be retired.

There is one more factor we have to look at, Mr. Speaker. That is the fastest growing portion of the defense budget, the fastest growing portion of the defense budget, in a very quickly shrinking budget, is not for new weapons systems, it is not for salary increases or the troops, but it is for the DOD money for what we call environmental mitigation.

I take great pride in my environmental voting record, Mr. Speaker, as a Republican, and will continue that record as long as I am in this body. But Mr. Speaker, we have given the DOD the money for the cleanup of those nuclear subbases. But Mr. Speaker, we have gone to the Department of Defense and we have said to the President, we have gone to the President, we have gone to the Congress, Mr. Speaker, is that this administration has not gotten support from our allies to be involved and to pay their fair share.

When this body went on record and voted on whether or not to support the President’s decision to go into Bosnia, the bulk of our colleagues that I talked to were not against going into Bosnia. They were saying, Mr. Speaker, the United States was putting 36,000 young Americans in that part of the world when the Germans, right next door to Bosnia, were only committing 4,000 troops. Our colleagues and I say, what is going on here? Next door to Germany, why should not Germany be committing more of its troops, and why should not the European nations be paying more of the cost of the Bosnian operation?

In fact, Mr. Speaker, my understanding is that in the case of some of the Scandinavian militaries, we actually agreed to pay some of their housing costs to get their troops to be part of this multinational force.

The same thing has occurred in Haiti. Our troops are still in Haiti, still maintaining the peace, when we were told they would only be there for a few months at the longest period of time. Then Haiti the President has said to the Congress, I have gotten other nations to come in with America. He is right. But, Mr. Speaker, what he has not told the American people is that to get those countries to come in, he actually has had American DOD dollars pay for the salaries, the housing costs, and the food for those foreign troops. The Bangladeshi military has sent 1,000 troops into Haiti to help out. Why? Partially because American tax dollars have paid for those troops to come into Haiti.

The point is one, I think, Mr. Speaker, that points up the fact of the problem of our defense budget. In a period where we have cut defense spending dramatically because the threats have decreased, we have, in fact, Mr. Speaker, increased deployments and not released our allies to share that burden. It has caused us to face a crisis right now in the military.
some of that money that has been
about whether or not we replenish
next week on the floor of the House
gress. It is because of the actions of
need to close more bases, but this ad-
will go back to the way base closings
culated that process. Now we do not have
fooled again. This President took a
We were fooled once, and we will not be
they do not trust this administration.

did do, Mr. Speaker, was that he soured
's conclusion today, but what the President
pus on Bosnia into the DOD budget. I
spent on Bosnia into the DOD budget. I
think that is the only thing we can do.
We have had a budget agreement that
has been very tight. We set caps on de-
sense, and we have now vio-
those caps.
The President did not go in and take
money out of that defense budget, we
did not raise the caps. It was the Presi-
dent himself that deployed these troops
to exotic places around the world,
many of which I supported, and did not
do not allow a proposal to pay for them.
therefore, our defense budget was unilater-
ly cut.
What we want the supplemental to
do, what I want the supplemental to
is to restate some of that money,
less than $2 billion, to those defense ac-
counts that have been decimated by
over $9 billion just for Bosnia alone,
and $15 billion for all of our contin-
gency operations over the past 7 years.
I think that is the right thing to do for
our troops, and the right thing to do for
our military.
Let me get on to the next point I
wanted to make, Mr. Speaker: that is,
the President lulling us into a false
sense of security. The President is the
Commander in Chief. When my con-
counterparts in the White House listen
to the President give a speech, they
know he is also the Commander in
Chief, and he knows what the threats
are in the world. But let me talk about
some of those threats. Let me talk
about the potential use of the buggy
pulpit to convey to the American peo-
ple a false sense that there are no
longer threats in the world.
As I said earlier, I am the first to
admit it, this is a changed world. The Cold
War is over. But does that mean Russia
is no longer a threat? Mr. Speaker, I do
a significant amount of work with Rus-
ia. I formed and chair the initiative
with their Duma. I have been to Russia
14 times, four times in the last year.
My understanding is in Russian
studies. I know the language, and I am
working right now on a number of posi-
tive programs to help stabilize Russia.
I do not see Russia as an evil empire,
Mr. Speaker. But let me say this: Rus-
sia is more destabilized today than at
any time in the last 50 years. We
need to understand that, not from fear of
having Russia mount an all-out attack
on America. I do not believe that is in
any way, shape, or form what Boris
Yeltsin or any other leader would want
to do. We are dealing with a Russian
leader who is interested in making our
country a partner in the global commu-
ity, which means that Russian military
is being decimated. The gen-
erals and admirals who were the key
leaders in the Soviet military have
been forced out of their positions with
no pensions, with inadequate housing,
in most cases.
In many cases, as General Lebed
tested before my subcommittee last
week here in Washington, and as he has
told me on two other visits in Moscow
and Washington, they have now had to
ger to criminal activities to take care
of their families.
So these generals and admiral, who
know where all the technology is in
Russia, who know where the nuclear
materials are in Russia, are now re-
sorting to selling those materials on
the black market because they feel be-
trayed by the motherland. We are see-
ing technology transfer occur at a rate
that we have not seen in the past
50 years.
This is not being fostered by Boris
Yeltsin, it is occurring because of in-
stability in Russia, because of Russian
military officers who feel betrayed by
their country. In addition to that, Mr.
Speaker, Russia's demise of their con-
ventional military has caused them to
be more reliant on their offensive,
long-range strategic missiles.
President Clinton worked on a speech
three times in this well and 190 times
in America where he has said some-
thing like this. He has looked in the
camera and said, you can all sleep well
tonight because, for the first time in 50
years, there are now not the ICBMs pointed
America's children.
As the Commander in Chief, Mr.
Speaker, he knows we have no way of
verifying that. The Russians will not
allow us to have access to their target-
ning, just as we will not allow them to
have access to ours. But he also knows,
Mr. Speaker, you can retarget an ICBM
in 15 to 30 seconds. In addition, Mr.
Speaker, he knows that China today
has 18 ICBM's that have a range of
30,000 kilometers, that are aimed at
American cities that can launch at any
city in America.
But let us look beyond that, Mr.
Speaker. Let us look at whether or not
there is a potential for an incident to
occur that would threaten American
military bases or the American people.
In January, 1995, Norway announces
to Russia in a written communication
that there are going to be multi-
weather rocket from an island off
the coast of Norway. It is a courtesy to
notify a neighboring country. The date
of the launch comes about, and Norway
launches this multi-stage weather
rocket. Russian intelligence, with sys-
tems that are not being properly main-
tained, sees this multi-stage rocket
taking off and makes it for an Amer-
can multi-stage ICBM coming from
one of our submarines at sea.
A Russian security system puts the
system in Russia on a full alert, which
means that they activate the black
boxes, the cheggets, that control the
Russian nuclear arsenal which are in
the hands of Boris Yeltsin, at that time
the minister, and General Kolesnikov,
the chief of the command staff, which meant
that Russia had 15 minutes within which
was the time period allocated to call
off a nuclear response against America
to a weather rocket that they had been
forewarned of by Norway.
Mr. Speaker, this is not a Stephen
Spielberg science fiction movie, this is
what occurred. The Russians have acknowledged this. In fact, Boris Yeltsin's explanation was that it was a good test of their system; that with 7 minutes left, he overruled Kolesnikov and Grachev and called off the response.

Mr. Speaker, that is the threat. The threat is from an accidental launch. The threat is from a rogue Nation getting a capability that threatens our troops, our allies, and our people. That is why we need to continue to focus on national security. Not because Russia is the "evil empire," because they are not. Not because China is coming after us, because they are not. But because there are risks in the world today that I would argue are greater than what they have been for the past 50 years, mainly because of the lack of cohesion inside of Russia and with the Russian Government and military.

Another example, Mr. Speaker, last May I was in Moscow, and among the meetings that I had were with the senior leaders of the Duma, including the Deputy Defense Minister; the Minister of Natural Resources, Orlov; the Minister of Atomic Energy, Mikhaylov; and Boris Nemtsov, the Deputy Prime Minister.

I met again with General Lebed. And as you know, General Lebed is a four-star general. He is the individual credited with ending two wars that Russia was involved in: the war in Moldavia and the war in Chechnya. Lebed himself ended both of those conflicts. He ran for the presidency against Yeltsin, and Yeltsin was so fearful of his candidacy that he enticed him to leave the race to come work for him as one of his top advisors.

Many give General Lebed the credit for allowing Yeltsin to win the last election, because if Lebed had stayed in the race he would have drawn enough votes away from Yeltsin that the Communist Zyuganov would have won the presidential election in Russia at the same time the Communist Party was winning 165 seats in the State Duma.

General Lebed, in our meeting last May, a private meeting with six Members of Congress, was talking to us about the security of Russian nuclear weapons. He was talking to us about decommissioned submarines, nuclear powered submarines sitting in dry-dock with no solutions in sight to deal with that nuclear waste and those contaminated products.

He gave us a number of examples of Russian retired generals getting into mafia-type operations, selling equipment, hardware, and even the potential of selling nuclear materials. But then he talked about one specific incident. He said in response to a question I asked him about nuclear devices, whether or not Russia had any small nuclear devices, he said, "Let me tell you a story. When I was the secretary of the Defense Council for President Yeltsin, one of my assignments was to account for 132 suitcase-sized nuclear bombs. These are devices that could be carried by two people, each with the capacity of approximately 1 kiloton, which is about one-tenth the size of the Hiroshima bomb.

He said Russia built 132 of these. "I was given the assignment to account for them." He said, "My people could only find 48." We said, "General, where did the other 84 go?" He said, "I have no idea." He said, "They could be safe. They could be secure. We do not know where they are. They could be in someone else's hands. They could be on the border. They could be in the former Soviet States. I just do not know."

Mr. Speaker, I came back from that trip. There was no press in place. This was not an attempt, as the Russian Government would later say, by Lebed to get some headlines. There was no press. They said, "Can we interview you?" I said yes. They interviewed me and went to Moscow and interviewed General Lebed. And the first story in September of last year by "60 Minutes" contacted me in August when they read my trip report, which became a part of the CONGRESSIONAL RECORD, and they said, "Congressman, did the general really say this?" And I said yes. They interviewed me.

"60 Minutes" contacted me in August when they read my trip report, which became a part of the CONGRESSIONAL RECORD, and they said, "Congressman, did the general really say this?" And I said yes. They interviewed me and went to Moscow and interviewed General Lebed. And the first story in September of last year by "60 Minutes" was General Lebed repeating what he told me in New York that these devices were not secure. Our intelligence just did not know the answer to that question.

Now, the Russians trashed General Lebed. They called him a traitor. They said he did not know what he was talking about, this general had no idea of whether or not Russia ever built nuclear devices. And many of the senior officials from Russia denied that Russia ever built devices that were not secure. Our intelligence just did not know the answer to that question.

Congressman, we did build these devices. He said, "Congressman, did the general really say this?" And I said yes. They interviewed me and went to Moscow and interviewed General Lebed. And the first story in September of last year by "60 Minutes" was General Lebed repeating what he told me in New York that these devices were not secure. Our intelligence just did not know the answer to that question.

So in October, I invited one of my Russian scientific friends to come to Washington, Alan Yablokov. Dr. Yablokov is one of the most world-renowned environmental leaders in Russia. He is an ecologist. Dr. Yablokov came. He is a member of the Academy of Sciences in Moscow. He came to Washington and testified before my committee. He presented a public record that he knew that General Lebed was telling the truth. Russia built these devices, and he knew scientists who were his colleagues who worked with Lebed on these devices and who told him that some of them were built for the KGB, and that it was imperative for Russia to find and locate and destroy these nuclear suitcase devices.

Yablokov was called a traitor back in Moscow. The media trashed him. They said he was no good. Yablokov defended his honor. The story was a major story all over Russia. In fact, the Defense Minister called Yablokov into the Kremlin, and working with him, said they would issue a decree, a presidential decree to account for any of these devices that may have been built which they denied had been built earlier.

Mr. Speaker, I was again in Moscow in December, and on that trip I met for an hour and a half with the Defense Minister of Russia, General Sergeyev. In his office I again asked him about these small nuclear devices. He said, "Congressman, we did build these devices. In fact, we built several types of them, as your country did. We know that have you destroyed all of your small nuclear devices. We still have aperture long-range rockets that were being shipped to Iraq.

Three times the CIA caught Russia transferring sets of guidance systems to Iraq. One hundred twenty sets of these guidance systems, Mr. Speaker, have been exported from Russia to the United States, to improve the accuracy of their Scud missiles which killed our 27 Americans 7 years ago.

One time did this administration impose sanctions as required under the treaty between the U.S. and Russia called the Missile Technology Control Regime, which requires sanctions when a nation or an entity is caught selling material that is covered by that treaty. In fact, we caught Russian institutes and individuals transferring technologies to rogue nations. Two years ago, we caught Russian institutes and individuals transferring technologies to rogue nations. Two years ago, we caught Russian institutes and individuals transferring technologies to rogue nations.

The point I am making is that because of the instability in Russia, many individuals and entities are looking to sell off technologies and products to rogue nations. Two years ago, we caught Russian institutes and individuals transferring technologies to rogue nations.

Now, why do I tell this story, Mr. Speaker? I tell this story because to create the impression that all is stable in Russia, that Russia is exactly on track, is exactly the wrong notion to be stating to the American people. We do not need to scare the American people, but we need to be honest with them, candid with them, and the same thing applies with Russia itself.

Because of the instability in Russia, many individuals and entities are looking to sell off technologies and products to rogue nations. Two years ago, we caught Russian institutes and individuals transferring technologies to rogue nations.

This past summer, the Israelis came to America and they said, we have evidence that Russia is working with Iran to allow Iran to build medium-range missiles that we cannot defend against. Initially the administration raised caution because that kind of intelligence information they did not want out. When the truth was done, we found out exactly what happened, and that in fact was Russian entities involved with the Russian space
agency had been transferring technology to Iran to allow Iran to build a medium-range missile partly based on the Russian SS-4 missile.

What does this mean, Mr. Speaker? This means that within 12 months, Iran will have a medium-range missile. Iran can hit any one of 25,000 American troops that this President today has deployed in Bosnia, in other regions around the Middle East, Somalia, Macedonia, because of the capability of those missiles. It also means that Iran will be able to hit, from its homeland, Israel directly with a medium-range missile.

It means that Iran is working, as well as Iraq, on developing medium-range missile capabilities that is going to destabilize that part of the world. And the horror story here, Mr. Speaker, is we will have no system in place to defend Israel against those missiles when they are deployed.

Now, some say, have we the Patriot system. It was great during Desert Storm. The Patriot system was not designed to take out missiles. It was built as a system to shoot down air planes. When the risk of Saddam’s Scud missiles appeared in Desert Storm, Raymond Corporation was able to heat up that Patriot system to give us some capability to take out low-complexity Scud missiles. But our military has acknowledged publicly that during Desert Storm, the Patriot system was only 40 percent effective, which meant that 60 percent of the time we could not take out those Scud missiles. And even when we did hit the Scud missile, we were not hitting the warhead where a chemical or biological weapon would be. We were hitting the tail section, so that the debris would actually land on the people and still do the devastating damage of the bomb or the weapon of mass destruction and have its impact on the people whom it was intended to hurt.

In fact we had our largest loss of life of American troops in this decade in Dhahran, Saudi Arabia, when that low-complexity Scud missile went into that barracks. The point reinforces my notion, Mr. Speaker. While we need to continue to control the amount of defense spending, we need to be prepared for what is happening in the world today. China is spending a larger and larger amount of its money, as North Korea has now deployed a medium-range missile that we thought we would not see for 5 years. It is called the No Dong. It now threatens all of Japan. It threatens South Korea, and potentially troops in that theater, and they are working on a longer-range missile that eventually will be able to hit Alaska and Hawaii.

The point is that as much as we want to spend more and more money on domestic programs, we cannot do that by sacrificing the strong deterrent that a strong military provides. The reason we have a strong military is not just to fight wars. It is to deter aggression. There has never been a nation that has fallen because it is too strong. And while we do not want to be the bully of the world, we need to understand that strength in our military systems deters regional aggression. And regional aggression is what leads to larger confrontations and eventually world war.

Here is the Speaker, of the budget projections from 1991 to 2001. The blue bar graph is mandatory outlays. They are going to increase by 35 percent during that 10-year period. The green bar graph is discretionary. They are going to increase by 15 percent during the 10-year period. The red bar graph is defense spending. It is decreasing by 35 percent during that 10-year time period.

We need to be careful, Mr. Speaker, that we do not approach a similar situation to what occurred in the 1970s, because if we allow our military to not modernize, to not provide the support for the morale of the troops, we could begin to see a decay that we will not be able to repair.

Now, why is all of this important and why do I discuss it today? Because the budget problems that I outlined at the beginning of my special order are going to be exacerbated after the turn of the century. This administration has postponed all modernization in our military and, therefore, everything has been slid until the next administration comes into office. This administration looks great. They have been able to balance the budget, they have been able to say they have cut Federal spending. They have only cut defense. That is the only area of the Federal Government where we have had real decline in real terms.

But in the process of doing that, they have postponed decisions for new systems until the next century. In the year 2000 and beyond, these are the systems that are needed and scheduled by this administration to go into full production: the V-22 for the Marine Corps; the Comanche for the Army; the F-22 for the Air Force; the F/A-18E and F for the Navy; the Joint Strike Fighter for the Navy, Air Force, and Marine Corps; a new aircraft carrier; new destroyers.

The Army after next, an information-controlled Army: missile defense, theater missile defense, national missile defense. All of these programs, Mr. Speaker, are coming on line at the beginning of the next century and none of them can be paid for because of what we are doing to the defense budget today.

Now, what have I proposed? I have told the administration, cut more programs. If you are not going to cut environmental costs, if you are not going to reduce deployments, if you cannot close more bases, and if you are not going to give us the money for defense, then cancel more programs.

I voted to cancel the B-2, and the President kept the line open one more year during his election year in spite of the fact that we should have canceled it and saved that money. And I told the administration, cancel one of the tactical aviation programs. We cannot build three new TACAIR programs. This year we are spending $2.7 billion on tactical aviation that is buying new fighter planes.

The current plans of this administration in building the F-22, the Joint Strike Fighter, and the F/A-18E and F, the GAO and CBO estimate in 10 years would cost us between 14 and 16 billion dollars a year. And the next President is going to get—he is not going to be here. Where does he think the next President is going to get an increase of $10 to $12 billion just for tactical fighters alone? It is not going to happen, Mr. Speaker.

That is why I am predicting a major train wreck, a train wreck that could jeopardize security of this country. We have got to be realistic about what the threats are. We have got to be realistic about what our needs are. We have got to be realistic about the way that we prioritize spending. We have got to be honest with the American people. And we have not done this.

This administration in the State of the Union speech two months ago mentioned national security out of an 80-minute speech in two sentences. Yet the President is quick to deploy our troops around the world, but does not want to fund the dollars to support those very troops and modernize them.

Something has got to give, Mr. Speaker. And I hope this special order tonight will make our colleagues, will make this city, and will make this country understand the dilemma we are facing. I am not here to advocate massive increases in defense spending. I am here to say help us control the amount of money we are currently putting forth, cut where we can, be realistic about what the threats are, and be honest about what our needs are in the 21st century. Because if we do not do that, I think the prospects for the long-term security of this country and the free world get dimmer and dimmer.

HMO CARE

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 7, 1997, the gentleman from Iowa (Mr. Ganske) is recognized for 60 minutes.

Mr. GANSKE. Mr. Speaker, 2 years ago I met a woman who killed a man. I did not meet her in prison. She was not on parole. She had never even been investigated by the police. In fact, for causing the death of a man, she received congratulations from her colleagues and she moved up the corporate ladder. This woman, Dr. Linda Peeno, was working as a medical reviewer at an HMO.

Before the Committee on Commerce on May 30, 1996, she confessed that her decision as an HMO reviewer to deny payment for a life-saving operation led to the preventable
death of a man she had never seen. Dr. Peeno then exposed the ways that HMOs denied payment for health services. To show how plans draft contract language to restrict access to benefits. She showed how HMOs cherry-pick healthy patients. She showed how HMOs use medical necessity denials to deny necessary medical care.

Dr. Peeno also told Congress about the most powerful weapon in an HMO’s arsenal to hold down costs. HMOs generally agree to cover all services that are deemed medically necessary. But because that decision is made by HMO bureaucrats, not by the treating physician, Dr. Peeno called it the “smart bomb” of cost containment.

Hailed initially as a great breakthrough in holding down health costs, the painful consequences of the managed care revolution are being revealed. Stories from the inside, like those told by Dr. Peeno, are shaking the public’s confidence in managed care. And about printed ads that do not allow their subscribers a choice of doctors or interfere with their doctors practicing good medicine.

Here in Washington one ad says, “We don’t put unreasonable restrictions on our doctors. We don’t tell them that they cannot send you to a specialist.” This Chicago Blue Cross ad proclaims, “We want to be your health plan, not your doctor.” In Baltimore, the Preferred Health Network ad states, “At your average health plan, cost controls are regulated by administrators. APHN doctors are responsible for controlling costs.”

This goes to prove that even HMOs know that there are more than a few rotten apples in the barrel. The HMO industry has earned a reputation with the public that is so bad that only to- bacco companies are held in lower esteem. Let me cite a few statistics.

A national survey shows that far more Americans have a negative view of managed care than a positive view. By more than 2-to-1, Americans support more government regulation of HMOs. The survey shows that only 44 percent of Americans think managed care is a good idea. Do my colleagues want proof? Well, recently I saw the movie “As Good As It Gets.” When Academy Award winner Helen Hunt expressed an expletive, it was far by the biggest applause line of the movie. No doubt the audience’s reaction has been fueled by dozens of articles and news stories highly critical of managed care and also by real-life experiences.

In 1997, the Des Moines Register ran an op-ed piece entitled “The Chilly Bedside Manner of HMOs” by Robert Reno, a Newsweek writer. Citing a study on the end-of-life care, he wrote, “This would seem to prove the popular suspicion that HMO operators are heartless swine.”

The New York Post ran a week-long series on managed care; headlines included, “HMOs Leave Her Dying for the Doc She Needs.”

Another headline blared out, “Ex-New Yorker Is Told, Get Castrated. In Order To Save.” Or this one: “What His Parents Didn’t Know About HMOs May Have Killed Baby.” Or how about the 29-year-old cancer patient whose HMO would not pay for his treatments? Instead, the HMO case manager told the patient to “hold a fund-raiser,” a fund-raiser.

Mr. Speaker, I certainly hope that campaign finance reform will not stymie this man’s chance to get his cancer treatment.

To save money, some HMOs have erected increasingly steep barriers to proper medical care. These include complex utilization preview processes that are so inaccurate and stingy about approving care, medical directors willing to play fast and loose with the term “medically necessary.”

Consumers who disagree with these decisions are forced to work their way through Byzantine appeal processes that usually excel at complexity, but generally fall short of fairness; and these appeals, unfortunately, Mr. Speaker, can last longer than the patient. The public understands the kind of barriers they face in getting needed care.

Republican pollster Frank Luntz recently held a focus group in Maryland. Here is what some consumers said. One participant complained, “I have a new doctor every year.” Another said she is afraid that if something major happened “I wouldn’t be covered.” A third attendee griped that he had to take off work twice because the plan requires patients to see the primary care doctor before they can see a specialist. Those fears are vividly reflected in editorial page cartoons. Here is one that reflects what the focus group was talking about. It shows a woman working in a cubicle in a claims department of an HMO. In talking with the customer, she remarks, “No, we don’t authorize that specialist. No, we don’t cover that operation. No, we don’t pay for that medication. No, we don’t consider this assisted suicide.” These HMO rules create an ethical dilemma.

A California woman had a patient who needed emergency treatment because of fluid buildup in her lungs. Under the rules of the patient’s plan, the service would come at a hefty cost to the patient. She told the doctor that she could not have the treatment because she did not have the money. However, if she was admitted to the hospital, she would have no charges. So her doctor bent the rules. He admitted her and then he immediately discharged her.

Now, Mr. Speaker, are HMOs now forcing doctors to lie for their patients? HMOs have pared back benefits to the point of forcing Congress to get into the business of making medical decisions. Take, for example, the up-roar over the so-called drive-through deliveries.

This cartoon shows that some folks thought health plans were turning their maternity wards into fast food restaurants. A woman is handed her new child, the gate keeper at the drive-through window asks, “Would you like fries with that?”

Well, in a case that is not so funny, in 1997 Michelle and Steve Bauman testified before the Senate about their daughter, Michelina, who died two days after she was born. Their words were powerful and eloquent. Let me quote from Michelle and Steve’s statement.

Baby Michelina and her mother were sent home 28 hours after delivery. This was not enough time for doctors to discover that Michelina was born with streptococcus, a common and treatable condition. Had she remained in the hospital an additional 24 hours, her symptoms would have surfaced and professional staff would have taken the proper steps so that we could have planned a chrestening rather than a funeral. Her death certificate listed the cause of death as meningitis. "We want to be your health plan, not your doctor." Michelle and Steve went on to say, “We have a system.”

In the face of scathing media criticism and public outrage, health plans insisted that nothing was wrong, that most plans allowed women to stay at least 48 hours and that babies discharged the day of delivery were just as healthy as others.

Mr. Speaker, that line of defense sounds a lot like the man who was sued for causing an auto accident. “Your Honor, he says, I was not in the car that night. But even if I was, the other guy was speeding and swerved into my lane.” □ 2245

For expectant parents, however, the bottom line was fear and confusion. There is nothing more important to a couple than the health and safety of their child. Because managed care failed to condemn drive-through deliveries, all of us are left to wonder whether our plans place profits ahead of care. The drive-through delivery issue is hardly the only example of the managed care industry fighting to destroy consumer protection legislation. What makes this strategy so curious is that most plans had already taken steps to guarantee new moms and infants 2 days in the hospital. Sure, there were some fly-by-night plans that might have been unprepared, but most responsible plans had already reacted to the issue by guaranteeing longer lengths of stay. The HMOs’ efforts to reassure the public that responsible plans do not force new mothers and babies out of the hospital after less than 24 hours, however, were completely undermined by their opposition to a law ensuring this protection to all Americans. That was a missed
opportunity for the responsible HMOs to get out front, to proactively work for legislation that reflected the way they already operated. Not only would it have improved managed care’s public image, but it would have given them some credibility.

Why then did managed care oppose legislation on this issue? Because the HMO industry is Chicken Little. Every time Congress or the States propose some regulation of the industry, they cry, “Fire, fire, the sky is falling!” I would suggest that by endorsing some common sense patient protections, managed care would be more believable when they oppose other legislation.

Mr. Speaker, today’s managed care market is highly competitive. Strong market rivalry can be good for consumers. When one airline cuts fares, others generally match the lower prices. In health care when one plan offers improved preventive care or expanded coverage, other market participants may follow suit. But the competitive nature of the market also poses a danger for consumers. In an effort to bolster profits, plans may deny coverage of care medically necessary, or they may gag their doctors to cut costs. Some health plans have used gag rules to keep their subscribers from getting care that may save their lives.

During congressional hearings, 2 years ago, the testimonies from Alan DeMeurers who lost his wife Christy to breast cancer. They are picked here with their children. When a specialist at UCLA recommended that Christy undergo bone marrow transplant surgery, her HMO leaned on UCLA to change its medical opinion. Who knows whether Christy would be with her two children today had her HMO not interfered with her doctor-patient relationship. HMO gag rules have even made their way onto the editorial pages. Here is one such cartoon. A doctor sits across the desk from a patient and remarks, “I’ll have to check my contract before I answer that.” Dr. Michael Haugh is a real life example of this problem. He testified before the Committee on Commerce and told how one of his patients was suffering from severe headaches. He asked her HMO to get out front, to proactively work for legislation that reflected the way they already operated. Not only would it have improved managed care’s public image, but it would have given them some credibility.

The HMO industry is fighting legislation, if there is to be any at all, to demonstrate why Congress needs to insist on even higher standards of behavior within our industry and we are more than willing to see laws enacted to ensure that result.” Let me repeat that, “We are more than willing to see laws enacted to ensure that result.”

One of the most important pieces of their 18-point agenda is a requirement that plans use a lay person’s definition of emergency. Too often health plans have refused to pay for care that was delivered in an emergency room. The American Heart Association tells us that if we have crushing chest pain, we should go immediately to the emergency room because this could be a warning sign of heart disease. But sometimes HMOs refuse to pay if the patient tests normal. If the HMO only pays when the tests are positive, I guarantee you, Mr. Speaker, people will delay getting proper treatment for fear of a big bill and they could die if they delay diagnosis or treatment.

Another excuse HMOs use to deny payment for ER care is the patient’s failure to get preauthorization. This cartoon vividly makes the point.

Kuddycare HMO. My name is Bambi. How may I help you?

You’re at the emergency room and your husband needs approval for treatment?

Gaspning, writhing, eyes rolled back in his head? Doesn’t sound all that serious to me.

Clutching his throat? Turning purple? Um-huh. Have you tried an inhaler?

He’s dead? Well, then he certainly doesn’t need treatment, does he?

Gee, people are always trying to rip us off.

Does this cartoon seem too harsh? Ask Jacqueline Lee. In the summer of 1996, she was hiking in the Shenandoah Mountains when she fell off a 40-foot cliff, fracturing her skull, her arm and her pelvis. She was airlifted to a local hospital and treated. You will not believe this. Her HMO refused to pay for the services because she failed to get preauthorization. I ask you, what was she supposed to do with broken bones lying at the base of the cliff? Call her HMO for preauthorization? I am sad to say that despite strong public support to correct problems like these, managed care regulation still seems stalled.

The chief executive officer of Health Insurance Plan, Mr. Morley, once said, “Nevertheless, we intend to insist on even higher standards of behavior within our industry and we are more than willing to see laws enacted to ensure that result.”
Other critics worship at the altar of the free market and insist its invisible hand can cure the ills of managed care. As a strong supporter of the free market, I wish we could rely on Adam Smith's invisible hand to steer plans into offering the services consumers want. And while historically State insurance commissions have done an excellent job of monitoring the performance of health plans, Federal law puts most HMOs beyond the reach of State regulations. Let me repeat that, Federal law puts most HMOs beyond the reach of State regulations. How is this possible? More than two decades ago, Congress passed the Employee Retirement Income Security Act, which I will refer to as ERISA, to provide some uniformity for pension plans in dealing with different State laws. Health plans were included in ERISA, almost as an afterthought. The result has been a gaping regulatory loophole for self-insured plans under ERISA. Even more alarming is the fact that this lack of effective regulation is coupled with an immunity from liability for negligent actions. Mr. Speaker, personal responsibility has been a watchword for this Republican Congress. This issue is no different. I have worked with the gentleman from Georgia (Mr. Norwood) and others to pass legislation that would make health plans responsible for their conduct. Health plans that recklessly deny needed medical service should be made to answer for their conduct. Laws that shield them from their responsibility only encourage HMOs to cut corners.

Take this cartoon, for instance. With no threat of a suit for medical malpractice, an HMO bean counter stands elbow to elbow with the doctor in the operating room. When the doctor calls for a scalpel, the bean counter says, "pocket knife." When the doctor asks for a suture, the bean counter says, "Band-Aid." When the doctor says, "Let's get him to the intensive care unit," the bean counter says, "Call a cab." Texas has responded to HMO abuses by passing legislation that would make ERISA plans accountable for improper denials of care. But that law is being challenged in court and a Federal standard is needed to protect all consumers. The lack of legal redress for an ERISA plan's act of medical malpractice is hardly its only shortcoming. Let me describe a few of ERISA's other weaknesses.

ERISA does not impose any quality assurance plan. There are no other standards for utilization review. Except as provided in Kassebaum-Kennedy, ERISA does not prevent plans from changing, reducing or terminating benefits. With a few exceptions, ERISA does not regulate a plan's design or content, such as coverage of cancer treatment or services. ERISA does not specify any requirements for maintaining plan solvency.ERISA does not provide the standards that a State insurance commissioner would.

It seems to me that we can take one of three approaches in reforming the way health plans are regulated by ERISA. The first would be to do nothing, but I think I have already demonstrated why that is not acceptable. The second option would be to ask the States to reassume the responsibility of regulating these plans. This was the traditional role of the States, but they continue to supervise other parts of the health insurance market. But I will tell you why that will not work. Turning regulation of ERISA plans over to the States will be fought tooth and nail by big business and by HMOs, and it will not happen. That leaves only one viable option: some minimal reasonable Federal consumer health protections for patients enrolled in ERISA plans.

Now there are many proposals on the table, including the Patient Access to Responsible Care Act, the Patients' Bill of Rights, the 18-point agenda released by Kaiser HIP and AARP, the various versions of the other Federal regulations. Whether or not any of these are to be drafted, Congress created the ERISA loophole and Congress should fix it.

Now, defenders of the status quo sometimes say that making plans subject to increased State or Federal regulations is not the answer. They insist that like any other consumer good, managed care will respond to the demands of the market. I would note that other industries are liable for their acts of misconduct.

So the shield from liability provided by ERISA by itself distorts the health care market. It differs from a traditional market in other ways as well. For example, the person consuming health care is generally not paying for it. Most Americans get their health care from their employers and pay a flat monthly fee for taking care of a capitated basis. This means that plans are paid a monthly fee for taking care of you. This translates to the less they spend on medical services, the more profit they will take. So the employer's focus on the cost of the plan may draw the HMO's attention away from the employee's desire for a decent health plan.

As Stan Evans noted in Human Events, many HMOs operate on a capitated basis. This means that plans are paid a flat monthly fee for taking care of you. This translates to the less they spend on medical services, the more profit they will take. So the employer's focus on the cost of the plan may draw the HMO's attention away from the employee's desire for a decent health plan.

Now, how many markets function on the premise of succeeding by giving consumers less of what they want? Take a look at this cartoon which illustrates perfectly the problem of health care functioning on the bottom line. The patient is in traction. This is the HMO bedside manner. And the doctor standing next to him says, "After consulting my colleagues in accounting we have concluded you are well enough not to spend as much." Are HMOs paying attention to their patients' health or to their stockholders' portfolios?

Stan Evans again hit the nail on the head when he noted:

Paid a fixed amount of money per patient regardless of the care delivered, HMOs have a powerful motive to deliver a minimum of treatment. Care denial is the best means of hospitals as fast as possible, blocking access to specialists and the like are not mistakes or aberrations. They stem directly from the nature of the set-up in which HMOs make more money by delivering less care, thus pitting the financial interests of the provider against the medical interests of the patient. This comment raises an important issue. Presented with tragedies like those of the Baumans or Mrs. DeMeurers, managed care defenders argue those are just anecdotes. What Mr. Evans points out is that cases like these are not mistakes or aberrations or anecdotes. They are exactly the outcomes we would expect in a system that rewards those who under treat patients.

But even if we were to put aside all these arguments and assume that health insurance was a free market, there is still a need for legislation to guard patients from abuses. The notion that competition in the health insurance market now means quiting your job if you do not like your HMO. There is not a free market when consumers cannot switch to a different health plan.

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The second option would be to ask Congress to fix it. Federal laws ensure that cars have mum safety standards. You do not buy a car and phone service to rural areas and poor city neighborhoods is just not profitable, just as the private market brands cancer patients as "uninsurables."

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Think for a moment about buying a car. Federal laws ensure that cars have horns and brakes and headlights. Yet despite these minimum standards, we do not have a nationalized auto industry. Instead, consumers have lots of choices. But they know that whatever car they buy will meet certain minimum safety standards. They do buy safety a la carte.

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The same notion of basic protections and standards should apply to health plans. Consumer protections will not lead to socialized medicine any more than requiring seat belts has led to a nationalized auto industry. In a free market, these minimum standards set a level playing field that allows competition to flourish.

Critics of regulating managed care also complain that new regulations will drive up the costs of health insurance. In criticizing the Patient Access
to Responsible Care Act, they cite a study showing that certain provisions could increase health insurance premiums from 3 to 90 percent. Three to 90 percent. I mean, that is a joke. Such a wide range is meaningless. It must be an accountant’s way of saying I do not know.

Other studies have said that costs may go up slightly, but nothing near the doomsday figures suggested by opponents of this legislation. A study by the accounting firm Muse and Associates shows that premiums will increase between seven-tenths of 1 percent and 2.6 percent if the Patient Access to Responsible Care Act is enacted.

And do not let the HMOs tell you that the rising premiums we are seeing this year are the result of Federal legislation. HMOs have been charging below-cost premiums for a long time. As a result, we are now seeing premium increases long before passage of any Federal consumer protection legislation.

And keep in mind also the shareholder’s philosophy of making money can come into conflict with the patient’s philosophy of wanting good medical care. To save money, many plans have nonproprietary reviewers to determine if callers requesting approval for care really need it. Using medical care cookbooks, they walk patients through their symptoms and then reach a medical conclusion.

These cookbooks do not have a recipe for every circumstance. Like the woman who called to complain about pain caused by the cast on her wrist. The telephone triage worker asked the woman to press down on her fingernail to see how long it took for the color to return. Unfortunately, the patient had polish on her nails.

How far can this go? Like this cartoon shows, pretty soon we could all be computers just cannot comprehend. Computer operators cannot art. Computer operators cannot comprehend. As a result, we are now seeing premium increases long before passage of any Federal consumer protection legislation.

Our goals should be passage of comprehensive patient protection legislation. I am committed to seeing legislation enacted before the close of the 105th Congress. I am open to working with all interested Members, Republican, and Democrat, to develop a bipartisan patient protection bill.

In the meantime, H.R. 586, the Patient Right to Know Act, which would ban gag rules, should be brought to the floor for a vote.

Mr. Speaker, just last week, a pediatrician told me about a 6-year-old child who had nearly drowned. The child was brought to the hospital and placed on a ventilator. The child’s condition was serious. It did not appear that he would survive.

As the doctors and the family prayed for signs that he would live, the hospital got a call from the boy’s insurance company. Home ventilation, explained the HMO reviewer, is cheaper than inpatient care. I was wondering if you had thought about sending the boy home.

Or consider the death of Joyce Ching, a 34-year-old mother from Fremont, California. Mrs. Ching waited nearly 3 months for an HMO referral to a specialist despite her continued rectal bleeding and severe pain. She was 35 years old when she died from a delay in the diagnosis of her colon cancer. Joyce Ching, Christy DeMaurers, Mandy Baumholt, Dr. Peeno’s patient, Mr. Speaker, these are not just anecdotes. These are real people who are victims of HMOs.

Let us fix this problem. The people we serve are demanding it. Let us act now to pass meaningful patient protection. Lives. Speaker, are in the balance.

LEAVE OF ABSENCE
By unanimous consent, leave of absence was granted to:
Mr. GILLMOR (at the request of Mr. ARMEY) for today on account of emergency dental work.
Mr. MCLUSION (at the request of Mr. GEPHARDT) for today after 2:00 p.m. on account of personal reasons.
Mr. YATES (at the request of Mr. GEPHARDT) for today after 4:30 p.m. on account of personal reasons.

SPECIAL ORDERS GRANTED
By unanimous consent, permission to address the House, following the legislative program and any special orders hereafter entered, was granted to:
The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:
Ms. NORTON, for 5 minutes, today.
Ms. CARSON, for 5 minutes, today.
The following Members (at the request of Mr. NETHERCUTT) to revise and extend their remarks and include extraneous material:
Mr. COBURN, for 5 minutes, today.
Mr. HULSFORD, for 5 minutes, on March 31.
Mr. HUNTER, for 5 minutes, today.
Mr. PETERSON of Pennsylvania.
Mr. BARR of Georgia, for 5 minutes, today.
Mr. GUTKNECHT, for 5 minutes, on March 27.
Mr. MICA, for 5 minutes, today.
The following Member (at her own request) to revise and extend his remarks and include extraneous material:
Mrs. CLAYTON 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 Mr. PALLONE) and to include extraneous matter:
Mr. KIND.
Mr. ALLEN.
Ms. SANCHEZ.
Mr. VISCLOSKY.
Ms. VELAZQUEZ.
Mr. FORD.
Ms. MEEK of Florida.
Mr. KLECKZA.
Ms. MCCARTHY of Missouri.
Mr. DAVIS of Illinois.
Mr. STARK.
Mr. BORSKI.
Mr. TORRES.
Mr. VENTO.
Mr. FILNER.
The following Members (at the request of Mr. NETHERCUTT) and to include extraneous matter:
Mr. ROGERS.
Mr. DAVIS of Virginia.
Mrs. JOHNSON of Connecticut.
Mr. HORN.
Ms. ROS-LEHTINEN.
Mr. ALLEN.
Ms. SANCHEZ.
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Mr. VISCLOSKY.
Ms. VELAZQUEZ.
Mr. FORD.
Ms. MEEK of Florida.
Mr. KLECKZA.
ADJOURNMENT

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

The motion was agreed to; accordingly, at 9:17 a.m., the House adjourned until tomorrow, Friday, March 27, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

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

8238. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Specialty Crops; Import Regulations; Extension of Reporting Period for Peanuts Imported Under 1997 Import Quotas (Docket No. FV 97-901-LFR) received March 24, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8239. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Imidacloprid; Pesticide Tolerance [OPP-300625; FRL-5776-5] (RIN: 2070-AB78) received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.


8241. A letter from the Administrator, Office of Legislative Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Airworthiness Directives; British Aerospace Model HS 748 Directives; Fokker Model F28 Mark 0100 Series Airplanes [Docket No. 97-120829-8055-02; I.D. 031398A] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation.


8243. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Aircraft Accident Prevention Plans, Brazil; Correction [FRL-5997-5] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8244. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and PROMulgation of Implementation Plans; Ohio [OH103-1a; FRL-5987-6] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8245. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promotion of Implementation Plans; Ohio [OH103-1a; FRL-5987-6] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8246. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Aircraft Accident Prevention Plans, Brazil; Correction [FRL-5997-5] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8247. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Closures of Specified Groundfish Fisheries in the Gulf of Alaska [Docket No. 97-120709-9074-01; I.D. 031398A] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8248. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Inshore Component Pollock in the Aleutian Islands Subarea [Docket No. 971208296-8055-02; I.D. 031398A] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8249. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F 27 Mark 050 Series Airplanes [Docket No. 97-120829-8055-02; I.D. 031398A] received March 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8250. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere Falcon 900 Series Airplanes [Docket No. 97-900-2098-8055-02; I.D. 031398A] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8251. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere Falcon 900 Series Airplanes [Docket No. 97-900-2098-8055-02; I.D. 031398A] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8252. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere Falcon 900 Series Airplanes [Docket No. 97-900-2098-8055-02; I.D. 031398A] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.


2864. A letter from the General Counsel, Department of Transportation, transmitting the Department’s final rule—Reestablishment of Class E Airspace: McAlester, OK [Airspace Docket No. 98-ASW-03] received March 19, 1998, pursuant to 5 U.S.C. 801(a)(3)(A), to the Committee on Transportation and Infrastructure.


REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on National Security, H. R. 2786. A bill to authorize additional military assistance to the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East, Western Europe, Mediterranean region by the development and deployment of ballistic missiles by Iran; with amendments. (Rept. 105-468 Pt. 1).

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X, the Committee on International Relations discharged from further consideration. H. R. 2786 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H. R. 2786. Referral to the Committee on International Relations extended for a period ending not later than March 26, 1998.

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. ARCHER:

H. R. 3558. A bill to provide that the exception for certain real estate investment trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Ways and Means.

By Mr. HYDE (for himself, Mr. INGLES of South Carolina, Mr. HUTCHINSON, Mr. PEASE, Mr. GRAHAM, Mr. CONYERS, Mr. BOUCHER, and Mr. BARTLETT of California), H. R. 3559. A bill to modify the application of the antitrust laws with respect to obtaining video programming for multichannel distribution and for other purposes; to the Committee on the Judiciary.

By Mr. SMITH of Michigan:

H. R. 3560. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1986 to provide for a pilot program for personalized retirement security through the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS (for himself, Mr. SHAYS, Mr. CLAY, Mr. ROEMER, Mr. WALSH, Mr. FARR of California, Mr. NEAL of Massachusetts, Mr. DOOLEY of California, Mrs. MORELLA, Mr. QUINN, Mr. BARRETT of Wisconsin, Mr. SANDLIN, Mr. MILLER of California, Mr. MENENDEZ, Mr. KENNEDY of Massachusetts, Mr. LEWIS of Georgia, Mr. CARDIN, Mr. DINGELL, Mr. FROST, Mr. HORN, Mr. UNDERWOOD, Mr. MALONEY of Connecticut, Mr. HINCHEN, Mr. BORDALLO of Guam, Mr. MARTINEZ, Mr. MARTIN of California, Mr. MARTIN of Florida, Mr. BALDACCI, Mr. FATAH, Ms. WOOLSEY, Mr. KIND of Wisconsin, Ms. SANCHEZ, Ms. JACKSON-LEE, Mr. MORAN of Virginia, Mr. PETERSON of Minnesota, Mr. VENTO of Massachusetts, Mr. LEWIS of Connecticut, Mr. ACKERMAN, Mr. HUGHTON, Mr. HALL of Ohio, Mr. SANDERS, Mr. LANTOS, Mr. KLINK, and Mr. SCOTT): H. R. 3561. A bill to provide for the authorization of appropriations for the programs under the National and Community Service Act of 1990 and the Domestic Volunteer Service Act of 1973 for fiscal years 1998 and 1999 to carry out activities under such acts and to authorize the employment of individuals to perform such activities; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H. R. 3562. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to C corporations which have substantial employee ownership and to encourage stock ownership by employees by excluding from gross income stock paid as compensation for services, and for other purposes; to the Committee on Ways and Means.

By Mr. BILIRIKIS (for himself, Mr. BROWN of Ohio, and Mr. UPTON):

H. R. 3563. A bill to amend the Internal Revenue Code of 1986 to allow a corporation to designate that part or all of any income tax refund be paid over for use in biomedical research conducted through the National Institutes of Health; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCCOLLUM (for himself, Mr. SCHUMER, Mr. B. BUYER, Mr. CHABOT, and Mr. GEKAS):


By Mr. PAPPAS (for himself, Mr. SMITH of New Jersey, Mr. SAXTON, and Mr. COYNE):

H. R. 3567. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to provide for payments to home health agencies under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. ROUKEMA (for herself, Mr. DEFAZIO, Mr. WISE, Mrs. MORELLA, Mr. SHAYS, and Mr. STRICKLAND):

H. R. 3568. A bill to establish the Public Service Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to prohibit group and individual health plans from imposing treatment limitations or financial requirements on the coverage of mental health benefits.
and on the coverage of substance abuse and chemical dependency benefits if similar limitations or requirements are not imposed on medical and surgical benefits; to the Committee on Government Reform and Oversight and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

Mr. MURPHY of Oregon: H.R. 3569. A bill to transfer administrative jurisdiction over certain parcels of public domain land in Lake County, Oregon, to facilitate reclamation of the land, for other purposes; to the Committee on Resources.

By Mr. STARK (for himself, Mr. LEACH, Mr. WAXMAN, Mr. TOWNS, Mr. HILLIARD, Mr. FIERCE, and Mr. TORRES): H.R. 3570. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the Medicare skilled nursing facility prospective payment system; to the Committee on Ways and Means, and in addition to the Committee on Commerce for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DAVIS of Virginia (for himself, Mr. MORAN of Virginia, Mr. SCOTT, Mr. GOODE, Mr. BOUCHER, Mr. SISNEY, Mr. BATEMAN, Mr. WOLF, Mr. BLILEY, and Mr. GOODLATTE):

H. Con. Res. 251. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to commemorate the life of George Washington and his contributions to the Nation; to the Committee on Government Reform and Oversight.

By Mrs. MALONEY of New York (for herself, Mr. BILIRAKIS, Mr. ANDREWS, Mr. BLAGOJEVICH, Mr. BONIOR, Mr. BROWN of Ohio, Mr. CUNNINGHAM, Mr. DOYLE, Mr. ENGEL, Mr. FILER, Ms. FURSE, Mr. HORN, Mrs. KELLY, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mr. KLINK, Mr. MCGOVERN, Mr. MCNULTY, Mr. MEEHAN, Mr. MENENDEZ, Mr. PALLONE, Mr. PAPPAS, Mr. PASCRELL, Mr. PERRY, Mr. PORTER, Mr. SCHULTZ, Mr. TIERNEY, Mr. VISCOSKY, Mr. HINCHEN, Ms. ROS-LEHTINEN, and Mr. FRANKS of New Jersey): H. Con. Res. 252. Concurrent resolution relating to a United States initiative to help resolve the situation in Cyprus; to the Committee on International Relations.

By Mr. REYES: H. Con. Res. 253. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued in honor of the 150th anniversary of the presence of Fort Bliss in the El Paso, Texas, area; to the Committee on Government Reform and Oversight.

By Mr. GILMAN (for himself, Mr. BURTON of Indiana, Mr. SOUDER, Mr. MANTON, Mr. BALLenger, Mr. GRAHAM, Mr. BALDACCI, Mr. BATEMAN, Mr. BERRY, Mr. BILBAR, Mr. BLUNT, Mr. BOEHLEIT, Mr. CHAMBLISS, Mr. ENGLISH of Pennsylvania, Mrs. FOWLER, Mr. FRANK of Massachusetts, Mr. FREILINGHUYSEN, Mr. GANSEK, Mr. GILMAN, Mr. HILLIARD, Mrs. JOHNSON of Wisconsin, Mr. NETHERCUTT, Mr. SNOWBARGER, and Mr. SUNUNU): H. Res. 399. A resolution urging the Congress and the President to work to fully fund the Federal Government’s obligation under the Individuals with Disabilities Education Act; to the Committee on Education and the Workforce.

ADDITIONAL SPONSORS

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

H.R. 26: Mr. WATT of North Carolina and Mr. LEWIS of Kentucky, Mr. DEUTSCH of California, Mr. PRICE of Texas, Mr. DIAZ-BALART, Mr. ATKINSON, Mr. GALLEGLY, Mr. BALLENGER, Mr. CRAIG of Louisiana, Mr. ROYBAL-CASTRO, Mr. WAXMAN, Mr. KING of New York, and Mr. HENEGHAN:

H.R. 36: Ms. WOOLSEY, Mr. THOMAS of New York, Mr. DUNCAN of South Carolina, Mr. TAYLOR of Alaska, Mr. WELDON of Pennsylvania, Mr. BERRY, Mr. SKELTON, Mr. WAXMAN, Mr. GREEN, Ms. LAUGHLIN, Mr. WALSH, Mr. BLUMENTHAL, Mr. WEXLER, Mr. B LUMENAUER, Ms. S LAUGHTER, Mr. REED of New York, Mr. BLUMENTHAL, Mr. EDWARDS, Mr. WELDON, Mr. SMITH of Illinois, Mr. KLEIN, Mr. BATEMAN, Mr. WHITFIELD, Mr. HEFNER, Mr. COOKSEY, Mr. BERRY, and Mr. SKELTON:

H.R. 633: Mr. TRAFICANT:

H.R. 3008: Mr. FILER and Mrs. THURMAN:

H.R. 3048: Mr. CASTLE:

H.R. 3126: Mr. RANGEL:

H.R. 3156: Mr. DICKS, Mr. POSHARD, Mr. BARTCA of Michigan, Mr. BLILEY, Mr. STUPAK, Mr. COX of California, Mr. RAHAL, Ms. PRICE of Ohio, Mr. GORDON, Mr. PASTOR, Mr. RUBEN, Mr. GONZALEZ, Mr. KLINK, Mr. BATEMAN, Mr. WHITFIELD, Mr. HEFNER, Mr. COOKSEY, Mr. BERRY, and Mr. SKELTON:

H.R. 3209: Ms. MINK of Hawaii:

H.R. 3217: Mr. MCNULTY:

H.R. 3236: Mr. BOEHNER, Mr. SALMON, Mr. BLAGOJEVICH, Mr. WAXMAN, Mr. GREEN, Ms. FURSE, Mr. CUNNINGHAM, Mr. KNOLLENBERG, Mr. BORSKI, and Mr. BLILEY:

H.R. 3241: Mr. SALMON:

H.R. 3251: Mr. COYNE, Mr. FROST, Mr. FRANK of Massachusetts, Mr. LOFGREN, Mr. SANDERS, Mr. BALDACCI, and Mr. ENGEL:

H.R. 3252: Mr. ETHERIDGE:

H.R. 3257: Mr. ENGLISH of Pennsylvania, Mr. EWING, Mr. JENKINS, Mr. FEALEOMAEGA, and Mr. KING of New York:

H.R. 3279: Mr. KENNEDY of Massachusetts and Mr. TORRES:

H.R. 3283: Mr. ENGLISH of Pennsylvania:

H.R. 3298: Ms. WOOLSEY and Mr. LEWIS of Georgia:

H.R. 3312: Mr. SOUDER and Mr. CHABOT:

H.R. 3313: Mr. Doolittle:

H.R. 3320: Mr. MEES of New York, Mrs. CLAYTON, Mr. MENENDEZ, Mr. FATTAH, Mr. CHAO of Connecticut, Mr. CUMMINGS, Mr. JACKSON, Mr. MCINTYRE, Mr. FRANK of Massachusetts, Mr. ALLEN, Mr. BALDACCI, Mr. SLAUGHTER, Mr. MARTINEZ, and Mr. BARRETT of Wisconsin:

H.R. 3331: Mr. DUNCAN:

H.R. 3334: Mr. TAUZIN, Mr. GIBBONS, and Mr. PALONE:

H.R. 3342: Mrs. TAUSCHER, Mr. METCALF, Mr. WEXLER, Mr. BLUMENAUER, Mr. SLAUGHTER, and Mr. LAMPSON:

H.R. 3396: Mr. MICA, Mr. CUNNINGHAM, Mr. PICKETT, and Mr. KNOLLENBERG:

H.R. 3400: Mr. FEALEOMAEGA and Mr. TORRES:

H.R. 3451: Ms. DUNN of Washington:

H.R. 3522: Ms. BROWN of Florida, Mr. MEEHAN, Mr. COSTELLO, Mr. FORBES, Ms. ROSLEHTINEN, Mr. SHIMKUS, Mr. ENGLISH of Pennsylvania, Mr. RILE, Mr. SKEEN, Mr. BONILLA, and Mr. PALLONE:

H.R. 3530: Mr. TURNER:

H.R. 3538: Mr. WAXMAN, Mr. HASTING of Florida, Mr. OLIVER, Mr. FILER, and Mr. FRANK of Massachusetts:

H.R. 3552: Mr. ISTOOK, Mrs. MYRICK, and Mr. ENGLISH of Pennsylvania:

H.R. 3565: Mr. NORTON:

H.R. 3577: Mr. SHERMAN:

H.R. 3593: Mr. BAESLER:

H.R. 3638: Mr. TAYLOR of California, Mr. WEBER, Mr. DAVENPORT, Mr. EDWARDS, Mr. FRELINGHUYSEN, Mr. HAYWORTH, Mr. BOSWELL, Mr. CUNNINGHAM, Mr. JENKINS, Mr. BALDACCI, and Ms. DANNER:

H.R. 3702: Mr. CAMP of Texas, Mr. OLVER, Mr. HULSHOF, Mr. GANSEK, Mr. KLEIN, Mr. BERR, and Mr. MCINTYRE:

H.R. 3725: Mr. KLEIN, Mr. SUNUNU, and Mr. IVERSON:

H.R. 3727: Mr. MORAN of Kansas:

H.R. 3723: Mr. GOODLING.
AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10
Offered By: Mr. Dreier
(Amendment in the Nature of a Substitute)

SEC. 101. ANTI-AFFILIATION PROVISIONS OF "GLASS-STEAGALL ACT" REPEALED.
(a) Section 20 Repealed.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is repealed.
(b) Section 32 Repealed.—Section 32 of the Banking Act of 1933 (12 U.S.C. 378) is repealed.

SEC. 102. FINANCIAL ACTIVITIES.
Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843)(c)(8) is amended to read as follows:

``(k) INSURANCE COMPANY INVESTMENTS.—
(1) Insurance Company Investments.—Notwithstanding section 4(a), a bank holding company may directly or indirectly acquire or control a company or other entity, engaged in any activity that—
(A) Lending, exchanging, transferring, incurring or providing and issuing mortgage, debenture, or other instruments representing ownership of a company or other entity, except insofar as necessary to achieve the objectives of paragraph (3);''.

(1) In General.—Notwithstanding section 4(a), a bank holding company may engage in any activity which the Board has determined (by regulation or order) to be financial in nature or incidental to such financial activities.
(2) Factors to be Considered.—In determining whether an activity is financial in nature or incidental to financial activities, the Board shall take into account—
(A) the purposes of this Act and the Financial Services Competitive Enhancement Act;
(B) changes or reasonably expected changes in the marketplace in which bank holding companies operate;
(C) changes or reasonably expected changes in the technology for delivering financial services; and
(D) whether the activity is necessary or appropriate to allow a bank holding company and the affiliates of a bank holding company to—
(i) compete effectively with any company seeking to provide financial services in the United States;
(ii) use any available or emerging technological means necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and
(iii) offer customers any available or emerging technological means for using financial services.
(3) Activities that are financial in nature.—The following activities shall be considered to be financial in nature:
(A) Lending, exchanging, transferring, incurring or providing and issuing mortgage, debenture, or other instruments representing ownership of a company or other entity, except insofar as necessary to achieve the objectives of clause (ii); and
(B) Providing any device or other instrumentalities for transferring money or other financial transactions.
"(A) IN GENERAL.—A bank holding company that acquires any company, or commences any activity, pursuant to this subsection shall provide written notice to the Board of the acquisition or commencement of the activity and shall provide such information as the Board may request that the appropriate regulator or self-regulatory organization or, upon request, a bank holding company that acquires any company, pursuant to paragraph (3) or any regulation prescribed or order issued under paragraph (4), without prior approval of the Board.

"SEC. 105. STREAMLINING BANK HOLDING COMPANY SUPERVISION.

Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844c) is amended to read as follows:

"(c) REPORTS AND EXAMINATIONS.—

"(1) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fullfilment of the Board's reporting requirements under this Act, and shall not impose additional requirements on any subsidiary of a bank holding company that acquires any company, or commence any activity, or acquire any company, pursuant to paragraph (3) or any regulation prescribed or order issued under subparagraph (4), without prior approval of the Board.

"(2) LIMITATIONS ON EXAMINATION AUTHORITY. —

"(A) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this Act, and shall not impose additional requirements on any subsidiary of a bank holding company that acquires any company, or commence any activity, or acquire any company, pursuant to paragraph (3) or any regulation prescribed or order issued under subparagraph (4), without prior approval of the Board.

"(B) LIMITATIONS ON EXAMINATION AUTHORITY FOR BANK HOLDING COMPANIES AND SUBSIDIARIES.—Subject to subparagraph (A), the Board may make examinations under subparagraph (A)(i) of each bank holding company and any subsidiary of such holding company in order to—

"(i) inform the Board of the nature of the operations and financial condition of the holding company and such subsidiaries;

"(ii) inform the Board of—

"(I) the bank holding company; and

"(II) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company, that because of—

"(I) the size, condition, or activities of the subsidiary, or

"(II) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company, could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

"(C) RESTRICTED FOCUS OF EXAMINATIONS.—

"The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a bank holding company to—

"(I) the parent company; and

"(II) any subsidiary of the holding company that, because of—

"(i) the size, condition, or activities of the subsidiary, or

"(ii) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company, could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

"(D) EXAMINATIONS.—The Board shall, to the fullest extent possible, use, for the purposes of this paragraph, the reports of examinations of depository institutions made by the appropriate Federal and State depository institution supervisory authority.

"(E) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board for going an examination and instead reviewing the reports of examination made of—

"(i) any registered broker or dealer or registered investment adviser by or on behalf of the appropriate Federal and State depository institution supervisory authority;

"(ii) any licensed insurance company by or on behalf of any state regulatory authority responsible for the supervision of insurance companies; and

"(iii) any other subsidiary that the Board finds to be comprehensively supervised by a Federal or State authority.

"(3) CAPITAL.—

"(A) IN GENERAL.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, guidelines, standards, or requirements on any subsidiary of a bank holding company that is not a depository institution.

"(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to activities of a registered investment adviser other than investment advisory activities or activities incident to investment advisory activities.

"(4) TRANSFER OF BOARD AUTHORITY TO APPROPRIATE FEDERAL BANKING AGENCY.—

"(A) IN GENERAL.—In the case of any bank holding company which is not functionally engaged in nonbanking activities, the Board, in consultation with the appropriate Federal banking agency, may designate the appropriate Federal banking agency of the lead insured depository institution subsidiary of such holding company as the appropriate Federal banking agency for the bank holding company.

"(B) AUTHORITY TRANSFERRED.—An agency designated by the Board under subparagraph (A) shall have the same authority as the Board under this Act to—

"(i) examine and require reports from the bank holding company and any affiliate of such company (other than a depository institution) under section 5;

"(ii) approve or disapprove applications or transactions under section 3;

"(iii) take actions regarding the holding company and any affiliate of the holding company (other than a depository institution), or any institution-affiliated party of such company, under subsections (e) and (f) of section 5 and section 8 and the relevant State insurance authorities with regard to all interpretations of, and the enforcement of, applicable Federal securities laws relating to the activities, conduct, and operations of registered brokers, dealers, investment advisers, and investment companies.

"(C) AGENCY ORDERS.—Section 9 of this Act (12 U.S.C. 1849) shall apply to orders issued by an agency designated under subparagraph (A) in the same manner as such sections apply to orders issued by the Board.

"(D) FUNCTIONAL REGULATION OF SECURITIES AND INSURANCE ACTIVITIES.—The Board shall declare—

"(A) the Securities and Exchange Commission with regard to all interpretations of, and the enforcement of, applicable Federal securities laws relating to the activities, conduct, and operations of registered brokers, dealers, investment advisers, and investment companies;

"(B) the relevant State insurance authorities with regard to all interpretations of, and the enforcement of, applicable State insurance laws relating to the activities, conduct, and operations of insurance companies and insurance agents.

"SEC. 106. AMENDMENT TO DIVESTITURE PROCEDURES.

Section 5(e) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844c(e)(1)) is amended—

(2) by striking “shareholders of the bank holding company. Such distribution” and inserting “shareholders of the bank holding company; or”

“(B) order the bank holding company, after due notice and opportunity for hearing, and after consultation with the bank’s primary supervisor, which shall be the Comptroller of the Currency in the case of a national bank, and the Federal Deposit Insurance Corporation and the appropriate State supervisor in the case of an insured nonmember bank, to terminate (within 120 days or such longer period as the Board may direct) the ownership or control of any such bank by such company.

“The distribution referred to in subparagraph (A)”.

SEC. 107. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by inserting at the end the following new subsection:

“(g) AUTHORITY OF STATE INSURANCE REGULATOR AND THE SECURITIES AND EXCHANGE COMMISSION.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the Board which requires a bank holding company to provide funds or other assets to a subsidiary insured depository institution shall not be effective nor enforceable if—

“(A) such funds or assets are to be provided by—

“(i) a bank holding company that is an insurer company or a broker or dealer registered under the Securities Exchange Act of 1934; or

“(ii) an affiliate of the depository institution which is an insurance company or a broker or dealer registered under such Act; and

“(B) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker or dealer, as the case may be, determines in writing that such bank holding company, or a subsidiary thereof, is a continuing subsidiary that poses a material risk or threat of loss to the affiliated depository institution or the insurer company or the broker or dealer, as the case may be.

“(2) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the Board requires a bank holding company, or an affiliate of a bank holding company, which is an insurance company or a broker or dealer described in paragraph (1) to provide funds or assets to an insured depository institution subsidiary of the holding company pursuant to any regulation, order, or other action of the Board, the Board shall promptly notify the State insurance authority for the insurance company or the Securities and Exchange Commission, as the case may be, of such requirement.

“(3) DIVESTITURE IN LIEU OF OTHER ACTION.—If the Board receives a notice described in paragraph (1) or (2) from a State insurance authority or the Securities and Exchange Commission with regard to a bank holding company or affiliate referred to in such paragraph, the Board may order the bank holding company to divest the insured depository institution within 180 days of receiving notice or such longer period as the Board determines consistent with the safe and sound operation of the insured depository institution.

“(4) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the Board under paragraph (3) to a bank holding company and ending on the date the divestiture is completed, the Board may impose any conditions or restrictions on the holding company’s ownership or operation of the insured depository institution, including prohibiting transactions between the insured depository institution and any affiliate of the institution, as are appropriate under the circumstances.

SEC. 108. PRUDENTIAL SAFEGUARDS.

Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by inserting after such section (8 of this Act) the following new subsection:

“(h) PRUDENTIAL SAFEGUARDS.—

“(1) IN GENERAL.—The Board may, by regulation or order, impose restrictions or requirements on relationships or transactions between a depository institution subsidiary of a bank holding company and any affiliate of such depository institution (other than a subsidiary of such institution) which the Board finds is consistent with the public interest, the purposes of this Act, the Financial Services Competitive Enhancement Act, the Federal Reserve Act, and other Federal law applicable to depository institution subsidiaries of bank holding companies and the standards in paragraph (2).

“(2) STANDARDS.—The Board may exercise authority under paragraph (1) if the Board finds that such action will have any of the following effects:

“(A) Avoid a significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

“(B) Enhance the financial stability of banking companies.

“(C) Avoid conflicts of interest or other abuses.

“(D) Enhance the privacy of customers of depository institutions.

“(E) Promote the application of national treatment and equality of competitive opportunity between nonbank affiliates owned or controlled by domestic bank holding companies and nonbank affiliates owned or controlled by foreign banks operating in the United States.

“(3) REVIEW.—The Board shall regularly—

“(A) review all restrictions or requirements established pursuant to paragraph (1) and determine whether any such restriction or requirement is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

“(B) modify or eliminate any restriction or requirement the Board finds is no longer required for such purposes.

SEC. 109. EXAMINATION OF INVESTMENT COMPANIES.

(a) EXCLUSIVE COMMISSION AUTHORITY.—

“(1) IN GENERAL.—The Commission shall be the sole Federal agency with authority to inspect and examine any registered investment company that is not a bank holding company.

“(2) PROHIBITION ON BANKING AGENCIES.—A Federal banking agency may not inspect or examine any registered investment company that is not a bank holding company.

“(b) EXAMINATION RESULTS AND OTHER INFORMATION.—The Commission shall provide to any Federal banking agency, upon request, the results of any examination, reports, records, or other information with respect to any registered investment company to the extent the agency has the statutory responsibilities.

“(c) DEFINITIONS.—For purposes of this section, the term "affiliated investment company" means a term defined in the Investment Company Act of 1940; the term "investment company" means an investment company registered under the Investment Company Act of 1940.
“(4) an insurance company or an insurance agency subject to supervision by a State insurance commission, agency, or similar authority; or

“(5) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.”.
The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Sovereign God, maximize us by Your spirit for the demanding responsibilities and relationships of this day. We say with the Psalmist, “God, be merciful to us and bless us, and cause Your face to shine upon us, that Your way may be known on Earth, Your salvation among the nations.”—Psalm 67:1-2.

Father, our day is filled with challenges and decisions. In the quiet of this magnificent moment of conversation with You, we dedicate this day. We want to live it to Your glory.

We praise You that it is Your desire to give Your presence, wisdom, guidance, and blessings to those who ask. You give strength and power to Your people when we seek You above all else. You guide the humble and teach them Your way. Help us to humble ourselves as we begin this day so that no self-serving agenda or self-aggrandizing attitude will block Your blessings to us or to our Nation through us. May we speak with both the tenor of Your truth and the tone of Your grace. In the name of Him who taught us that truth and the tone of Your grace. In

We want to finish this important legislation early today so we can move on to other issues. Those of you that do have amendments on the list, if you are serious, I urge you to come over and offer those amendments this morning. The chairman is ready to proceed. Looking down the list and thinking about the time that will be needed, if Senators are reasonable, we should be able to complete this legislation sometime in the early afternoon, I hope, at the least.

Under the order, at 10 a.m. the Senate will resume 50 minutes of debate on the Enzi amendment regarding Indian gaming. It is my understanding that amendment may not need a rollcall vote, but we will have to clarify that momentarily. However, there are other pending amendments that will require rollcall votes. Surely there will be votes throughout the morning and the afternoon.

We are still hoping to reach an agreement on the Coverdell education savings account bill today. Senator DASCHLE and I continue to exchange suggestions. Sometimes we get very close, and then it so eventually we will have to go back the other way. But we very well could have the second cloture vote sometime during the day. In addition, of course, we will consider any executive and legislative items cleared for action, including the Mexico decertification legislation which we will have to do this week. We must do that under the law before the end of the month. Sometime today, I hope under a reasonable time limit—I hope not more than 2 hours—we could complete the Mexico decertification.

I remind Senators, there will be votes on Friday morning, so they need to plan their schedules accordingly, but there will not be votes after 12 noon. I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the leadership time is reserved.

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The PRESIDING OFFICER. Under the previous order, the clerk will report the supplemental appropriations bill.

The assistant legislative clerk read as follows:

A bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McConnell modified amendment No. 2190, to provide supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998.

Stevens (for Nickles) amendment No. 2120, to strike certain funding for the Health Care Financing Administration.

Enzi amendment No. 2133, to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities.

• This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Bumpers amendment No. 2134, to express the sense of the Senate that of the rescissions, if any, which Congress makes to offset appropriations made for emergency items in the Federal Year 1998 supplemental appropriations bill, defense spending should be rescinded to offset increases in defense programs.

Roberts amendment No. 2135, to reform agricultural credit programs of the Department of Agriculture.

AMENDMENT NO. 2131

The PRESIDING OFFICER. Under the previous order, the pending business is amendment 2133, offered by the Senator from Wyoming, Mr. ENZI.

There are 50 minutes remaining for debate on the amendment; 15 minutes is under the control of the Senator from Wyoming, and 35 minutes under the control of the Senator from Hawaii, Mr. INOUYE.

Mr. STEVENS. Mr. President, I ask unanimous consent I be allowed to yield 5 minutes to the Senator from Colorado from the time of Senator INOUYE.

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

The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I rise to speak against the amendment offered by my friend and colleague from Wyoming, Senator ENZI, related to the procedures of the Secretary of the Interior in the Indian gaming statute.

I oppose this amendment first and foremost because it will make permanent changes to the Indian Gaming Regulatory Act without a single hearing on the matter. Later today I intend to introduce a freestanding bill to amend the Indian gaming statute. In fact, I was rather surprised this amendment would come forward on a bill that is designed to be an emergency supplemental for our troops in Bosnia and the Gulf and to address natural disasters.

Beginning this Wednesday, our committee will conduct the first of several hearings on gambling with difficult and complex issues involving Indian gaming tribes and Indian gaming in itself. These issues include: Should there be uniform standards governing Indian gaming? What level of regulation of tribal gaming is needed? Is the Federal Gaming Commission adequately funded? What remedies do tribes have in the wake of the Supreme Court's Seminole decision?

That is the committee of jurisdiction and that is the forum through which the Senator from Wyoming should have addressed his concerns.

When Congress enacted the Indian Gaming Regulatory Act, the States were invited to play a significant role in the regulation of gaming activities that take place on Indian lands. In fact, the statute required tribes to have a gaming compact before the State commenced any casino-style gaming within tribal lands. Though few have come to understand how significantly this provision has operated is, it was regarded as a major concession by Indian tribes and one that has worked fairly well for the last 8 years.

Congress also realized that tribes need a mechanism to encourage States to negotiate these compacts and provided for tribal lawsuits against reluctant States. Up until 1996, if a Federal court determined that a State was negotiating in bad faith, or if the State had not acted in good faith, the tribe had the option of filing a lawsuit to bring about good-faith negotiations.

In 1996, the Supreme Court handed down the decision in Seminole Tribe of Indians v. State of Florida. This decision did not assert the 11th amendment immunity from lawsuits and preclude tribes from suing in order to conclude a gaming agreement. Just as I believe we should respect each State's sovereign right, it seems to me we should recognize those of tribes, too.

Next week at the committee hearing, one of the issues surely to arise again will be the matter of whether, in the absence of a State-tribal compact, the Secretary of the Interior can issue procedures to govern casino gaming on Indian lands. Senator ENZI's amendment would preempt the efforts of the committee to fully and fairly look at the issues regarding Indian gaming.

I ask unanimous consent to have printed in the Record a statement from the administration that opposes this amendment.

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

BUREAU OF INDIAN AFFAIRS

ITEM: PROPOSED BILL S. 1872, INTRODUCED BY SENATORS BRYAN, ENZI, REID, AND SESSIONS ON JANUARY 27, 1998

S. 1872 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary of the Interior from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

Background: The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to contract with the Federal Government to engage in Class II and Class III gaming activities. Compacts may be established only after States have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if they have first entered into a compact with the State. Furthermore, the gaming is allowed in such states only pursuant to a mutually agreed-upon Tribal-State compact. In the alternative, the Secretary of the Interior may prescribe procedures by which a state fails to consent to a compact arrived at through the mediation process that follows a determination by a United States District Court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii)). IGRA only authorizes the Secretary to issue "procedures" for the State to adopt its own procedures to avoid entering into good faith negotiations with Tribal governments.

Under IGRA, Congress intended to give tribes the right to file suits directly against states that fail to negotiate in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. See Senate Report No. 446, 100th Congress, 2nd Session (1988).

In 1996, the U.S. Supreme Court held that Congress was without authority to waive the States' immunity in Federal court by the Eleventh Amendment to the Constitution. As a result of this decision, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary's authority to promulgate regulations may be the only avenue for promoting tribal economic development and self-sufficiency.

Effect of Proposed Legislation: The legislation would prohibit the Secretary of the Interior from adopting a rule setting forth the process and standards pursuant to which Class III procedures would be adopted in specific situations where the state has asserted its Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

Departmental Position: The Department strongly objects to any attempt to substantially interfere with enforcement of the Indian Gaming Regulatory Act or to thwart Congress' declared policy in IGRA of promoting tribal economic development, self-sufficiency, and self-government.

The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

The secretory published proposed regulations on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only (1) where a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and (2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 8-year history of IGRA, these situations are rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the States. Even where negotiations have been unsuccessful and a suit has been filed, a number of States have chosen not to assert immunity from suit. Based on experience to date, relatively few situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period which allows for formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment on the proposed rule. Public review of the publication of the rule expected in FY 1998, after careful review and analysis of public comments. In particular, the Department will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the “good faith” standard of “negotiations” as defined in the procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department's position that IGRA does not authorize States to negotiate or enter into Indian gaming in any State where they are affirmatively prohibited. See Brief of the
Chairman CAMPBELL of the Committee objection, it is so ordered.

The quorum call be rescinded.

unanimous consent that the order for clerk will call the roll.

presented.

amendments that will not be nec-

three significant colloquies pertaining done. We have two significant—maybe come over now, and we can get those 

as the enactment of a law in 1988 the Indian Gaming Regulatory 

in 1988 the Indian Gaming Regulatory 

with maximum input from all inter-

of the Interior—"get on your feet economi-

Federal dollars when it comes to meet-

increasingly more dependent on Federal 

As often happens, the Congress re-

United States as amicus curiae in the Supre-

preeminent powers over Class III Indian gaming when 

Mr. INOUYE. Mr. President, as 

Mr. STEVENS. I urge Members who 

Mr. President, my colleagues know 

The adoption of this amendment will 

But I have seen what gaming has 

Chairman in the Committee on Indian Affairs has observed, I believe it is very important that our col-

them. They brought to Indian country and I sup-

Mr. President, I don't think we can— 

That message is that we recognize 

CONGRESSIONAL RECORD — SENATE
I believe that it is one of their Rights as soveraigns within our system of gov-
ernment to determine how to develop the economic base of tribal commu-
nities.

So while I do not question the good intentions of my colleagues, I would sug-
gest to them and to my other col-
leagues, that this simply is not a mat-
ter that has to be or should be ad-
dressed in an emergency supplemental appropriations bill.

The matter comes of action, in my view, would be to address this matter ei-
ther in the authorizing committee or as part of the regulatory process.

I am advised that the National Gov-
ernor's Association has already noti-
ified the Department that it will be re-
questing a 30-day extension of the rule-
making procedure—which would take
us into the end of May.

Finally, the administration has sent
up a still-vague administration pol-
icy on this amendment which makes
abundantly clear that the Department
of the Interior will recommend a veto
of the emergency supplemental appro-
priations bills, should this amendment
be included in the bill.

I urge my colleagues to oppose this
amendment. It does not involve an
emergency situation—there are other
forums in which this matter is more
appropriately addressed. There is more
than sufficient time to take action, if
it is necessary, before the rulemaking
process is complete.

Clearly, we would not be acting
today if there were not victims who are
desperately in need of the emergency
assistance that this bill will make
available.

I don’t think we can responsibly tell
them that the help that is so critical to
them will not be forthcoming because
this bill is not yet ready.

And we knew that it would be—simply because of an In-
dian gaming amendment that so obvi-
ously did not need to be treated as if it
did not exist and thereby ad-
dressed in this bill.

In conclusion, Mr. President, I would
note that each of my colleagues who
spoke in support of this amendment
yesterday, all made one and the same
assumption—the assumption that
States have a right to consent to the
conduct of gaming on Indian lands.

However, under the Supreme Court’s
ruling in Cabazon, the States do not
have such a right.

This is what the Court explicitly
held.

It is the Indian Gaming Regulatory Act
that carved out a role for the
States to play in Indian gaming.

In my view, if a State elects not to
avail itself of this role—either by refus-
ing to cooperate or by as-
serting it’s eleventh amendment im-
munity to suit—then the State is
knowingly opting out of its preroga-
tives under the act.

In so doing, a State has voluntarily
passed the responsibility back to the
Federal Government.

All that the Interior Secretary is
doing here is fulfilling his role as trust-
ee by assuring that the action on the
part of a State does not abrogate the
rights of the tribal governments.

When my colleagues suggest that the
statute does not envision the Secretary
acting without the consent of a State—
it is because the statute is premised
upon a simple assumption.

In 1988, the States aggressively pur-
suing a role to play in Indian

We can always repeal this law. But
let us all be clear about what the state
of the law would be in the absence of
this statute. Tribal governments could
conduct gaming on their lands without
regard to State law and without the
consent of any State.

Mr. President, I don’t think that is
what my colleagues want.

Mr. MCCAIN. Mr. President, I join
with my colleague CAMPBELL
and Senator INOUYE, in strong posi-
tion to the amendment sponsored by
Senators ENZI, REID and BRYAN to S. 1768. I regret that I was not able to par-
ticipate more fully in the debate on
this amendment. However, I want to
make it clear that I oppose this
amendment, as I did last
September when a similar amendment
was before the Senate. If I had been
able to be on the floor, I would have
fought against and voted against this
amendment.

The adoption of this amendment in
any form disturbs the careful balance
of State, Tribal and Federal interests
which is embodied in the Indian Gam-
ing law. The amendment was offered
during debate on the bill, not in a
hearing or the consideration of the com-
mittee of jurisdiction, the Com-
mittee on Indian Affairs.

I recognize the Indian gaming law is
not perfect. However, this is not the
time nor the proper manner for consid-
eration of amendments to the Act. The
Committee on Indian Affairs has before
it several proposals to amend the In-
dian Gaming Regulatory Act. As all of
my colleagues know, I have proposed
amendments to the new Indian Gaming
Regulatory Act. My colleagues from
Wyoming and Nevada should follow our
established procedures and introduce
legislation which can be referred to the
Committee for hearings and proper
consideration. Fairness and a respect
for our laws and the views of all con-
cerned parties requires such delibera-
tion.

Mr. President, I am disappointed that
this body approved such an ill-acted
policy which, in effect, interferes with
the work of the authorizing Committee. I urge the con-
ferers who will be appointed to finalize
this supplemental appropriations bill
to eliminate this provision from the
final conference agreement.

Mr. JOHNSON. Mr. President, I rise
today in opposition to the amendment
offered by Senators ENZI and BRYAN with respect to restrictions on the ac-
c tion of the Secretary of the Inter-
ior. While I appreciate the concerns of
my colleagues on this issue, I do not
believe that this emergency supple-
mental bill is the appropriate vehicle
for this amendment and, I encourage
my colleagues on the appropriations
conference committee to carefully con-
sider the impact that this amendment
will have on the potential for progress
between Indian tribes and state govern-
ments in this area.

As written, this amendment would
prohibit the Secretary of the Interior
from proceeding with proposed regul-
ations to create procedures to permit
class III gaming, procedures which
would basically facilitate state-tribal
negotiations when other avenues are
available. We are fortunate in South
Dakota to have a relatively productive relationship
between the state and the tribes
on gaming issues. However, this amend-
ment, offered without committee
consideration or extensive de-
bate, directly limits the federal role in
maintaining the balance of tribal, state
and federal interests in the gaming nego-
tiation process and I must oppose
this step.

Federal law requires tribal govern-
ments to use gaming revenue to fund
esential services such as education,
law enforcement and economic devel-
oment. Without due protection of the
rights of tribal governments to nego-
tiate gaming compacts, the entire
foundaton of tribal sovereignity and
government-to-government relations
is jeopardized. The uncertainty left
by the Seminole case demands that the
Department of the Interior and the
Congress revisit existing gaming regu-
lations and law. I will urge the Senate
Indian Affairs Committee to continue
moving forward on legislation to re-
visit the Indian Gaming Regulatory
Act (IGRA).

Mr. President, I am opposed to the
amendment offered by Senators ENZI
Mr. KENNEDY. Mr. President, I rise today to express my concern about the continuing efforts of some in Congress to undermine the rights of the first Americans—the American Indian and Alaskan Natives and to undermine the sovereign rights of tribal governments.

The federal government may not interfere in the internal affairs of any tribal government. Tribes are sovereign entities and are subject to the same laws as any other United States citizen. The United States fully recognizes Indian sovereignty, and every president since 1934 has acknowledged the principle that it is the federal government’s role to protect tribal self-government.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

Mr. STEVENS. Mr. President, I ask unanimous consent that the time be charged against the Senator’s time on the time agreement.
We in Nevada have five such compacts. Many other States have compacts as well. What is involved here is not a question of bad faith between a Governor and a tribe. It is that several tribes, particularly in the State of California and the State of Florida, have been pressuring Governors to provide Indian tribes with the ability to conduct gaming activities that are prohibited under State law. In the State of Florida, for example, there have been three public referenda, and the public in Florida has rejected open casino gaming, as my State of Nevada has adopted. The tribes, nevertheless, pressed forward and challenged the Governor of Florida, accusing him of bad faith in not being willing to negotiate such gaming activity.

My view is that it is a province that ought to be left to the State Governors and the elected State legislatures. In California, currently 20 tribes have 14,000 illegal machines, contrary to State law. The Governor of California has recently negotiated a compact with the Pala Band of Indian tribes that do not permit, as some tribes want, slot machines in California. California's Governor and its State legislature ought to make the determination.

So what this amendment does is to preempt the Secretary of the Interior from making that decision and retains the authority and jurisdiction in the Congress to be changes in the Indian Gaming Regulatory Act. If there are perceived shortcomings, let us in a deliberative fashion make those changes—not the Secretary of the Interior.

As I have indicated, I look forward to working with my colleagues who serve on that committee.

I yield the floor. I reserve the remainder of the time to be allocated by the distinguished Senator from Wyoming on this issue.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Wyoming.

Mr. ENZI, Madam President, I yield myself 4 minutes. I thank Senator BRYAN for his comments.

I am pleased that we have the opportunity to talk about this. I thought we had talked about it last year. I thought that would give enough direction to the Secretary of the Interior that we would not have a problem.

I want to mention that this amendment is an emergency. That is why we are attaching it to this bill. The comment period for the rules that he has gone ahead and promulgated will run out before we have another opportunity to debate this. I do not want the Department of the Interior to be spending the money to do the process they are doing which bypasses Congress, and it bypasses States rights.

I want to read a portion of a letter that I have from the National Governors' Association.

This letter is to confirm Governors' support for the Indian gaming-related amendment offered by Senators Michael B. Enzi, Richard H. Bryan, and Harry Reid to the Senate supplemental appropriations bill. This amendment prevents the secretary of the U.S. Department of the Interior from promulgating a regulation or implementing any provisions of the Indian Gaming Regulatory Act in tribal-State compacts, as required by law.

The nation's Governors strongly believe that no statute or court decision provides the secretary of the U.S. Department of the Interior with authority to intervene in disputes over compacts between Indian tribes and States about Indian lands. Such action would constitute an attempt by the Secretary of the Interior to preempt states' authority under existing laws and recent court decisions and would create an incentive for tribes to avoid negotiating gaming compacts with states.

Further, the secretary's inherent authority includes a responsibility to protect the interests of Indian tribes, making it impossible for the secretary to avoid a conflict of interest or exercise objective judgment in disputes between States, tribes, and the Department of the Interior. That is from the National Governors' Association.

I see that Senator REID is on the floor. I yield 5 minutes to Senator REID.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I appreciate very much the leadership of the Senator from Wyoming on this issue. It is an important issue, and it is bipartisan.

We hear a lot in this body about States rights. But where the illustration is clearly defined is this in States rights. I was part of the Indian Affairs Committee when we drew up legislation under the Indian Control Act, and, of course, the purpose of that act was to allow Indians to do anything in a State that non-Indians could do relating to gaming.

For various reasons, the courts have interposed themselves, and now there is controversy as to really what the act stands for. But one thing we do know is that the clear intent of the Act was that Indians could not do more in a State related to gaming than non-Indians, and that is, in effect, what the Secretary is trying to do with the proposed rule—to have him be the arbiter of what goes on regarding gaming, no matter how the State might feel. It certainly would be unfair, and it would be derogation of the intent of the original law.

It has already been explained here that clearly the Secretary has a conflict of interest in this regard. He is someone who has as one of his main obligations the obligation to look out for Indians in regard to the trust responsibility. How can someone who has this obligation also say that he is going to be the interpreter of whether or not the State is dealing in a fair fashion in good faith? It is clear he cannot, and that is why I support this amendment.

Last year's Interior appropriations bill included language prohibiting the Secretary from approving Class III gaming compacts through September 30, 1998. This was done to address a problem created as the result of the Supreme Court's decision in Seminole v. Florida. Our concern was that after Seminole, tribes would immediately seek assistance from the Secretary in bypassing States rights. It is clear that the Secretary believed the state was not negotiating in good faith.

It is important to recognize that Indian Gaming Regulatory Act (IGRA) does not permit secretarial intervention without a finding that a State has negotiated with a tribe in bad faith. The Secretary now proposes that he make that finding himself. There is nothing in IGRA that gives the Secretary this broad authority. Indeed, this authority is vested in the Federal courts.

I state clearly and without any qualification that I would be very happy to work as closely and as quickly as possible with the chairman of the Indian Affairs Committee and the ranking Member from Colorado, and the ranking Member from Nevada, to come up with statutory authority to work out this problem. But, the way the law now stands, it is up to the courts to do this. Certainly, there would never be legislation that would give the Secretary the authority to determine whether or not the State was acting in good faith.

By announcing a proposed Rulemaking on this issue in January, the Secretary seeks to disregard what this body affirmatively stated last year.

This proposal makes no sense. By inviting the tribes to seek resolution with Secretary, the States, and the Governors are placed at a severe disadvantage.

We can not expect the Secretary of Interior to be able to arbitrate these types of contentious disputes over Indian gaming.

I repeat, as I have said earlier. The Secretary has a fiduciary and trust responsibility to the tribe and thus can not fairly arbitrate these types of disagreements.

The Secretary's decision in January to propose regulations on this issue circumspects the intent of the Senate's efforts to do on last year's Interior Bill.

Essentially, the Secretary announced his intention to do everything but promulgate a final rule on this issue.

My amendment is very simple and prevents the Secretary from promulgating as final regulations the proposed regulations he published on January 22, 1998 (63 Fed. Reg. 3289).

Additionally, he cannot issue a proposed rulemaking, or promulgate, any other regulations to bypass the procedures for gaming activities under IGRA in any case in which a state asserts a defense of sovereign immunity.
to a lawsuit brought by an Indian tribe in Federal court to compel the State to participate in compact negotiations for Class III gaming.

I believe any effort by Interior on this issue would be opposed by the states and the governors.

The Western Governors’ Association has already weighed in in opposition to this proposed rule.

This is an issue involving states rights.

The states and the governors should be able to negotiate with the tribes without duress.

They should not be placed on an uneven playing field in these negotiations.

How can they reasonably expect to get an impartial hearing from an arbitrator who has a fiduciary and trust obligation to the tribes?

With all of the problems we are now experiencing with Indian Gaming, the Secretary should not be undertaking action that will promote its expansion to the detriment of states rights.

I repeat, I would be very happy to work as a member of the Indian Affairs Committee with the chairman and the ranking minority to come up with statutory authority to work up a way out of this so it doesn’t have to be determined in the courts. But the courts are a better place to determine what is good or bad faith, and the Secretary is in the absolute conflict of interest.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Madam President, how much time remains on this amendment?

The PRESIDING OFFICER. The Senator from Wyoming has 4 minutes 1 second. The Senator from Hawaii has 30 minutes.

Mr. STEVENS. Madam President, I have listened with great interest to the comments on both sides and state to the authors of the bill, as well as those who oppose it, that I would be prepared to accept this amendment without a vote and to take it to conference to see if we can work out something that might be acceptable and not have as much controversy between those who have spoken on the amendment. So, if that would be acceptable to all concerned, I would suggest that we have a yielding back of time and adopt the amendment on a voice vote.

The PRESIDING OFFICER. Do both Senators yield their time?

Mr. ENZI. Madam President, reserving the right to object, I want to comment on that. I hope we could be a part of working that out. We see this as only an extension of the work that was done last year, so we have no problem in agreeing to continue to extend that work and hope that would be done in a very cooperative spirit. I look forward to working with the other people. But we do anticipate that the States rights will hold that we will be a part of the process in conference.

Mr. REID. Madam President, if the Senator will yield, I will say there is no one in the body who is more concerned about States rights than the Senator from Alaska. He will be the chairman or the cochairman in conference, and I have every hope that we can work something out that would be acceptable to everyone.

Mr. ENZI. I yield the remainder of our time.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Madam President, under those circumstances, I am pleased to yield the remainder of my time.

The PRESIDING OFFICER. All time is yielded.

Mr. INOUYE. Madam President, before I do, I ask unanimous consent to have printed in the Record the policy of the administration on this matter.

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

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<th>BUREAU OF INDIAN AFFAIRS</th>
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S. 1572 amends the Indian Gaming Regulatory Act (IGRA) and precludes the Secretary from promulgating final regulations to deal with Indian gaming compact negotiations between States and Tribes when Tribes have exhausted federal judicial remedies.

**Background:** The Indian Gaming Regulatory Act (IGRA) was enacted to allow Indian tribes the opportunity to pursue gaming as a way of diversifying economic development on Indian lands. Since 1988, Indian gaming, regulated under IGRA, has provided benefits to over 150 tribes and to their surrounding communities in over 24 states. As required by law, Indian gaming revenues have been directed to programs and facilities to improve the health, safety, educational opportunities and quality of life for Indian people.

Under IGRA, Tribes are only authorized to conduct casino-style gaming operations if such gaming is permitted by the state. Further, the gaming is allowed in those states only pursuant to a mutually agreed-upon Tribal-State compact; or in the alternative, pursuant to a compact entered into by the Secretary if a state fails to consent to a compact arrived at through the mediation process that follows a determination by a United States district court that the State has failed to negotiate in good faith (25 U.S.C. Section 2710(d)(7)(B)(vii)). IGRA only authorizes the Secretary to issue “procedures” after states have been provided with a full opportunity to negotiate compact terms.

Under IGRA, Congress intended to give tribes the right to file suits directly against state officials in good faith with regard to Class III gaming. The right to sue a state for failure to negotiate in good faith was seen by Congress as the best way to ensure that states deal fairly with tribes as sovereign governments. See Senate Report No. 446, 100th Congress, 2nd Session (1988).

In Seminole Tribe v. State of Florida, the U.S. Supreme Court held that Congress was without authority to waive the States’ immunity to suits in Federal courts ensured by the Eleventh Amendment to the Constitution. As a result, states can avoid entering into good faith negotiations with Indian tribes without concern about being subject to suit by tribes. Under these circumstances, the Secretary’s authority to promulgate regulations may be the only avenue for meeting the Congressional policy of promoting tribal economic development and self-sufficiency.

**Effect of Proposed Legislation:** The legislation would prohibit the adoption of a rule by the Secretary which would in any way prevent Indian tribes from entering into good faith negotiations with the States pursuant to which Class III procedures would be adopted in specific situations where the States have asserted their Eleventh Amendment immunity. If the legislation is included as an amendment to a 1998 supplemental appropriation, the language would remain in effect through FY 1998.

**Departmental Position:** The Department strongly objects to any attempt to substantially interfere with its ability to administer the Indian Gaming Regulatory Act or to thwart Congress’ declared policy in IGRA of promoting tribal economic development, self-sufficiency and strong tribal governments. The Secretary would recommend a veto of any legislation extending beyond FY 1998 that prevents the Secretary from attempting to work out a reasonable solution for dealing with Indian gaming compact negotiations between states and Tribes when Tribes have exhausted federal judicial remedies. The Secretary published proposed regulations on January 22, 1998 which would authorize the Secretary to approve Class III gaming procedures in cases where the state has asserted an Eleventh Amendment defense. The proposed rule is narrow in scope. It will allow the Secretary to move forward only 1) when a Tribe asserts that a State has not acted in good faith in negotiating a Class III gaming compact and 2) when the State asserts immunity from the lawsuit to resolve the dispute. In the 9-year history of IGRA, these situations have been very rare. Over 150 compacts have been successfully negotiated and are being implemented in more than half the states. Even where negotiations have been unsuccessful and litigation has been filed, a number of States have chosen not to assert immunity from suit. Based on the Secretary’s experience to date, these situations will arise requiring Secretarial decisions.

The publication of the proposed rule is followed by a 90-day comment period, with formal public access to and review of the proposed rule. The Department will attempt to maximize State participation and comment during the comment period. The publication of the rule expected in FY 1998, after careful review and analysis of public comments, will continue to meet with State Governors to discuss the proposed rule and to work out compromises. A provision in the FY 1998 Department of the Interior, and Related Agencies Appropriations Act precludes the implementation of a final rule this fiscal year.

State law would continue to be the appropriate reference point for determining the “scope of gaming” permitted in any procedures proposed by the Department to resolve Indian gaming compact disputes. This policy is consistent with the Department’s position that it does not authorize classes or forms of Indian gaming in any State where they are already prohibited by State law. The United States as amicus curiae in the Supreme Court in Rumsey Indian Rancheria of Wintun Indians v. Wilson, 65 F.3d 1250 (9th Cir. 1995), as modified on denial of petition for re-hearing, 99 F.3d 321 (9th Cir. 1996), cert. denied, sub nom, Syucan Band of Mission Indians v. Wilson, No. 96-1059, 55 U.S.L.W. 3855 (June 24, 1996).

The publication of the proposed rule follows an Advanced Notice of Public Rulemaking established in the Record in May, 1996. In developing the proposed rule, the Department carefully considered over 350 comments submitted by States, Tribes, and others.

The Department opposes legislation which would in effect provide States with a veto
power over Class III Indian gaming when state law permits the gaming at issue “for any purpose by any person, organization or entity.”

In addition, the Department of the Interior strongly objects to using the appropriations process for policy decisions to the Indian Gaming Regulatory Act. Including the provision for the Indian Gaming Regulatory Act in the bill would circumvent a fair legislative process with hearings involving Indian tribes, state officials, and the regulated community. Through the hearing process, all parties involved in Indian gaming are allowed to contribute testimony on how or whether IGRA should be amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment (No. 2133) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Madam President, there are a series of amendments that are on what we call the finite list here. My staff and I believe they are amendments that we could accept, maybe with some change to make sure we do not have budget problems. So I request the staffs of Senator BOXER, Senator CLELAND, Senator GRAMM, Senator HUTCHISON, and Senator MURKOWSKI to see us as soon as possible concerning those amendments so we might see what we might be able to work out.

I will state to the Senate that there are a series of amendments that we have already worked out. We will offer them very quickly as the managers' package. We still have pending before the Senate the Nickles and McConnell amendments. In addition to that, 24 other amendments, Madam President, I invite any Senator to come present his or her amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

AMENDMENTS NO. 2136 THROUGH 2151, EN BLOC

Mr. STEVENS. Madam President, I am pleased to announce that the first portion of the managers' package has been cleared. I would like to read to the Senate what these are and then send this portion of the package to the Chair so we can consider these amendments en bloc.

The first amendment is on behalf of Senator MCCAIN to clarify that adult unmarried children of Vietnamese re-education camp internees are eligible for refugee status under the Orderly Departure Program. I would like to have this statement printed in the RECORD before the adoption of this amendment.

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

Mr. STEVENS. There is an amendment on behalf of Senator MURKOWSKI, which I have cosponsored, to make technical corrections to the Michigan Indian Land Claims Settlement Act to provide certain health care services for Alaska Natives. There is an amendment on behalf of Senator MURKOWSKI and myself to make technical corrections to the fiscal year 1998 Department of Interior appropriations bill;

an amendment on behalf of Senator BOND and myself to provide emergency funds available for the purchase of certain F/A-18 aircraft;

an amendment on behalf of Senator CHAFER to modify the Energy and Water Development section of the bill.

I am also sending a statement to the desk on behalf of Senator CHAFER and ask it be printed in the RECORD.

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

Mr. STEVENS. There is an amendment on behalf of Senator BOND to make technical corrections to the Economic Development Grant Program funded by the bill as part of the Empowerment Zone Act;

an amendment in behalf of Senator CRAIG to make technical corrections to section 405 of the bill regarding the Forest Service transportation system moratorium;

an amendment on behalf of Senators COCHRAN and BUMPER to make a technical correction to the Livestock Disaster Assistance Program;

an amendment on behalf of Senators WILSTEAD, CONRAD, and DORGAN dealing with Farm Operating and Emergency Loans;

an amendment on behalf of Senators JEFFORDS and LEAHY dealing with the Mackville Dam in Hardwick, VT;

an amendment on behalf of Senator LOTT making a technical correction to the McConnell amendment, which is amendment No. 2100;

an amendment on behalf of Senator DASCHEL to provide funds for humanitarian demining activity in Bosnia and Herzegovina;

an amendment on behalf of Senator GREGG to make a technical correction to the Patent and Trademark section of the bill;

an amendment on behalf of Senator LEVIN to the McConnell amendment numbered 2100 dealing with consultation by the Secretary of Treasury;

an amendment on behalf of Senator GRASSLEY and myself regarding a U.S. Customs Service P-3 aircraft hangar.

Madam President, I send those amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER. The clerk will report the amendments.

The request is to consider the following:

The Senator from Alaska [Mr. STEVENS] proposes amendments numbered 2136 through 2151, en bloc.

The amendments are as follows:

(Purpose: To clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program. At the appropriate place in Title II, insert the following:

SEC. 2. ELIGIBILITY FOR REFUGEE STATUS.

Section 504 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–17) is amended—

(1) in subsection (c)—

(A) by striking “For purposes” and inserting “Notwithstanding any other provision of law, for purposes”;

(B) by striking “fiscal year 1997” and inserting “fiscal years 1998 and 1999”;

(2) by amending subsection (b) to read as follows:

(a)aliens covered.—

(1) in General.—An alien described in this subsection is an alien who—

(A) is the son or daughter of a qualified national;

(B) is 21 years of age or older; and

(C) was unmarried as of the date of acceptance of the alien’s parent for resettlement under the Orderly Departure Program.

(2)qualified national.—For purposes of paragraph (1), the term ‘qualified national’ means a national of Vietnam who—

(A)(i) was a former reeducation camp inmate in Vietnam by the Government of the Socialist Republic of Vietnam; or

(ii) is the widow or widower of an individual described in clause (i); and

(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

(ii) on or after April 1, 1995, is accepted—

(1) for resettlement as a refugee; or

(2) for admission as an immigrant under the Orderly Departure Program.

Mr. MCCAIN. Madam President, I offer an amendment that is basically a technical correction to language that I had included in the Fiscal Year 1997 Omnibus Consolidated Appropriations Act. That language, and the amendment I offer today, are designed to make humanitarian exceptions for the unmarried adult children of former re-education camp detainees seeking to emigrate to the United States under the Orderly Departure Program. Despite what I considered to have been pretty unambiguous legislation in both word and intent, the Immigration and Naturalization Service and Department of State interpreted my amendment to the 1997 bill so as to exclude the very people to whom the provision was targeted. This amendment was accepted as part of the State Department Authorization bill for fiscal year 1998, which has not passed into law. It is, therefore, necessary to include this language in the Emergency Supplemental in order to permit the State Department to begin to process the backlog of cases that accumulated since the program’s expiration last year.

Prior to April 1995, the adult unmarried children of former Vietnamese re-education camp prisoners were granted derivative refugee status and were permitted to accompany their parents to the United States under a sub-program of the Orderly Departure Program (ODP).
This policy changed in April 1995. My amendment to FY1997 Foreign Operations Appropriations Bill, which comprises part of the Omnibus Appropriations Act, was intended to restore the status quo ante regarding the adult unmarried children of former prisoners. My comments in the CONGRESSIONAL RECORD from July 25, 1995, clearly spelled this out.

Unfortunately, certain categories of children who, prior to April 1995 had received derivative refugee status and whom Congress intended to be covered by last year’s amendment, are now considered ineligible to benefit from that legislation.

First, prior to April 1995, the widows of prisoners who died in re-education camps were permitted to be resettled in the U.S. under this sub-program of the ODP, and their unmarried adult children were allowed to accompany them. These children are now considered ineligible to benefit from last year’s legislation.

To ask these widows to come to the United States without their children is to deny them entry under the program. Many of these women are elderly, ill in health, and the presence of their children is essential to providing the semblance of a family unit with the care that includes.

The second problem stemming from INS and the State Department’s interpretation of the 1997 language involves the roughly 20% of former Vietnamese re-education camp prisoners resettled in the United States who were processed as immigrants, at the convenience of the U.S. Government.

Their unmarried adult children, prior to April 1995, were still given derivative refugee status, however, the position of INS and State is that these children are now ineligible because the language in the FY1997 bill included the phrase “processed as refugees for resettlement in the United States.”

That phrase was intended to identify the children of former prisoners being brought to the United States under the sub-program of the ODP and eligible to be processed as a refugee—which all clearly were—as distinct from the children of former prisoners who were not being processed for resettlement in the United States.

The fact that a former prisoner, eligible to be processed as a refugee under the ODP sub-program, was processed as an immigrant had no effect prior to April 1995, and their children were granted refugee status. The intention of the 1996 legislation was to restore the status quo ante, including for the unmarried adult children of former prisoners eligible for and included in this sub-program but resettled as migrants. This amendment will correct the problem once and for all, and I urge its support.

(ii) in the event that the amount referred to in subsection (b)(2)(B)(i) is not sufficient to cover the payments required under subsection (b)(2), from any funds appropriated to the Forest Service in fiscal year 1998 or fiscal year 1999, as the case may be, that are not specifically earmarked for another purpose by the applicable appropriation act or a committee of Congress.

(c) Any State which receives payments required by subsection (b)(2)(A) shall expend such funds only in the manner, and for the purposes prescribed by section 500 of title 16 of the United States Code.

(c)(1) During the term of the moratorium referred to in subsection (a)(1), the Chief shall prepare and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on, each of the following:

(A) a study of whether standards and guidelines in existing land and resource management plans compel or encourage entry into roadless areas within the National Forest System for the purpose of constructing roads or undertaking any other ground-disturbing activities;

(B) an inventory of all roads within the National Forest System and the uses which they serve, in a format that will inform and facilitate the development of a long-term Forest Management policy, and annual operating plans for each area; and

(C) a comprehensive and detailed analysis of the economic and social effects of the moratorium referred to in subsection (a)(1) on commercial, subsistence, and recreation values.

(2) The Chief shall fund the study, inventory, and analysis required by subsection (c)(1) in fiscal year 1998 from funds appropriated to the Forest Service Research in such fiscal year that are not specifically earmarked for another purpose in the applicable appropriation act or a committee or conference report thereon.

AMENDMENT NO. 2144

(Purpose: To make a technical correction in the language of the Livestock Disaster Assistance program)

On page 5, line 10, strike “that had been produced but not marketed”.

AMENDMENT NO. 2145

(Purpose: To subsidize the cost of additional farm operating and emergency loans)

On page 3, line 6, beginning with “emerge” strike all through and including “insured,” on line 7 and insert “direct and guaranteed.”

On page 3, line 11, following “disasters” insert: “as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans”.

On page 3, line 14, strike “$21,000,000” and insert in lieu thereof the following: “$29,600,000”.

AMENDMENT NO. 2146

(Purpose: To appropriate funds for emergency construction to repair the Machville Dam in Hardwick, Vermont)

On page 18, between lines 5 and 6, insert the following:

An additional amount for emergency construction to repair the Machville Dam in Hardwick, Vermont: $50,000, to remain available until expended: Provided, That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam in Hardwick, Vermont: Provided, That the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: Provided further, That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: Provided further, That the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)) is transmitted by the President to Congress: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

AMENDMENT NO. 2147 TO AMENDMENT NO. 2100

On page 8 line 14 and 18 of amendment 2100 after the word “automobile,” insert the following: “shipbuilding.”

AMENDMENT NO. 2148

(Purpose: To provide $35,000,000 for humanitarian demining activities in Bosnia and Herzegovina)

At the appropriate place in Title II, insert the following:

SEC. 2148. Provided, That the amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for obligations and disbursements including multilateral efforts to remove landmines in Bosnia and Herzegovina: Provided further, That such amount may be deposited in that Fund only if the President certifies to the Committees referred to in subsection (a)(1), the Chief of the United States Army Corps of Engineers in that Fund may be expended in accordance with this Act:

SEC. 2149.

AMENDMENT NO. 2149

On page 51, line 8, strike the word “designated” and on line 13, strike the words “federal construction.”

AMENDMENT NO. 2150 TO AMENDMENT 2100

At the appropriate place in the IMF title of the bill, insert the following:

SEC. 2150. The Secretary of the Treasury shall consult with the office of the United States Trade Representative regarding prospective IMF borrower countries, including their status with respect to title III of the Trade Act of 1974 or any executive order issued pursuant to the aforementioned title, and shall take such consultations into account before instructing the United States Executive Director of the IMF on the United States position regarding loans or credits to such borrowing countries.

In the section of the bill entitled “SEC. REPORTS” after the first word “account,” insert the following:

“(i) of outcomes related to the requirements of section (described above); and (ii)”

AMENDMENT NO. 2151

On page 46, after line 16, insert:

SEC. 2151. Provided, That the amount may be made available for construction of a P-3 AEW hangar in Corpus Christi, Texas: Provided further, That the funds appropriated under this heading may only be obligated 30 days after the Commission on the Customs Service certifies to the House and Senate Committees on Appropriations that the construction of the facility is necessary for the operation of the P-3 aircraft for the counternarcotics mission.

AMENDMENT NO. 2140

Mr. CHAFEE. Madam President, I want to comment very briefly on an amendment of mine that has been accepted by the managers. The amendment deals with cost-sharing for a levee and waterway project included in the Supplemental Appropriations bill for Elba and Geneva, Alabama. Specifically, the amendment strikes the phrase, ‘to be conducted at full Federal expense” as found on page 17, lines 10 and 11 of the bill.

By striking this phrase, the appropriate, lawful cost-sharing ratio would be applied. It would be my strong preference, Mr. President, that we not impose any authoritative preclusion to other water projects in the Supplemental bill. These are matters more appropriately dealt with in the Water Resources Development Act, which we plan to take up this summer.

However, recognizing the urgency of the situation in these Alabama communities, I am willing to go forward with the expedited process provided here; as long as the cost-sharing is consistent with current water resources law. My amendment ensures that the levee repair and associated work in Elba and Geneva will be cost-shared. I want to thank Senator SHELBY and the bill’s managers for working with me today to favorably resolve this matter.

AMENDMENT NO. 2143

Mr. WELLSTONE. Madam President, I thank the managers of the bill, as well as the Chairman and Ranking Member of the Agriculture Appropriations Subcommittee, for accepting my amendment. I offered it on behalf of
myself and Senators CONRAD, DORGAN and DASCHEL to address a shortfall in funding during the current fiscal year of USDA farm credit programs in our states and across the country as a result of disastrous weather and economic conditions.

The amendment is simple. It adds $8.6 million in appropriation to this emergency supplemental spending bill for Farm Service Agency operating loans, both guaranteed and direct. The amendment includes $2 million in appropriation for direct farm operating loans, which allows lending authority of $52 million nationwide. This is in addition to the $3.1 million of appropriation and approximately $48 million in lending authority that already was in the bill, bringing the total amount of lending authority for FSA direct operating loans in the bill to approximately $100 million. The amendment also adds $5.4 million in appropriation for guaranteed subsidized interest loans, allowing lending authority of approximately $58 million for that existing FSA program. Previously there was no money in the bill for this type of credit.

I will include in the RECORD a letter from my state Farm Service Agency office, written by the state director to FSA state committee members from Minnesota. The letter not only documents the dire need for additional funding in this bill for these two important programs, but explains what has been occurring in parts of Minnesota. I don’t use the word crisis lightly. It causes me some pain to observe that it is an accurate word. I attended a meeting in Crookston, Minnesota a number of weekends ago, called for the purpose of addressing the increasingly disturbing economic conditions, especially in the Northwestern part of the state, as well as in North Dakota. There was a sign on the building that announced, “Farm crisis meeting called to address the devastating implications of crop failure and farm crisis meetings in Minnesota during the 1980s, and it was with some dismay that I read that sign as I entered the meeting in Crookston. But I must note that from what I saw and heard in Crookston, we have a grave situation.

I will also include in the RECORD an article from the Star Tribune, Minnesota’s largest-circulation newspaper, titled, “Red River Valley farmers tell story of sorrow that is fallout of 5 hard years.” I am sure that colleagues will recall pictures and descriptions of hardship and travail in the Red River Valley following last year’s calamitous floods. But I am hearing disturbing news that farmers elsewhere in the state also are struggling, in many cases due to low prices.

Madam President, my Dakota colleagues and I do not imagine that the additional farm credit that we are including in this emergency bill will solve the very difficult economic problems in portions of our states’ farm economy. It will, however, allow a number of farmers to stay in business this year, to keep operating and, hopefully, to get past immediate difficulties in a way that allows them to maintain an operation that is viable into the future. Each of us also supports legislation to reform and improve our federal farm policy. I believe the current policy is on a wrong track, that the so-called Freedom to Farm legislation enacted in 1996 was a mistake, and that we should act to raise loan rates for a targeted period of time on each farm. I also believe that the repayment period for marketing loans should be extended and that crop insurance coverage should be repaired so that affordable coverage can do a better job of covering the losses.

I intend to push very hard this year for an increase in research to find a means to eradicate a very damaging disease known as scab which is affecting wheat in our region. Still, without the additional loan money we desperately need, any credit would go unmet in our states. In the letter I have included in the RECORD, Minnesota FSA officials note that the shortfall this year in funds for the two types of operating loans will be $24 million.

The letter from the state FSA officials points out that some experts believe that as many as one in five farm families in Northwestern Minnesota may be on the brink of failure. It correctly observes that for much of Minnesota agriculture 1997 was a year “wrought with disaster.” I appreciate the help of my colleagues in including this urgently needed assistance. I am very pleased that this year, I am able to hold this amount in the bill’s conference, we will be coming through for farm families in Minnesota and around the country.

Madam President, I ask unanimous consent that the letter and article be printed in the RECORD.

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

"Farmers have told the Star Tribune, Minnesota’s largest-circulation newspaper, about the mounting problems of a year that has been a crisis of survival. They told of losses, the highest since the mid-1980’s. Some experts believe that as many as one in five farm families may be on the brink of failure in northwest Minnesota and will be unable to continue their farming operations.

Two public forums were held on Saturday, May 9, 1998, in Crookston, MN to discuss the economic plight of rural businesses and farms. Approximately 400 people attended each of these forums including members of the Minnesota congressional delegation and State legislators."

During FY 97, Minnesota Farm Service Agency extended $126,000,000 in loan funds to approximately 1350 farm families. The supplemental appropriations bill passed last spring enabled us to meet the needs of many farm families. Minnesota received approximately $20,000,000 from this supplemental appropriation.

We cannot stress enough the importance of the federal government providing sufficient assistance in a timely manner to avoid an economic collapse. We believe the government has a responsibility to do everything possible to help these farm families that so desperately need assistance due to events that are beyond their control.

We have estimated the shortfall in State loan allocations for Farm Loan Programs as follows:

DIRECT OPERATING

During FY 97, Minnesota obligated approximately $39,000,000 in loan funds. Our FY 98 allocation is $26,400,000. We will likely exhaust our State allocation by mid-April. An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED OPERATING LOANS WITH INTEREST ASSISTANCE

During FY 97, Minnesota obligated approximately $27,200,000 in loan funds. Our FY 98 allocation is $17,300,000. We will likely exhaust our State allocation by the first part of April.

An additional $12,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

GUARANTEED FARM OWNERSHIP

During FY 97, Minnesota obligated approximately $22,700,000 in loan funds. Our FY 98 allocation is $15,400,000. We will likely exhaust our State allocation by the middle of May.

(Usage of guaranteed farm ownership funds usually trails other programs by a couple of months as lenders focus on farm operating needs ahead of real estate needs.)

An additional $10,000,000 would assist in meeting anticipated demand to meet the needs of Minnesota farm families.

Any additional loan funding assistance that can be obtained would be greatly appreciated.

The attached news articles portray the severity of the problems that farmers are facing and accurately provide insight into the human side of the dire straits that families are experiencing.

Please do not hesitate to contract us if you have any questions or suggestions on what more we can do to provide additional help or games support for additional assistance.

WALLY SPARBY, State Executive Director.

KENT KANTEN, State Committee Member.

HARLAN BURLING,
State Committee Member, Minority Advisory.

CLARENCE BERTRAM, State Committee Members.
DAVID HAUGO, Chairman, State Committee Members.
MARY DONKERS, State Committee Member.
CARL JOHNSON, State Committee Member.

(From the Star Tribune, Mar. 8, 1998)

RED RIVER VALLEY FARMERS TELL OF SORROW THAT IS FOLLOWED BY 5 HARD YEARS

(Chuck Haga)

CROOKSTON, Minn.—After meeting Saturday with hundreds of northwestern Minnesota farmers humbled by five years of adverse weather, crop diseases and low crop prices, legislative leaders promised they'd get right to work on a relief program.

But there's a limit to what the state can do, they warned the farmers, many of whom indicated they were at their wit's end.

"We'll have a bill in Monday morning to make a difference," said Rep. Steve Wenzel, DFL-Little Falls, chairman of the Minnesota House Agriculture Committee.

Wenzel said he'll seek to have some of the state's current budget surplus earmarked for special tax relief. The state could also shore up federal crop insurance programs, which many farmers said didn't come close to covering their losses.

"We've got some other things we can reach back and dust off from the old farm crisis (of the 1980s)," Wenzel said.

Sen. Paul Wellstone, D-Minn., who helped organize farm protests in the 1980s, winced when he saw a sign that read "Farm crisis meeting" outside the auditorium at the University of Minnesota at Crookston.

"I didn't want to see another sign like that," he said. "But you can see it in people's faces here: This is not good." Saturday's meetings in Crookston and Hallock, Minn., were organized by U.S. Rep. Collin Peterson, D-Minn., and state Rep. Jim Tunheim, DFL-Kennedy, to call attention to the upper Red River Valley.

"We are a little pocket of the country," Peterson said. "The rest of the country doesn't notice, because the rest of the country is pretty good." Others attending included state Attorney General Hubert Humphrey III; Senate Majority Leader Roger Moe, DFL-ERskine; House Speaker Phil Carruthers, DFL-Brooklyn Center, and Senate Tax Chairman Doug Johnson, DFL-Tower.

"Some of the ideas the farmers shared are kind of interesting," Moe said, such as a state funding pool for credit backup and supplements for crop insurance.

"We'll look at some changes in the property tax," he said. "We'll probably put some additional money into research, but that's a longer-term solution."

Bob Bergland, a retired farmer from Roseau, Minn., who represented northwestern Minnesota in Congress and was President Jimmy Carter's secretary of agriculture, said state researchers are working to find wheat and barley varieties resistant to scab, a fungus that thrives in wet years and cuts grain yields and quality.

"So far, we've found no miracle solution," he said.

A SILENT SORROW

Larry Smith, superintendent of the North- west Experiment Station at Crookston, held up a regional farm publication with seven pages of farm auctions.

"These are farmers I grew up with in northwestern Minnesota," he said. "The most prosperous northwestern Minnesota now is the auction business."

Tim Dufault, president of the Minnesota Wheat Growers Association, said scab has cost Minnesota farmers $1.5 billion and North Dakota farmers $1 billion since the current wet cycle started five years ago. And those losses are continuing to pack. Rod Nelson, president of First American Bank in Crookston, said 20 of the farmers financed by his bank are quitting or significantly downsizing this year, "and many more are thinking about next year or the year after."

"I've got it back," he said. "And the bank has main-street business customers drowning in accounts receivable that can't be collected, he said.

"But in this silent crisis, there are no groups coming in to help during the flood," he said. "There isn't the media coverage. Our people have not felt the compassion and understanding coming their way.

"They have a sense of failure, and that changes the way a community lives and operates. It changes not just the economy, but also the character of the community."

ONE FARMER'S STORY

When the politicians and other featured speakers finished, people from the audience spoke.

Don Fredrickson started telling his story softly, as if he were talking with a few friends at a coffee shop, not addressing 350 fellow farmers, a dozen legislators, two members of Congress and the attorney general.

By the time he finished, he had gone through many emotions and seemed close to tears. So did more than a few of the people listening.

"I started farming when I was 4, milking cows," said the 79-year-old potato farmer from Bagley, Minn. "At 5, I remember my dad putting me on the binder with four horses."

When he was 10, his grandfather lost the family farm. It was the Depression. A few years later, when President Franklin Roosevelt's help, "we got it back," he said.

He was married at 21; his wife was 17. After their honeymoon, they returned to the farm. They had $5 and a dream, he said, and through the next decades, the dream came true as they built a large, profitable farming operation.

"It's been a great life," Fredrickson said. "But now, after working hard all my life, I can't sleep nights thinking about it. I'm depressed. I'm crabby. You spend all your life raising food that's essential, and ..."

His voice trailed off. He smiled at the politicians and thanked them for listening, and he sat down.

Everybody else stood, and sent him to his seat with a thundering ovation because he had said what they were feeling.

MODIFICATION TO AMENDMENT NO. 2062

Mr. STEVENS. Madam President, I ask unanimous consent, on behalf of Senator Byrd, to make technical modifications to amendment No. 2062, which was agreed to yesterday. That has been cleared by both sides.

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

The modification is as follows: On page 15, line 11 shall read as follows:

"The Administrator of the General Services Administration shall."
as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2153
On page 21, line 20, delete the number "$28,938,000" and insert in lieu thereof "$28,938,000".
On page 21, line 23, delete the number "$32,618,000" and insert in lieu thereof "$32,618,000".

On page 22, line 11, delete the number "$8,500,000" and insert in lieu thereof "$9,506,000".
On page 22, line 13, delete the number "$8,500,000" and insert in lieu thereof "$9,506,000".
On page 22, line 25, delete the number "$1,000,000" and insert in lieu thereof "$1,198,000".
On page 23, line 3, delete the number "$1,000,000" and insert in lieu thereof "$1,198,000".

On page 24, insert a new section:

**CONSTRUCTION**
For an additional amount for ‘Construction’, $1,837,000, to remain available until expended, for repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $1,837,000, that includes designation of the entire amount requested as an emergency requirement as defined in the Balanced Budget And Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

On page 24, insert a new section:

**BUREAU OF INDIAN AFFAIRS**
For an additional amount for ‘Construction’, $700,000, to remain available until expended, to repair damage caused by floods and other natural disasters: Provided, That the entire amount shall be available only to the extent that an official budget request for $700,000, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget And Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AMENDMENT NO. 2154

Mr. STEVENS. Madam President, I ask for the record:

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 2152, 2153, and 2154) were agreed to en bloc.

Mr. STEVENS. I move to reconsider the vote by which the amendments were agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2154

Mr. DORGAN. Madam President, I am pleased that the committee included my amendment, numbered 2154, to provide $365,000 for replacement of electrical fixtures and testing for and remediation of Polychlorinated Biphenyls (PCBs) at schools and Bureau of Indian Affairs facilities located at the Standing Rock Sioux Reservation in North Dakota. These funds will remain available until expended.

The amendment provides direct funding to the Bureau of Indian Affairs so that the agency may replace PCBs in schools and other facilities at the Standing Rock Sioux Reservation. That is the point of this amendment—"To fund emergency PCB remediation at schools and other facilities at the Standing Rock Reservation."

Mr. STEVENS. Madam President, if the Chair will address the list we prepared last evening, I will indicate that the Boxer amendment is now off the list, the Daschle amendment is now off the list—the first Daschle amendment—the Dorgan amendment is now off the list, the Feingold amendment is now off the list, the Wyden amendment is now off the list, the Hatch amendment is now off the list, the Levin IMF amendment is now off the list, a portion of the managers’ package is off the list, and the Wyden amendment is off the list.

I urge Senators, again, to come work with me and my staff to determine if we can handle some of these matters. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2150

Mr. LEVIN. Madam President, I thank the managers of the bill for accepting my amendment which requires the Secretary of the Treasury to consult with the Office of the Trade Representative regarding prospective IMF borrowing countries, including their status with respect to our trade laws, and to take these consultations with our Trade Representative into account before the U.S. Executive Director of the IMF is given instructions on the U.S. position regarding approving loans to those countries.

I have had some difficulty supporting IMF reauthorization in the absence of requiring countries who are benefitting from an IMF funding bailout to remove restrictive trade practices and barriers that discriminate against American goods and American services. This amendment would put trading partners on notice that the United States is going to take into consideration a country’s discriminatory trade barriers to American goods and services as part of the process of determining American support for IMF loans.

Title III of the Trade Act of 1974 includes both section 301 and super 301 trade laws. These are some of our strongest trade tools in the arsenal to fight unfair and discriminatory trade practices.

If a foreign country is identified under these trade laws, it means that some of the most egregious discriminatory trade barriers are being kept in place to keep out American goods and services, and we have to use our trade laws to try to knock down barriers to our goods. We face discriminatory trade barriers too often. Trade is too often a one-way street, and where that is true with countries that are being considered for IMF loans, we should have the U.S. Executive Director of the IMF take into account those barriers and try to negotiate them away before approving the loan.

That is the point of this amendment—to make sure that those discussions and considerations take place before IMF loans are approved. Countries that discriminate against our goods and our services should not benefit from these loans until they have taken steps to remove the barriers. I hope that this provision will send a strong message to any country in question that has these barriers and is seeking IMF loans; that it must take significant steps to remove trade barriers if it wants to be assured of U.S. approval of those IMF loans.

Again, I thank the managers for accepting this amendment. I very much appreciate it. Those of us representing States that have industries and services that face these barriers in countries that are being considered for IMF
loans very much want this kind of action to be taken. They want our trade laws to be enforced, and want any discriminatory barriers that continue to exist that are maintained by these countries to be removed, to be negotiated away, before we decide what to do on the request for the IMF loan.

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 2100

Mr. STEVENS. Madam President, this has been cleared on both sides. I ask unanimous consent that amendment No. 2100, which has been held at the desk, be placed before the Senate for a vote at 11:45 a.m.

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

Mr. STEVENS. I ask unanimous consent that it be in order for me to order the yeas and nays.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The yeas and nays were already ordered.

Mr. STEVENS. I ask unanimous consent that no further amendments to amendment No. 2100 be in order.

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

Mr. STEVENS. I am authorized to state to the Chair that Senator Hollings has agreed to remove his proposed amendment from the list. I do not think it is at the desk. I state that it has been removed from the list.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Madam President, I wish to make a statement to the Senate. We have a finite list now, and we are going to go through it today until we finish. I think it is very advisable for Senators to come over here and raise their amendments or work them out with us. It will be a lot better than doing it tonight at midnight.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. Hutchison). Without objection, it is so ordered.

Mr. BUMPERS. What is the parliamentary situation? Let me rephrase that. Is an amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

AMENDMENT NO. 2134

Mr. BUMPERS. Madam President, I have an amendment at the desk, but I think the chairman of the Appropriations Committee and I have a pretty good understanding about the amendment and its intent. And I am not saying that he agrees with every jot and tittle of it, but I think that he feels pretty much the way I do about it.

Let me just say for the Record that here is an amendment that is accomplished with the amendment. As you know, an emergency appropriation does not require an offset. An appropriation in this bill which is not an emergency does require an offset. And under the Budget Act, spending that is not an emergency and nondefense discretionary spending must be offset with nondefense discretionary spending and defense spending that is not an emergency must be offset by defense spending cuts—including the budget.

And the House has done something—the thing that really sort of got me interested in this—the House has done something which is really very strange and, frankly, I consider to be a violation of the Budget Act. What they have said is, we are declaring these items—for example, assistance to Bosnia and the Iraqi operation—as emergencies. And, as I said, under the law they do not require offsets if they are emergencies. And the House has chosen to offset them anyway. And they have offset them totally from nondefense discretionary spending, such as housing, AmeriCorps, and other things that may not be popular to some people but they are fairly popular with me.

So what I want to do is emphasize that the Senate is proceeding exactly the way we should and in accordance with the Budget Act. We have declared these things emergencies. The ones that the House declared as emergency emergencies we have offsets for. And when we go to conference with the House, we are going to be in a strange position. They are going to be saying this is an emergency, but we are going to offset it anyway.

I think that the chairman agrees with me that if the conference does, in fact, have any offsets—and particularly offsets of emergency matters—that we will comply with the requirement of the Budget Act; and that is, defense spending increases for emergency purposes will be offset by defense funds, and the same way with nondefense discretionary spending.

And I would like, if I could, to get the chairman of the conference committee to comment on what I have just said.

Mr. STEVENS. Madam President, as the Senate from Alaska is aware, the bill now before the Senate does contain emergency appropriations for both domestic and nondefense emergencies. And such, those appropriations have not been offset. I agree with the Senator's understanding that when offsets are required, the defense accounts must pay for defense appropriations, the nondefense must pay for nondefense appropriations. And that would comply with the so-called walls that exist between defense and nondefense spending.

As I understand the situation, should we bring back a bill that has defense appropriations which are offset with reductions in nondefense accounts, the Budget Act would treat the defense funds to be over the cap that exists for 1998 and would not allow the treatment of the nondefense offsets to reduce that amount down below the cap.

I call attention to the fact that our committee is the only committee that is subject to the point of order under the Budget Act. The House can propose whatever it wants to propose, but should we bring such a bill back to the Senate floor, it would be subject to a point of order, and it would certainly not be my intention to do that.

Furthermore, as the Senate knows, it has already been determined that the budget, the account for defense, has already been rescinded and is $22 million over the cap now, which we will have to deal with later. But this bill is not over the cap. The defense account is over the cap before this bill was passed, and we have a real problem with dealing with any funds that might attempt to be appropriated for defense on a nonemergency basis because they would automatically be subject to a point of order.

So the Senator's amendment No. 2134, as I stated to him yesterday, in this Senator's opinion—and I checked with Senator Byrd yesterday—we believe that the Senator's amendment states the interpretation of the Budget Act as it applies to the Senate and therefore is unnecessary.

Mr. BUMPERS. Madam President, I just want to thank the chairman for his remarks. And with that understanding, I will withdraw this bill because it is a sense-of-the-Senate resolution, and, quite frankly, I would rather have the chair's word.

Mr. STEVENS. I stand corrected by the staff director. It is the total spending that is over the caps. The defense right now is under the cap, although before the year is over it will be right up to the cap.

Mr. BUMPERS. Fine. As I was saying, Madam President, the Senator from Alaska will be presiding as chairman on the Senate side in the conference committee. He and I have a deep reverence for the law as we understand it. And, as I say, I think I would rather have his word on this than to have my amendment adopted. So with that, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 2134) was withdrawn.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. I suggest the absence of a quorum.
Mr. STEVENS. Will the Senator withhold that request?
Mr. BUMPERS. Yes.
Mr. STEVENS. There is some question as to amendment 2100, Madam President. It is the IMF amendment. It is Senator MCCONNELL’s amendment, which now has been amended by two amendments which were adopted this morning. No further amendments are in order. But I was informed that some Senators do wish to speak on the McConnell amendment before it is voted on. And it will be voted on at 11:45. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Madam President, I announce that Senator GRAHAM will not offer his amendment. I suggest the absence of a quorum.

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

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

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

Mr. BUMPERS. Madam President, I ask unanimous consent that I be permitted to speak for 2 minutes as if in morning business.

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

THE JONESBORO SHOOTINGS

Mr. BUMPERS. Madam President, I simply want to call to the body’s attention—the body’s attention—in the Washington Post this morning called “Trigger Happy.” As you know, my home State is Arkansas, and we have just experienced one of the gravest tragedies in the history of our State. People all over the State—not just those in Jonesboro—are grieving over the loss of four children 11 years old, and one 32-year-old pregnant schoolteacher, a catastrophic happening that no one can even begin to explain.

But the Post this morning certainly points out one of the serious problems facing this country, and one with which we have never even come close to coming to grips with, and I don’t in the foreseeable future see us coming to grips with it. Here it is: In 1992, handguns killed 33 people in Great Britain; 36 in Sweden; 97 in Switzerland; 60 in Japan; 13 in Australia; 128 in Canada; and, 13,200 in the United States.

There was a study completed by the Violence Policy Center. And as the Post points out—they can’t put it all in here. But listen to this:

For every case in which an individual used a firearm kept in the home in a self-defense homicide, there were 1.3 unintentional deaths, 4.6 criminal homicides, and 26 suicides involving the firearm.

The overall firearm-related death rate among U.S. children aged less than 15 was nearly 12 times higher than among children in the other 25 industrialized countries combined.

From 1968 to 1991, motor-vehicle-related deaths declined by 21 percent, while firearm-related deaths increased by 60 percent. It is estimated that by the year 2005, firearm-related deaths will surpass deaths from motor-vehicle-related injuries. In 1991 this was already the case in seven States.

Madam President, those figures are so shocking to me. I have studied this issue for some time and have lamented the increasing violence from the Postal Service. And now it seems that it is becoming endemic in the schoolyards in America.

When in the name of God is this country going to wake up to what is going on in the country and the easy accessibility to guns?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Madam President, I announce that Senator GRAHAM will not offer his amendment.

Mr. BUMPERS. Madam President, I ask unanimous consent that I be permitted to speak for 2 minutes as if in morning business.

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

SUPPLEMENTAL APPROPRIATIONS FOR NATURAL DISASTERS AND OVERSEAS PEACEKEEPING EFFORTS FOR FISCAL YEAR 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2100

Mr. STEVENS. Madam President, there are now 20 minutes left for further debate.

I ask unanimous consent that time be divided between the majority and minority.

Does the Senator wish any time?

Mr. HAGEL. Two minutes.

Mr. STEVENS. I yield on the majority side 2 minutes to the Senator from Nebraska.

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

Mr. HAGEL. Madam President, I rise with about 20 minutes remaining before the vote on the IMF package.

I wish to thank the distinguished chairman of the Senate Appropriations Committee, Senator STEVENS, for his leadership in this area. This is a tough issue. It is an important issue. It is an issue that has come to the floor with much heated debate and exchange. But I wish in just a minute to try to put some perspective on what we are doing here.

First, our economy is connected to all economies in the world. When Asian markets go down and currencies are devalued, that means very simply that we in the United States cannot sell our products in Asia. Asia has represented over the last few years the most important new export opportunity for all of the United States—not just commodities and agriculture, but all exports. What we are doing today is connected to all parts of the world. And, if we understand something very fundamental about markets and that is that markets respond to confidence. We in the United States—because it is, in fact, in our best interests to participate and lead, not to bail people out, not the IMF—by having any amendment that we are doing through a very deliberate businesslike approach, an approach through the IMF established 50 years ago—are participating in a loan process where this country has never lost $1.

So today all those colleagues of mine who have been so helpful, so involved, I wish to thank and wish also, in these final minutes, to encourage all my colleagues to take a look at this, understand the perspectives, the consequences, and the importance of what we are doing here with this IMF support.

Madam President, I yield the floor.

Mr. LEAHY. Madam President, we asked to complete action on the supplemental appropriation for the International Monetary Fund. I want to thank the chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, and Senator HAGEL, who have worked hard to reach agreement on compromise IMF language that the Treasury Department can support.

The amendment we are about to vote on provides the full amount requested by the President for the IMF, including $3.4 billion for the New Arrangements to Borrow, and $14.5 billion for the quota increase. None of this money costs the U.S. Treasury. It is repaid with interest. In the event of a default, it is backed up by IMF gold reserves.

Mr. BUMPERS. Madam President, I yield the floor.

Mr. STEVENS. Madam President, I call the roll.
made considerable progress on this, but the IMF has lagged behind. In some instances there are legitimate reasons for protecting the confidentiality of IMF documents. But the presumption should favor disclosure. Secretary Rubin has indicated that he intends to press the IMF harder to expand public access to IMF documents. That should be a priority, because that is how we will ultimately deal most effectively with the other types of concerns I have mentioned. A procedure that is open to public scrutiny tends to result in better decisions.

Mr. President, the IMF has a reputation for being an arrogant, secretive organization that has too often bailed out corrupt governments. There is some truth to that. But I am also convinced that as the world’s leading economic power the United States has a multitude of interests in a strong IMF. Millions of American jobs depend on exports. The IMF plays an important role in limiting the adverse impact of major financial crises. This amendment, for the first time that I am aware of, seeks to address some of the concerns that the IMF has been too eager to bail out corrupt governments, or governments whose trade policies have discriminated against American companies. Given the difficulty the Treasury Department encountered in getting this IMF funding passed in a form that Treasury could accept, it is clear that the Appropriations Committee’s efforts through on the reforms the Congress is insisting on US support for the IMF will soon evaporate.

Finally, I want to mention one other issue that has concerned me for some time, and which has also been a problem at the World Bank and the other international financial institutions. That is the lack of significant numbers of women in IMF managerial positions, and the lack of adequate grievance procedures to effectively respond to cases of harassment, retaliation, and gender discrimination. The IMF is particularly at fault in these areas. The statistics show that women have been systematically denied advancement at the IMF. The grievance process, while perhaps measuring up to a standard of due process that is necessary to deter harm, is far from adequate. It is critical to spell out exactly how Senators voted as they did.

I opposed this amendment for several reasons. First and foremost, the IMF has a very poor track record in its projects, according to Johns Hopkins University economist Steve Hanke, Few nations graduate from IMF emergency loans. Most stay on the IMF dole for years on end. Indeed, one study of IMF lending practices in 137 mostly developing countries from 1965 to 1995 found that only one-third have graduated from IMF loan programs. In fact, the IMF often encourages loan recipient nations to implement policies that further reduce economic growth. These policies recommendations have included raising tax rates, devaluing currencies, delaying regulatory reforms, and a host of additional austerity measures that compound nations’ economic distress. Unless we correct these counterproductive policies, I see no reason to put more American taxpayer dollars at risk.

Second, this IMF bailout for Asia is entirely unprecedented. All previous IMF bailouts, including that of Mexico, have been of the governments and central banks to stabilize their macroeconomic conditions. This bailout, in contrast, is a microeconomic bailout to restore the solvency of clearly insolvent financial institutions. Furthermore, the next largest bailout the IMF ever conducted was of Mexico at $17 billion. The Indonesian bailout package currently being negotiated tops $30 billion, while the Korean package comes in at over $57 billion.

Third, the IMF bailout is simply not needed. The Asian financial crisis is essentially over. As usual, markets have responded more quickly than any government. The fact of the matter is, the South Koreans had a current account surplus last year, and will continue to do so for the foreseeable future. Investors are starting to differentiate among Asian countries for degree of risk, and stock prices are rising. In Korea by over 30%. Further, the potential impact of the Asian economic situation on U.S. economic growth must be put in perspective: the 5 most afflicted Asian nations—Korea, Indonesia, Malaysia, Thailand, and Singapore—account for only 8 percent of U.S. exports and imports.

And it is clearly not the case that the IMF will go bankrupt without these replenishments from the American taxpayer, even if the IMF plenteous of funds to cover these loans and many to come. Even after the distribution of the current bailout packages, the IMF will hold $30 billion in gold reserves, and have access to $25 billion in lending credits. By providing these replenishments, we are simply empowering the IMF to impose its counterproductive economic policies on yet more desperate countries.

For all this, this bailout will be counterproductive because it will perpetuate a “moral hazard” problem within the banking industry, a problem it will take years to overcome. Without doubt, this bailout is being pushed in order to restore confidence in the Asian banking system (and the bad loans made by Western banks at unsound rates), a system that probably shouldn’t be restored in the first place because of its inherent flaws that the IMF bailout does not address at all.

The provision of these funds will therefore perpetuate and intensify the moral hazard for private banking starting with the Mexican bailout. Arguing that the Mexicans repaid their debt misses the point—if credit card companies and finance houses had been forced to eat their losses in Mexico, they would have exercised better elemen- tary judgment regarding the over-investment policies of Asia that led to this crisis.

The IMF is essentially a huge bureaucracy populated by the last remaining socialists from its fundamental philosophy—cutting tax rates, promoting sound monetary policies, cutting government regulation, allowing banks and firms to fail, and requiring private investors to eat their losses. Unless we reform the IMF as we know it, increasing funds to IMF will do little to help the distressed economies of the world.

Mr. STEVENS. Madam President, I state to the Senators there is 10 minutes available on their side. As far as I know, they can allow their time as they wish.

MR. ROBB. Madam President, I request about 2 minutes from the time allocated to the minority side to talk about an amendment pending that I hope to have cleared in just a few moments.

The PRESIDING OFFICER. The Senator from Virginia is recognized.
Mr. ROBB. Madam President, a couple of days ago I introduced formally the Agriculture Credit Restoration Act of 1998. This has now been presented in the form of an amendment to the emergency measure the Senate has before it.

The purpose is very simple. In the 1996 farm bill a provision was added in conference that was not considered by the full Senate or by the House but was added in the conference that, in effect, prevented anyone who had defaulted on a loan or the loan forgiveness from ever being eligible for a loan that was made available by the U.S. Department of Agriculture.

The current Department of Agriculture is the lender of last resort. They don't lend under any circumstances where at least three private lenders have not already denied credit and they do not lend to noncreditworthy applicants. In this particular bill we have $88 million that is set aside to increase the direct operating loan fund, which is presumably being made available to those who are in need. But the provision that is currently in the law that this particular bill would eliminate precludes anyone who has had a write-down or had credit forgiveness or whatever the case may be.

In a number of instances, that occurred precisely because the U.S. Department of Agriculture discriminated against those individuals. So it is a Catch-22. The Agriculture Department acknowledges that there was past discrimination. The current Secretary of Agriculture has acknowledged this.

They are very much supportive of this bill—the amendment. It would, in effect, correct the inequity of precluding those who, by virtue of a natural disaster, a major family illness, or discrimination, from being eligible—not necessarily a write-down but simply being eligible—for a loan of last resort under the Direct Operating Loan Fund.

It has created problems for many of those who had previously sought loans when the money was available. We put money in last year, and most of the people who then sought the money ran into this particular roadblock. It has been approved by all Senators on the majority side, and only one Senator has yet to see the particular legislation. I hope to have that approval very shortly.

But I wanted to explain that this does not create any requirement that the U.S. Department of Agriculture grant credit or deny credit to any applicant. Indeed, they have to have already attempted to get credit from three private insurers. But it does correct the inequity where they were previously denied credit because of specific circumstances. We certainly do not want to be perpetuating that.

With that, Madam President, I will await the affirmation that it has been cleared on both sides. I thank the chairman of the full committee for his time. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.
IMF has failed to move toward reforms of its own policies that would ensure equitable solutions to crises in financial markets. The UAW therefore opposes providing the additional funding of $18 billion that the IMF has requested from U.S. citizens that is in the organizational can and must play necessary and useful roles in world affairs. Our vision of their role, however, is one that places the interests of working people at least equal to those of finance and capital.

U.S. CONGRESS
HOUSE OF REPRESENTATIVES, Washington, DC.

REASONS TO REJECT THE IMF SUPPLEMENTAL APPROPRIATION

DEAR COLLEAGUE: As you formulate your position, I ask that you consider the following reasons to say No to the IMF supplemental appropriation.

(1) The supplemental appropriation is not needed to bail out the IMF. The bailout of Asian borrowers has already taken place. The funds for the bailout came from existing IMF funds.

(2) The IMF has ample funds right now at its disposal. Even after the bailout to Thailand and South Korea, the IMF has $45 billion in liquid resources. It also has a credit line of $25 billion through the General Arrangements to Borrow. Furthermore, it has about $37 billion in gold reserves. And lastly, it can borrow funds from the private capital market.

(3) The IMF often makes matters worse. The IMF has a record of making matters worse even as it carries out a bailout. According to the New York Times, "[The] I.M.F. now admits tactics in Indonesia deepened the crisis ... political paralysis in Indonesia was compounded by misjudgment at the I.M.F.'s Washington headquarters. The Wall Street Journal's assessment was more dire from stepping the damage, IMF rescue attempts have become part of the problem. Along with handing out funds, the IMF keeps peddling bad advice and sending the markets warped signals that set the stage for—guess what!—more bailouts.

(4) The IMF imposes impoverishing conditions of foreign workers. In exchange for a bailout, the governments of developing countries must submit to a harsh regimen that impoverishes workers. In Haiti, for example, the IMF has pressured the government to abolish its minimum wage, which is only about $0.20 per hour.

(5) The IMF imposes environment-destroying prescriptions. In exchange for a bailout, the government of Guyana was forced to defund its environmental law enforcement, and accelerate deforestation. Why? To export more logs and earn foreign exchange, with which to pay back the IMF.

(6) The IMF only listens to a tough Congress. If you want us, we change the way the IMF does business, this supplemental appropriation would be a setback. The IMF is resistant to change. In both 1989 and 1992, the IMF ignored the comprehensive reforms passed by Congress because the appropriation was not conditioned on IMF reform. Only when Congress made an appropriation payable only on certain reforms did the IMF make changes. This supplemental appropriation projects a similar outcome. Congress will have to produce any meaningful reform at the trouble-ridden IMF.

Sincerely,

DENNIS KUCINICH, Member of Congress.

Mr. WELSTONE. Madam President, I say to colleagues, I rise to speak against this Washington consensus. This IMF provision may pass with an overwhelming vote, but I want to just be crystal clear. We are, I think most of us, internationalists. I believe that what happens in these countries, in Asia, Indonesia, Thailand and other countries, will dramatically affect our country. I have no disagreement with that. But the IMF over and over and over again has imposed austerity measures, has depressed the wages and living conditions of people in these countries, has been in violation of statutes that are supposed to govern the IMF in relation to human rights, labor, in relation to respect for indigenous peoples, in relation to environmental protection.

What is going to happen is that these IMF measures are not going to help these countries or help our country. Countries following these IMF prescriptions are going to be forced either to import even less from our country because they do not have consumers because the people are poor—and the people become poor because of IMF austerity measures imposed on these countries. Or these countries—and this is another effect of IMF programs—are going to be forced into devaluing currencies and trying to buy their way out of trouble through cheap exports, which will again end up competing against, and hurting, working families in our country.

I understand my colleague, Senator SARBANES, is on the floor. I ask him, is he on the floor to speak against this amendment on IMF or on a different subject?

Mr. SARBANES. No, I am here to speak in support of the amendment, very strongly in support.

Mr. WELSTONE. Then I wanted to ask you that.

Mr. STEVENS. We divide the time between the majority and minority. I have one person who wishes to speak in opposition and one to speak for the amendment. If the Senator wants any time he will have to get it from your time.

Mr. WELSTONE. Madam President, yesterday I asked unanimous consent that I would have 10 minutes to speak before the final vote. I do not think it has anything to do with this other time. That, I think is part of the RECORD. I had asked unanimous consent, and it was granted, that I would have 10 minutes to speak. I do not want...
to take time away from my other colleagues. That was the only reason I asked my colleague from Maryland.

The PRESIDING OFFICER. The Parliamentarian advises me there is an agreement to vote at 11:45. It would take unanimous consent to amend that agreement.

Mr. STEVENS. Madam President, I understand what the Chair is saying, but I do remember the Senator did withhold his comments. We did agree before the vote on IMF he would have 10 minutes. How much time has the Senator used?

The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. STEVENS. Then I ask unanimous consent the vote take place at 11:50 and the Senator have the remainder of his 5 minutes.

Mr. SARBANES. I will respect the time limit. I think we should go to the vote. I do not want to be constantly delaying the vote.

Mr. STEVENS. The Senator will have 10 minutes, the Senator from Kansas would have 2 minutes, the Senator from Florida would have 2 minutes, and I would have 1 minute to close, and that will make 11:50.

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

Mr. WELLSTONE. I thank the Senator from Alaska.

Madam President, yesterday we did adopt an amendment I offered which I think will be helpful. It essentially says that the Secretary of the Treasury will set up an advisory committee with members from labor, the human rights community, the social justice community and the environmental community. I think eight members will meet with him—or her—twice a year in the future, twice a year, to monitor whether or not the IMF is living up to its own statutory mandates. Let me just simply say that Muchtar Pakpahan is a labor leader in Indonesia. He is imprisoned; he is in jail.

He is in jail because he was organizing workers for a higher minimum wage. I went through all the statutes yesterday that apply to the IMF, that are a part of the law. There is supposed to be full respect for human rights; there is supposed to be respect for internationally recognized labor rights; there is supposed to be respect for basic environmental protection provisions, and that is not in compliance.

Over and over and over again, the IMF turns its gaze away from these countries. Over and over and over again, the IMF is not in compliance.

Mr. SARBANES. I respect the time limit. I think he is right when he says the IMF goes in the countries as has been done in the past, there will be fewer people in these countries to consume our products. And these countries will be exporting cheaper and cheaper products into our country, again, hurting working families.

We have missed a tremendous opportunity. The United States of America and the U.S. Senate, on this vote, which I think will be an overwhelming vote in favor of this, will have missed a tremendous opportunity to be on the side of internationally recognized labor standards, to be on the side of human rights, to be on the side of environmental protection, to be on the side of improving the living standards of people in these countries. We have missed this opportunity. And I believe that this infusion of capital into the IMF, if the IMF’s flawed programs are imposed on these countries, will, in fact, end up not only hurting these countries, but also hurting the people in our own country as well.

I think it is a tragic mistake on our part not to have used this moment, not to have used our leverage to change the flawed policies of the International Monetary Fund.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 2135

Mr. ROBB. Madam President, I request that amendment No. 2135 be called for immediate consideration.

Mr. STEVENS. We have no objection as to its immediate consideration. We are willing to accept it.

Mr. ROBB. I urge adoption of the amendment.

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

The amendment (No. 2135) was agreed to.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBB. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBB. I thank the Chair, and I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 2100, AS MODIFIED

Mr. SARBANES. Madam President, I yield briefly to the Senator from Delaware.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. BIDEN. Madam President, I rise this morning to support the addition of urgently needed funds for the IMF to this supplemental appropriations bill.

Despite the clear need, despite the strong statements of concern by Federal Reserve Chairman Greenspan, and by Treasury Secretary Rubin, some of my colleagues continue to miss the point. As the biggest, most open economy in the world, as the leader of the world economy and the only global superpower, the United States has a special role to play in, and a special need for, international institutions to maintain the stability and openness of the world’s financial system.

The problems now brought to light in Asia—the increasing billions in international investments that flow around the globe with the stroke of a computer key, the uneven development of banking systems in newly industrializing nations—are very real challenges to our own well-being that require serious analysis and a truly international response. They are not a annoyance that we can blissfully ignore. And they are not to be dismissed with a few ideological platitudes.

As the distinguished chairman of the Appropriations Committee stated so clearly and forcefully just yesterday, the Asian financial crisis is the ‘economic El Nino’ that directly affects American sales overseas and jobs here at home. Our contributions to the IMF are made to protect us from the shock waves of that crisis in the Pacific, and our President, by denying or delaying those contributions we would only hurt ourselves.

Certainly, the IMF could well use a breath of fresh air—more openness to develop more public understanding and trust. And it is clear that we have a long way to go to establish a sound international financial system, with the clear reporting standards and accurate data that will allow markets to operate efficiently.

Let us all work to clear the way for the IMF to protect us from the shock waves of the El Nino crisis, as we did from the volatility of the world’s financial system.

So congratulations are due to those who worked so hard to make sure that the funding becomes part of this bill today. I know that Senator Hagel, my colleague from the Foreign Relations Committee, and the Chair of our International Economic Affairs Subcommittee, has played a key role. And a great deal of credit must go to Senator Stevens, Chairman of the Appropriations Committee, for his indispensable leadership.

I know that there are more hurdles to clear in this process, Madam President, but I am pleased to see that this
amendment has become part of the emergency appropriations bill. Just last week, when our IMF contributions seemed in real trouble, I expressed my confidence that the Senate would work quickly and responsibly to make this funding available. Today, the Senate has rewarded that confidence.

I pay special tribute to Senator Hagel for his hard work on this and Sen. Daschle for promoting and providing the means to do this and my friend from Maryland for being such a strong voice. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I just want to say, I don’t really have a basic quarrel with my good friend from Minnesota. I want to be on the side of environmental protection and on the side of workers’ rights and on the side of human rights. The Secretary of the Treasury has committed himself to undertake a serious review of the international monetary architecture. I have a lot of confidence in the Secretary of the Treasury. In fact, I think we have the best finance minister in the world in Secretary Rubin. I place great credibility in his proposals.

But you cannot remodel the emergency room at the very time the patients are being brought in to be dealt with. That is the issue that is involved in this IMF replenishment. The distinguished chairman of the committee said on yesterday that the Asian flu is the El Nino of economics, and he warned that, frankly, we understand that, we are liable to make a big mistake. I think the distinguished Senator from Alaska was absolutely right on that point.

These countries got into trouble because of, in many respects, mismanagement of their economy. The IMF wasn’t there to begin with. The IMF came in in order to try to help them out.

Now, we can argue about its programs, and I have been critical of them in the past and, indeed, even critical of them in this context. Nevertheless, we have to do this replenishment because, if the IMF is perceived as having inadequate resources to deal with any crisis that might now emerge, it makes it more likely that the crisis will happen. If the IMF is perceived as having adequate resources, it makes it less likely that a crisis will happen because there will be an increase in confidence.

So I urge my colleagues to support the McConnell amendment; otherwise, we may be headed for very big trouble, as the distinguished chairman of the committee said yesterday, make no mistake.

Mr. STEVENS. I yield to the Senator from Kansas 3 minutes and the Senator from Florida 2 minutes.

Mr. ROBERTS. Madam President, I rise today to applaud and thank my colleagues for finally taking decisive action that will provide full funding for the International Monetary Fund while requiring strict conditions on receiving IMF assistance.

In particular, I am pleased that this agreement insists that efforts to remove illegal trade barriers to American products be a mandatory requirement in any IMF program. It is entirely appropriate that we are doing that.

I am especially pleased that this body has rejected the proposal to include requirements and conditions that would have gone too far. While the recipient countries should be required to comply with tough, fundamental changes in their public finances in order to receive the assistance, the bar must not be raised so high that any hope for reaching the conditions is lost. If excessive conditions had been included—and some Members in this body had been promoting those conditions—why, the United States would have no leverage to insist on reforms that would lower trade barriers to American goods and end unfair subsidies for foreign businesses. That would hurt both the country in trouble and the United States as well.

In this regard, Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator Stevens, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge.

I also wish to pay special thanks to Senator Hagel and to Senator Grams for their efforts in helping to craft language that I believe will certainly enable us to achieve our funding and the needed reforms. In particular, I wish to thank my good friend from Nebraska, who has worked tirelessly on this issue and deserves much, if not most, of the credit for enabling us to achieve real progress on this bill. Our neighboring States are particularly dependent on this country’s implementing a consistent export policy and for the United States to provide continued leadership in stabilizing the world economy. In this regard, our farmers and ranchers and the many segments of our economy who depend on exports owe Senator Hagel a debt of gratitude.

Mr. MACK. Madam President.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Madam President, I want to begin my comments by acknowledging the distinguished Senator from Maryland, Daschle, for his hard work on this and many other matters. I want to thank the distinguished chairman of the Appropriations Committee, Senator Stevens, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge. Mr. MACK. Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator Stevens, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge. Mr. MACK. Mr. President, I wish to thank the distinguished Chairman of the Appropriations Committee, Senator Stevens, for his outstanding leadership in assuring a common-sense and bipartisan approach to this challenge.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—84

Akaka          Durbin          Landrieu
Baucus          Rani          Lautenberg
Bennett         Penstein         Leahy
Biden           Ford          Levin
Bingaman       Pritz          Lieberman
Bond            Glenn          Lott
Boxer           Gorton         Logar
Breaux          Graham         McCain
Brownback       Gray            McConnell
Bumpers         Grams           Mikulski
Bush            Grassley        Moseley-Braun
Byrd            Green            Moynihan
Chafee          Hagel           Mukowski
Chiles          Harkin          Murray
Coate           Hatch          Reид
Cooper          Hollings        Reid
Cooper          Hutchison        Robb
Craig           Hutchinson        Roberts
Craig           Inouye          Rockefeller
Craig           Jeffords         Roth
D’Amato          Johnson         Santorum
Daschle         Kempthorne        Sarbanes
DeWine           Kent          Shelby
DeWine           Kerry          Smith (OR)
Domenici       Kempthorne        Snowe
Dorgan          Kohl            Specter

March 26, 1998
Mr. STEVENS. Mr. President, I move to reconsider the vote. Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT

Mr. STEVENS. Mr. President, we have seven to eight amendments to deal with, and there is a very serious matter that needs to come up. Let me make a series of unanimous consent requests. On the BAUCUS amendment, I ask unanimous consent that there be 30 minutes equally divided, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes equally divided on the Murkowski amendment, with no second-degree amendments.

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

Mr. STEVENS. I ask unanimous consent for 20 minutes on the Torricelli amendment, equally divided, with no second-degree amendments.

The PRESIDING OFFICER. Without objection, is so ordered. AMENDMENT NO. 2155

(Purpose: To express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer)

Mr. TORRICELLI. I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI], for himself and Mr. LAUTENBERG, proposes an amendment numbered 2155.

The amendment is as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. SENSE OF THE SENATE REGARDING SETTLEMENT OF PROCEEDINGS TO RECOVER COSTS

It is the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

Mr. TORRICELLI. Mr. President, I asked that this amendment be read in its entirety so that its simplicity is clear to the Senate. The totality of what is proposed is that the Justice Department, in negotiating with the W.R. Grace Corporation about a contaminated Superfund site in Wayne, NJ, seek fair reimbursement. We make no demands. We change no law. We cite no number. We ask that there be a fair reimbursement.

I have done this because the story of W.R. Grace and its contamination in Wayne, NJ, is everything that has been wrong about environmental cleanups in our country. Since 1995 the Federal Government, has been in negotiations with W.R. Grace for reimbursements. This is a site that a private company operated for 22 years. They operated it at a profit. The Government owned no share of the land or the company. When the land was no longer useful because it was contaminated, they abandoned it and left. In the ensuing years, they have given the U.S. Government $800,000, although the U.S. taxpayers have already spent $50 million cleaning the site. It is estimated by the Army Corps of Engineers it could cost another $55 million.

Members of the Senate need to know the American taxpayers are being held accountable for $100 million in cleaning this contaminated site by the W.R. Grace Corporation and that corporation has paid $60 million in reimbursements from W.R. Grace. Then it was $40 million. Last week it was $20 million. There was going to be an agreement by December. And then it was January. And then it was March. There is no agreement. There is no reimbursement. But the people of this country are going to subsidize the environmental abuses of the W.R. Grace Corporation to the tune of $100 million. It is a disgrace.

For 18 months, the Attorney General of the United States does not have time to reach an agreement. A Member of Congress from the district, Mr. Pascrell, Senator LAUTENBERG, and I have urged the United States to proceed to litigation. She has not done so. She did not have time to litigate or to protect the taxpayers. But within 5 minutes of the filing of this amendment, she can send a letter to Senator GREGG that this is an interference with her prerogatives.

Mr. President, if the Attorney General were protecting her prerogatives and protecting the liability of the U.S. Government in proceedings against the taxpayers of this country, this amendment would not be necessary. I have a great admiration for Attorney General Reno. I like to believe and assume she has no knowledge of this affair, that members of her staff have done an enormous disservice to her, to the Justice Department, and to the taxpayers of this country. As it stands, if suit is not filed, if negotiations are not emboldened, the taxpayers of this country will subsidize a private corporation for $100 million of unnecessary expenditures.

I understand that, ironically, members of the majority party will rise to the defense of the Attorney General and her prerogatives, which in this Congress is indeed a historic turn of events, to defend the Attorney General in this instance, that she should be allowed to pursue this without our interference or oversight.

Mr. President, the Attorney General has her responsibility and we have ours. It is her judgment whether to file a suit and to conduct the negotiations. But when those negotiations are concluded, it is this Congress that must appropriate the money to meet the settlement.

All that I have done is offer a sense of the Senate—not a law, a sense of the Senate—that we would like the Attorney General to vigorously pursue these negotiations and protect the interests of the taxpayers. That is all I have asked. I do not know how the request could have been more modest. I intend to reserve the balance of my time, because it is my interest to hear the distinguished chairman respond to this request, but I want simply to say before that he respond I am personally offended at the Attorney General’s correspondence and deeply disappointed at its tone, its lack of cooperation, and the failure to meet the responsibilities to defend the interests of this Government in this litigation.

I reserve the remainder of my time.

Mr. LAUTENBERG. Madam President, I rise to join in offering this amendment to address a serious problem in my state.

This amendment is very timely. This week, I have been working with my colleagues on the Environment and Public Works Committee on Superfund reauthorization.

I strongly believe that the Superfund reauthorization bill before the Committee will severely undermine the concept that the polluter should pay for the waste it created, which is what this amendment before us now is all about.

The Federal government is long overdue in reaching an adequate resolution of claims against W.R. Grace & Co., for the cleanup of the Wayne Superfund Site in New Jersey. There seems to be no end to the headaches experienced by the residents of Wayne Township over this site and over the lack of any settlement.

Between 1955 and 1971, the W.R. Grace & Company owned and operated a thorium extraction operation in Wayne Township.

In 1984, because of the threat to the public’s health from potential groundwater contamination, the site was placed on the Superfund National Priorities List and is now being managed by the Corps of Engineers under the Formerly Utilized Sites Remedial Action Program (FSRAP).

That same year, 1984, W.R. Grace provided a payment of $800,000 and signed an agreement with the Federal government. This agreement stated that the
government can still pursue legal action against the company under applicable laws, which would include Superfund. In the meantime, cleanup costs for this site continued to escalate, costing the taxpayers millions of dollars.

As the costs continued to mount, I became convinced that the government had not done all it could to help alleviate this burden on the taxpayers. Since 1995, I have worked to get the government to bring this company to the negotiating table. In September of that year I wrote to then-Secretary of Energy Hazel O’Leary requesting that DOE consider pursuing additional funds for cleanup from private parties. At my urging, in November 1995, the Departments of Energy and Justice finally brought W.R. Grace, the former owner and operator of this site, to the table to discuss a settlement. I asked unanimous consent to have printed in the RECORD a copy of a letter I received from the Attorney General in September 1995 which showed its commitment to get W.R. Grace to come to the table. There being no objection, the bill was ordered to be printed in the RECORD, as follows:


Hon. FRANK R. LAUTENBERG, U.S. Senate, Washington, DC.

Dear Senator Lautenberg: In my September 29, 1995, letter, I advised you that the Department of Energy would look into the matter of seeking recovery against potentially responsible parties for cleanup of the Wayne, New Jersey, site.

After consulting with the Office of the General Counsel, my office has initiated discussion with W. R. Grace and Company to assess their willingness to contribute to the cleanup of the Wayne site. If these discussions are successful, W. R. Grace’s cooperation could enable the Department to expedite the overall cleanup schedule for the site. If possible, we would prefer to avoid time-consuming and costly litigation so that available resources are focused on cleaning up the site. If discussions with W. R. Grace are unsuccessful, we will consider other options including requesting the Department of Justice to initiate formal cost-recovery actions.

We share your goal of pursuing opportunities to expedite the cleanup activities at Wayne. As one example, the Department began removal of the contaminated material in the Wayne pile through an innovative total site contract with Envirocare of Utah. We want to thank you for the enormous support that you have provided over the years by your strong project to fruition.

If you have further questions, please contact me, or have a member of your staff contact Anne Oles, Office of Congressional and Intergovernmental Affairs, at (202) 586-7946.

Sincerely,

THOMAS P. GRUMBLEY
Assistant Secretary for Environmental Management.

Mr. LAUTENBERG. We continually hear from the Administration that they are making progress and that a final settlement of the Wayne settlement is imminent.

Today, I rise to reiterate my strong opposition to a final settlement that would permit W. R. Grace to escape appropriate responsibility for its share of the pollution. This amendment reminds the Attorney General that we not only want to see progress, but that we demand a settlement that adequately reimburses the taxpayers.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, this would be, in our judgment, a very bad precedent. It would allow litigants in other cases to put pressure on the United States to come to the Senate, through their Senator, and try to get passage of a sense-of-the-Senate resolution that would assist them in their negotiations with the U.S. Government.

Although the amendment would not be binding, it could be used in a court of law to argue the merits of the case. I do not know much about this case other than I have discussed it with the distinguished Senator from New Jersey, but as I informed him, we have a letter from the Attorney General—and it is signed by the Attorney General personally—written to the chairman and ranking member of the State, Justice Commerce Subcommittee. I understand that the distinguished chairman is here. I yield the balance of the time to explain further why we are opposed to the amendment.

Mr. GREGG. Well, I don’t rise in opposition to the substance of what the Senator from New Jersey has said. I think he has made a very strong argument for his case very effectively. Certainly, this is a major issue for him and his State—cleaning up of this superfund site.

What we are dealing with here, however, is the fact that we have been contacted by the Attorney General. Obviously, I am not the spokesman for the administration, and I would not put myself in the position of the other party, but I believe we have an obligation to hand this over to the Attorney General. She has expressed her strong opposition to having this sense of the Senate passed during the pendency of the negotiation and litigation of this case. I think she has a very legitimate procedural position.

Now, again, I am not arguing the equities of this or the substance of the question. I am arguing that it would be inappropriate, as she represents, for the Congress to express the sense of the Senate, which would then put the administration—specifically, the Attorney General—in the difficult position of having the Congress interject itself in the middle of what are ongoing negotiations relative to the settlement in this case.

Let me read briefly from her letter:

The Department of Justice opposes this amendment, which is intended to influence the department in its conduct of the pending litigation. That is essentially a summary of the letter. It goes on to explain why the Department thinks that this will affect the litigation as it goes forward. So I rise with significant reservation about this because I recognize that the Senator from New Jersey has a very strong feeling and is trying to put forward his constituents’ feelings. I believe we would be setting a very difficult, very inappropriate precedent as a Congress if we start interfering into issues of negotiation in active litigation, where we have been advised by the Attorney General of the United States that that would negatively or inappropriately impact that litigation. Furthermore, I do not rise in opposition to this sense of the Senate, with all due respect to the Senator from New Jersey, who I think clearly has made his case well. In light of the letter from the Attorney General, I believe it would be inappropriate to proceed at this time.

Mr. TORRICElli. Mr. President, recognizing the views of my friend, the Senator from Alaska, the distinguished Senator from New Jersey, the Senator from New Hampshire, I will not insist upon the amendment.

Let me conclude the debate by simply suggesting this: I think it would be regrettable if this Senate ever allows itself to be silenced in pressing its intentions or desires because the executive branch may have conflicting views or believe an issue is its prerogative. Ultimately, the expenditures of this Government are our responsibility.

So I want the Attorney General to be clear on this. I will shortly ask that this amendment not proceed. But this should be clear as negotiations proceed with W.R. Grace Corporation. If it is the intention of the Justice Department to reach a settlement, whereby the taxpayers of the United States are left with this $100 million expenditure and a private corporation, which has profited by these operations, and the resulting environmental abuse, is left without making a significant contribution, I most assuredly will return to the floor of the Senate with an amendment on an appropriations bill that I believe sincerely are appropriate expenditures, and I will insist on a vote. And I will fight. I do not believe the taxpayers of this country should be subsidizing polluters. I will not stand for it.

Nevertheless, in deference to my friends and colleagues from Alaska and New Hampshire, in recognition of their views, at this time I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. STEVENS. Mr. President, I thank the Senator from New Jersey for his courtesy in withdrawing the amendment. I have to notify other Senators to come. We thought there might be a vote.

AMENDMENT NO. 2156

(Purpose: To make an amendment to housing opportunities for persons with AIDS)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.
The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LAUTENBERG, proposes an amendment numbered 2156.

Mr. STEVENS. 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:

At the appropriate place, insert the following:

SEC. 140. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.

(a) Notwithstanding any other provision of law, with the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any successor fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA-NJ Primary Metropolitan Statistical Area (in this section referred to as the “metropolitan area”), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amount to allocate to the State of New Jersey the proportion of the metropolitan area’s amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 140 of the provisions of Housing for Persons with AIDS (HOPWA) funding for four southern New Jersey counties: Camden, Burlington, Salem, and Cumberland. In order to better serve the needs of southern New Jersey’s AIDS afflicted community, this provision gives the Administration of Housing for Persons with AIDS (HOPWA) funding for four southern New Jersey counties by the State of New Jersey.

New Jersey’s AIDS community has raised concerns about the current administration of HOPWA funding to four southern New Jersey counties: Camden, Burlington, Salem, and Cumberland. In order to better serve the needs of southern New Jersey’s AIDS afflicted community, this provision gives the Department of Housing and Urban Development (HUD) the statutory authority to delegate the administration of southern New Jersey’s HOPWA funding to the State of New Jersey.

This provision will help improve the implementation of housing services for southern New Jersey’s AIDS afflicted, and I am pleased that the managers of the fiscal year 1998 supplemental appropriations bill have agreed to include this change. Again, I thank them for their work on this matter.

Mr. LAUTENBERG. Mr. President, this amendment will require the Department of Housing and Urban Development to adjust, in a manner consistent with the need, the allocation of the funding under the Housing Opportunities for Persons with AIDS Program, to the problems that occur in certain areas of New Jersey and Pennsylvania under that act.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 2156) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that amendment on the table.

The motion to lay on the table was put to the Senate, agreed to.

The amendment is so ordered.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. TORRICELLI. Mr. President, I ask that I be able to address the Senate for 5 minutes as in morning business.

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

ADVERTISING IN POLITICAL CAMPAIGNS

Mr. TORRICELLI. Mr. President, as Senators rising to free things that have been added to the supplemental appropriations bill, I, quite the contrary, rise in recognition of something significant that has not been added to the supplemental appropriations bill. It is one of those few instances where there is a genuine achievement by the Senate in failing to act.

It had earlier been suggested that an amendment might be offered to prohibit the FCC from using its powers to order a reduction in the cost of television advertising in political campaigns. This legislation does not contain that provision. In my judgment, it affords the FCC an extraordinary opportunity to take the lead in campaign finance reform.

Mr. President, on 117 occasions in this decade, the U.S. Senate has considered, voted, and failed to implement fundamental campaign finance reform. This Senate has continued that unfortunate tradition. But now the Senate has an opportunity to help the process of political reform in the United States and to renew confidence in the institutions of Government and the political process itself by doing something for which it should be fully capable. They need do nothing.

Yesterday, the new and very able chairman of the FCC, Chairman Kennard, announced that he would commence a notice of inquiry, which is an information-gathering process, to lead to a rule on free air time. This could be the most significant achievement for campaign finance reform in the United States in 25 years, because fundamental to the problem of campaign fundraising in the United States is the cost of campaign television advertising. In the United States, for example, Senator Dole, in the last Presidential campaign, spent two-thirds of all the money they raised to purchase television advertising time from the commercial networks. Some U.S. Senate campaigns, including my own, spent over 80 percent of their resources on television advertising.

Mr. President, it makes no sense that candidates for Federal office in the United States spend so much of their time traveling around the country meeting with contributors, raising money, instead of meeting with voters, addressing real concerns in their States, because they need to raise millions of dollars to purchase free, and, unlicensed air time that belongs to the people of this country. This air.

Time does not belong to the networks; it belongs to us, the people of this country. This is only licensed and it is given on condition. One of those conditions should be to be responsible in aiding the public debate.

I supported the McCain-Feingold legislation, and I know some of my colleagues, like Senator MCCONNELL, did not. Rightfully, Senator MCCONNELL did not. But, rightfully, Senator MCCONNELL did not note something with which I strongly agreed—that the United States does not need less political debate; it needs more political debate to address our serious problems, to discuss our differences. This is the one means by which we can reduce the cost of running for political office and this threshold price of inquiry, of entering into the political process, and still enhance and expand political debate.

Mr. President, it is a considerable achievement that this supplemental appropriations bill does not prohibit the FCC from acting in this instance. I hope that continues to be the stance of this Congress and that Chairman Kennard moves beyond this level of inquiry, genuinely adjusting and changing permanently the cost of television advertising. It is not too late for this Senate in failing to act.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed in morning business for 5 minutes.

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

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed in morning business for 5 minutes.

The remarks of Mr. NICKLES pertaining to the introduction of S. 1868 are located in today’s RECORD under
The amendment allows the President to stop the sale of oil from the Strategic Petroleum Reserve that was ordered in the 1998 Interior appropriations bill.

Perhaps a little history is in order. Some of us in this body and this Nation of us remember that in 1973–1974 we had an energy crisis. The oil embargo from the Arab world resulted in a shortage. There were lines blocks long in front of gas stations, and the American public was indignant that their oil supply should have been cut off. They had not seen such a curtailment since gas rationing in the Second World War. But it was very real.

I find it rather disquieting that many people today do not remember what I am talking about and the fact that this occurred. But there was great concern in this body in 1973 and 1974 as a consequence of that outcry from the public over the shortage of gasoline. So Congress wisely created the Strategic Petroleum Reserve.

The Strategic Petroleum Reserve is located in Texas and Louisiana in salt caverns, and the idea was that we would never be held in a position where we could be, in effect, a hostage to our increased dependence on imported oil. The important thing to note is that at the time we created the Strategic Petroleum Reserve, we were about 37 percent dependent on imported oil. The idea was to have a 90-day supply at all times. Today, we are at 52 percent of national emergency. At one time, we had a 118-day supply.

The irony associated with this amendment today is that we are now selling oil out of the Strategic Petroleum Reserve for the purpose of generating a cash-flow sufficient to manage and run the Strategic Petroleum Reserve, which is estimated to cost $207 million in 1998.

The irony is that, today, we are 52 percent dependent on imported oil. So if there was any logic at all to the decision back in 1975 to create the Strategic Petroleum Reserve because we were 37 percent dependent, it is completely illogical that today we are selling it when we are 52 percent dependent on imported oil. This suggests the right hand does not know what the left hand is doing, which is not necessarily uncommon around here.

In the 1998 Interior appropriations bill, the order for the sale of $207 million worth of oil from the SPR.

I think this is where the bear goes through the buckwheat. We are selling this oil at $9 to $12 a barrel, and we paid $33 a barrel for it when we put it in. We would have to sell 23.1 million barrels of oil, that we paid an average of $33 a barrel for, for somewhere around $9, $10, $11, $12. It is poor-quality oil. That is how we are going to have to raise the $207 million to pay for the operation of the SPR.

Again, the cost $33 a barrel. The American taxpayer is going to lose $550 million on this deal. This is an emergency because we are about to lose a half a billion dollars of taxpayer money. Buying high and selling low certainly never made sense to me, but there is an old joke out there about the guy who is buying high and selling low and claims he is going to make it up in the middle.

Maybe that is the logic here; I don’t know. But if this sale from the SPR goes through, these sales will have cost the American taxpayer, over 3 past years, roughly $1 billion, because we have been selling oil that is substantially lower than what we paid for it.

As we look at where we are on this issue, I think we have to recognize a couple of pertinent points.

The Secretary of Energy indicated in an Associated Press article that this is the worst time to be selling oil out of the Strategic Petroleum Reserve. He says that the Congress has given him no choice. Today, we have a choice. We can choose to pay over a half a billion dollars for the privilege of throwing away some of our energy security, or we can save the taxpayer half a billion dollars and have this valuable resource when we need it the most.

The important thing to note is that, today, we are 52 percent dependent on imported oil. Some may argue we should require an offset to the amendment. But let me make it clear again, this amendment saves the American taxpayer money. The American taxpayer understands clearly. If I have fought, and my colleagues on the Energy and Natural Resources Committee have fought, to ensure that we discontinue selling oil out of that Strategic Petroleum Reserve, particularly at a price that is substantially lower than we paid for it.

The Secretary says that Congress has given him no choice. Today, we have a choice. We can choose to pay over a half a billion dollars for the privilege of throwing away some of our energy security, or we can save the taxpayer half a billion dollars and have this valuable resource when we need it the most.

Furthermore, we should look back at a couple of significant events in the history of this matter. Senator Bingaman from New Mexico, my good friend on the committee, and I, cosponsored a successful amendment to stop the sale on the Interior Appropriations bill. It was dropped in conference. Why? Well, all of these things are dropped in conference.

Selling oil from the SPR is a budget gimmick that, again, costs the taxpayer real money. Stopping the sale will cost the taxpayer over half a billion dollars and our Nation’s energy insurance policy. This is an emergency, and it should be part of the emergency supplemental.
Let me conclude by saying Webster defines an “emergency” as a sudden, unexpected occurrence demanding immediate action. This amendment certainly addresses such an issue, and I think the amendment certainly qualifies for the Emergency Supplemental Appropriations bill.

Again, the fiscal year 1998 Interior appropriations bill orders the sale of $207 million worth of oil from the SPR to operate the SPR. As a consequence, that would cost the American taxpayer roughly $300 million, because we are proposing to sell that oil at $9 to $10 a barrel, when we paid in excess of $33 a barrel for the oil. That is the issue, Mr. President.

I hope the managers of the bill will consider this on the merits of what it would save the American taxpayer. If anybody can explain the extraordinary accounting mechanism that would justify this as a good deal for the American taxpayer, the Senator from Alaska would certainly like to hear it.

I thank the Chair and urge the floor managers to consider the merits of this amendment.

Mr. BINGAMAN. Mr. President, I am pleased to be a cosponsor of this amendment. Anyone familiar with New Mexico knows that our economy which is heavily dependent on production of oil from marginal wells, knows that the recent historic lows for the price of oil have posed an economic threat to families and communities as dire as any natural disaster. In this context, the concept of having the Federal government dumping nearly 20 million barrels of oil onto the market, equivalent to selling nearly 100,000 barrels per day for the remainder of the fiscal year, in the face of this situation, is ludicrous. Senator MURkowski and I worked hard to prevent the Interior Appropriations bill from selling oil from the Strategic Petroleum Reserve in the first place. We found an offset that would have worked, and that the Senate accepted, but which was dropped in conference. Today, we have a second chance to end this unwise and economically devastating sale. I fully support the amendment and urge my colleagues to vote for it.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, my colleague has stated the problem. Actually, if we do not adopt his amendment, the budget is more out of balance than it is if we do, because the sale of this oil at a time when the market is so low, which is the current mandate, would cause revenue to be so low that there would be a loss, as I said, to the overall budget process, and it would be greater than the emergency amendment which provides the money for the SPR without selling the oil.

I have had no objection to this amendment. I think we may face a substantial battle in the other body to justify this, but I believe we should accept it. And I know of no problem on the other side of the aisle, either. So I am prepared to yield back the remainder of my time and urge the adoption of the amendment.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment (No. 2157) was agreed to.

Mr. MURkowski. I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MURkowski. I thank my colleague and good friend, the senior Senator from Alaska, for his acknowledgment of the importance of this amendment, with my hopes that it will survive the conference.

I thank the Chair.

Mr. STEVENS. I thank the Senator very much.

Mr. MURkowski. Mr. President, I was derelict in not thanking the senior Senator from West Virginia, my good friend, Senator BYRD, as well, who just came on the floor. I appreciate his understanding. I know we have a great deal in common with regard to energy issues in our States.

Mr. BYRD. Mr. President, I thank the distinguished Senator. Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. CLELAND. Thank you very much, Mr. President.

I thank the distinguished Senator from Alaska for this opportunity to speak.

AMENDMENT NO. 218

(Purpose: To authorize the establishment of a disaster mitigation pilot program in the Small Business Administration)

Mr. CLELAND. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. CLELAND], for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KEHUR and Mr. HOLLINGS, proposes an amendment numbered 2158.

Mr. CLELAND. 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:

At the appropriate place, insert the following:

SEC. 2. DISASTER MITIGATION PIL\O PROGRAM

(a) In General.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(1) in subparagraph (B), by adding “and” at the end; and

(2) by adding at the end the following:

“(C) during fiscal years 1999 through 2003, to establish a pre-disaster mitigation program to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred (guaranteed) basis), as the Administrator may determine to be necessary or appropriate, to enable small businesses to install mitigation or to take preventive measures to protect against disasters, in support of a formal mitigation program established by the Federal Emergency Management Agency, except that no loan or guarantee shall be extended to a small business under this subparagraph unless the Administration finds that the small business is otherwise unable to obtain credit for the purposes described in this subparagraph;”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

“(1) DISASTER MITIGATION PILOT PROGRAM.—The following program levels are authorized for loans under section 7(b)(1)(C):

(1) $15,000,000 for fiscal year 1999.

(2) $15,000,000 for fiscal year 2000.

(3) $15,000,000 for fiscal year 2001.

(4) $15,000,000 for fiscal year 2002.

(5) $15,000,000 for fiscal year 2003.”.

Mr. CLELAND. Mr. President, this amendment would permit SBA to use up to $15 million of existing disaster funds to establish a pilot program to provide small businesses with low-interest, long-term disaster loans to finance preventive measures before a disaster hits.

I just got back from Georgia where we had an incredible tornado that came through and killed 14 Georgians. It is obvious to me we need to prevent people from becoming disaster victims, especially small business people. We cannot prevent disasters, but we can prevent, in many ways, disaster victims.

In response to the problem of the increasing costs and personal devastation caused by disasters, the administration has launched an approach to emergency management that moves away from the current reliance on response and recovery to one that emphasizes preparedness and prevention. The Federal Emergency Management Agency has established its Project Impact Program to assist disaster-prone communities in developing strategies to avoid the crippling effects of natural disasters.

This amendment supports this approach by allowing the SBA to begin a new program that is intended to enable small businesses within those communities that will be eligible to receive disaster loans after a disaster has been declared.

Currently, SBA disaster loans may only be used to repair or replace existing protective devices that are destroyed or damaged by a disaster. This pilot program would allow funds to also be used to install new mitigation devices that will prevent future damage.

New legislation is necessary to authorize the SBA to establish this pilot program. I believe that my legislation
would address two areas of need for small businesses—reducing the costs of recovery from a disaster and reducing the costs of future disasters.

Furthermore, by cutting those future costs, it presents an excellent investment by decreasing the Federal and State funding required to meet future disaster relief costs. The ability of the small business to borrow money through the Disaster Loan Program to help them make their facility disaster resistant could mean the difference as to whether that small business owner is able to reopen or forced to go out of business altogether after a disaster hits.

I urge my colleagues to support this effort to facilitate disaster prevention measures so that when nature strikes in the future, the costs in terms of property and lives, and taxpayer dollars, will be reduced. However, in the interest of time, and with a commitment by the chairman of the Small Business Committee, the distinguished Senator from Missouri, to have our committee expeditiously consider this proposal, I ask unanimous consent to withdraw my amendment.

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

The amendment (No. 2158) was withdrawn.

Mr. CLELAND. Thank you, Mr. President, I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Senator from Georgia for his concern about this situation here today and for the process that he is starting. We welcome that approach to this problem. That was the Cleland amendment that was listed on the list.

We now are ready for two other Senators who, I believe, will come soon to present their amendments. We still believe we will have a vote sometime around 2 o'clock.

I suggest the absence of a quorum.

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

The amendment (Mr. Bingaman) for himself and Mr. Hollings, proposes an amendment numbered 2160.

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from New Mexico [Mr. Bingaman], for himself and Mr. Hollings, proposes an amendment numbered 2160.

Mr. BINGAMAN. 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:

AMENDMENT NO. 2160

(Purpose: To provide assistance to employees of the Farm Service Agency of the Department of Agriculture)

Mr. STEVENS. I do have an amendment authored by my distinguished colleague, Senator Byrd, from West Virginia, which I send this to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd], proposes an amendment numbered 2159.

Mr. STEVENS. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

SEC. 7. 1768. The Emergency Supplemental Appropriations Act of 1998 shall be read in connection with the Farm Service Agency's (FSA) federal and non-federal county committee employees who separated from their jobs as a result of a reduction in force (RIF).

FSA RIFs are occurring nationwide and are a result of comprehensive changes in the agency's mission mandated in the 1995 Farm Bill. Complicating the impact of the FSA downsizing is the fact that the FSA is currently operating an unusual personnel system that contains two classes of employees, one federal and one non-federal. This was a result of the reorganizing legislation that combined the former Agricultural Stabilization and Conservation Service (ASCS) and the Farmers Home Administration (FmHA) programs. Employees were paid through the FSA budget but were hired by a county committee. Therefore, ASCS employees were non-federal. FmHA staff were regular federal employees. Although now in one agency, this two-class system continues.

My amendment would place RIFed federal and non-federal FSA employees on equal footing when competing for another USDA job. Currently, the RIFed non-federal employees are not on equal footing with their FSA federal employee counterparts for USDA job vacancies due to a preference only available to RIFed federal employees. Current law gives priority to any former federal employee when applying for another federal job. Thus, if all other qualifications remained equal, the former FSA federal employee would automatically get the job over the former FSA non-federal employee. My amendment would grant the RIFed non-federal employees the same priority as currently enjoyed by the RIFed federal employee when applying for another USDA job.

Again, such an amendment would simply provide equitable and fair treatment for all FSA employees, and I urge my colleagues to support it.

Mr. STEVENS. This is the Byrd relevant amendment that has been cleared on both sides, dealing with a provision of the Soil Conservation and Domestic Allotment Act. It is approved on both sides.
and other types of sexual battery occurred in our public schools across the country during the 1996–97 school year. There were 11,000 incidents of physical attacks or fights in which weapons were used and approximately 7,000 robberies that occurred in schools in that same year.

These statistics are frightening. They underscore a problem that I think we all know exists. One part of the solution, Mr. President—again, I emphasize that this is only part—is to make better use in our schools of security technology. We have tremendous expertise in this country on the issue of technology to improve security.

In our own National Laboratories in New Mexico, we have spent a great deal of time and resources working on this issue. I know other institutions around the country have as well. They have learned a great deal about how to maintain security, how to reduce the possibility of crime or illegal activity in a manner that these lessons—not all—can be used effectively in our schools. We need to use this expertise to try to improve the way our schools function, to try to make available to our schools the new technology that has been developed.

Already, Sandia National Laboratory in my State has an initiative in this regard. Two years ago, Sandia began a pilot project in the Belen High School in New Mexico whereby the security experts there implemented a security regimen and installed a variety of security technology in that high school. Sandia is the first to admit that they know very little about how to run a public school, and Belen was ready to admit they lacked expertise in the subject of security. Nevertheless, the two institutions got together. Sandia and Belen High School officials changed the way the school functioned by utilizing a comprehensive security design and technology.

The results have been impressive. Since this pilot project was implemented at the school, on-campus violence is down 75 percent; truancy is down 30 percent; theft of vehicles parked in the school parking lot is down 80 percent; vandalism is down 75 percent. These statistics, I think, make the point that there is information here and there are lessons here that can be learned and can be put to valuable use in our schools.

This crime is not cheap. Our schools are already strapped for adequate resources in a variety of ways. But I believe, with the right kind of technical assistance and technology, we can help the schools to help themselves to provide safer environments for our children.

That is the purpose of the amendment that we are offering today. I hope very much that this is accepted. We need to take advantage of the lessons we have learned in other areas to try to assist our schools as well. Mr. President, I hope that over the remainder of this Congress we can identify other initiatives that we can take to improve security in our schools in addition to this. But this is one concrete step we can take. I hope very much that my colleagues will agree to this amendment and that it can be added to this legislation.

I yield the floor.

Mr. HOLLINGS. Mr. President, I rise today as the proud cosponsor of the Safe Schools Security Act of 1998. Over the last three days the nation’s attention has been riveted by the terrible school shootings in Jonesboro, Arkansas. In this time of sorrow, Americans have extended their hearts to the people of Jonesboro, particularly the families of the murdered and wounded children—once again demonstrating this country’s incredible well-spring of sympathy and compassion. As we all struggle to explain how such a tragedy could occur, I hear people offer different explanations. I have also heard people propose solutions that have beset so many of our children’s schools.

I am convinced there is no simple solution. There is no easy way to staunch the violence in our schools. But compromise is always a solution. I am certain we in government must seek new ways to assist local school officials to combat the wave of violent crime in their schools. If we fail to act, school violence will grow to epidemic proportions, claiming more and more lives and injecting constant fear into the very institutions that once were a safe haven for our children.

The legislation Senator BINGAMAN and I propose today, the Safe Schools Security Act, is an important first step in providing federal assistance to local school officials to help them combat violence. Local officials know their schools and communities best; it is crucial that we remember this. But some federal agencies possess unique expertise and practical experience in combating violence and protecting vital assets—and what greater asset is there than our children?—that we can provide to local school officials to help prevent acts of terror and violence such as those in Jonesboro.

The Safe Schools Security Act is uncomplicated. It would create a school security technology center as a joint venture between the Departments of Education and Energy. This center would be charged with creating a model or blueprint for school security programs and technologies. To realize this goal, the center will enlist the technological expertise of the Department of Energy—expertise gained by protecting our nation’s most closely guarded nuclear secrets for over fifty years.

Of course, technology works only if applied in the appropriate and most effective manner. In order to create a comprehensive plan for school security and ensure the most effective use of the Department of Energy’s technological resources, we propose to couple them with the expertise found at the
National Law Enforcement and Corrections Technology Center in my hometown of Charleston.

Senator BINGAMAN and I hope this combination of technological expertise and real-world experience will produce a blueprint for a comprehensive security strategy that can be used in any school in the nation. The center will be—and here I quote from the amendment— "resource to local educational agencies for school security assessments, security technology development, technology availability and implementation, and technical assistance relating to improving school security."

Additionally, our legislation authorizes the Department of Education to begin a competitive grant program to provide funds to local school districts to implement a school security plan, with a preference for schools most at risk of violence.

Again, the Safe Schools Security Act is not a panacea; it will not eradicate all the violence in our schools. But it is an important step in the right direction. The Act will use the expertise of the Departments of Justice, Energy, and Education possess to help prevent tragedies like the one that befell Jonesboro. Developing a security model and assisting local schools to implement comprehensive school security plans is the right thing for us to do. I urge my colleagues to adopt this amendment, and I thank my cosponsor from New Mexico, Senator BINGAMAN, for hard work and great assistance.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the amendment authorizes grants to be made on a competitive basis to try to establish security technology systems and other devices and programs to help deal with this problem.

The amendment has been reviewed on this side, and we have no objection to having a voice vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (No. 2160) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

AMENDMENT NO. 261

Mr. COCHRAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk reads as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 261.
The President. Without objection, it is so ordered.

The amendment is as follows:

SEC. 333. EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 333 of the Agricultural Market Transition Act is amended by striking subsection (c) and inserting the following:

(a) Extension.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.

Mr. BAUCUS. Mr. President, might I inquire, is there a time agreement on this amendment?

The PRESIDING OFFICER. There are 30 minutes evenly divided.

Mr. BAUCUS. I thank the Chair.

Mr. President, this amendment is very important to the United States Department of Agriculture the authority to extend the marketing assistance loans until September 30 of this year.

Why are we doing this? Why am I offering this amendment? It is very simple. The northern tier U.S. farmers are suffering dire economic consequences for a lot of reasons. First of all, the price of grain, particularly wheat and barley, is very low. We have had very depressed prices for a lot of years. Second, a lot of grain from Canada is shipped down to northern tier States. More grain trucks are coming, it is anticipated, and I believe, frankly, that Canada is beginning to fudge on an agreement it reached with the United States several years ago. Prior to that time, Canada shipped about 2.5 million metric tons of wheat to the United States. We brought the Canadians to the negotiating table, and Canada agreed to limit its shipment to the United States to 1.5 metric tons. That was several years ago. It is clear to me that Canada is at least fudging that agreement and is increasing shipments of grain to the United States.

After that, with the problems we have in dealing with Canada with respect to trade in agriculture, we lost one of the main levers. We had section 22 to say to Canada, “You are disrupting our markets.” That was the purpose of section 22 of the Agriculture Price Stabilization Act, not too many years ago. But we negotiated that away in the last GATT round. In return, all countries promised to reduce their subsidies, particularly their export subsidies, and Canada still retained the Canadian Wheat Board. Not only Canada but other countries—Australia—have their wheat boards, which is a monopolistic control over that country’s billing and selling of grain, particularly wheat.

After that, Americans placed limits on exports that other countries don’t have. For example, I cite the various countries. The total amount is about 10 percent. Our exports are limited by the sanctions that we imposed preventing Canadian and Mexican farmers from exporting certain products. Canada doesn’t have those sanctions. Argentina doesn’t. The European Community doesn’t. We are limiting our farmers.

A couple of years ago, we passed the Freedom to Farm Act. You recall under that act we basically decoupled agricultural price support payments from production. From that point on, farmers had more freedom in the production of their crops, the crops they could choose.

At that time, too, the price of wheat was very high. As I recall, it was around $6 a bushel, almost as high as $7 a bushel. Now it is down, in many cases below $3 a bushel. At that time, farmers realized that they had a bit of a Hobson’s choice here: On the one hand, support Freedom to Farm—at that time, corn was high and the price support payments were decoupled but you might have a high price, even though they had been coming down gradually—so now it is not much less. Farmers could either vote for that—support Freedom to Farm—or keep the present program. Most farmers decided they would gamble on 1990, basically because prices were good at the time.

But in exchange, American farmers expected—in fact, they were promised—that the U.S. would fight vigorously to open up foreign markets—fight vigorously to open up foreign markets. I might say, I do not think anybody in this Chamber thinks the U.S. has fought very vigorously to open up foreign markets to the sale of wheat and other grains. We have talked about it. There has been a lot of talk about it but not a lot of action.

So all I am saying is, in exchange for the U.S. Government’s failure to fight to open up markets for American products, particularly wheat now—exports of wheat—at the very least, we can extend the loan provisions of the current law 5 months, to September 30, 1998.

It just seems to me, because the farmers now are suffering so severely, bankers are starting to call in loans, bankers are not giving farmers additional operating capital—at the very least, we can extend the marketing assistance loan period from 5 months to the end of 1998, to give farmers a chance, a little longer into 1998, before their loan is called and they have to pay back their loan at the current loan rate.

What you are going to hear is this. You are going to hear: “Oh, gosh, there we go. We are opening up the Farm Act, Freedom to Farm.” That is not true. In no way does this amendment open up or revisit the Freedom to Farm Act.

We are also going to hear this sets a bad precedent—here we are, after passing Freedom to Farm, where the Government is coming in and says, “Well, we say that, full goal here is not to be rigidly consistent and mechanically steel-trap logical and just rigidly sticking to something. Rather, our charge here, our obligation, is to do what is right. I think it is right just merely to extend marketing assistance loans to the end of the year. We are not going back from Freedom to Farm; not any other change.
I might say, too, it has absolutely zero effect on the budget, and that is because it is not scored. It is not scored because the loan is extended only to the end of September of this year. So this has no budget effect. It helps farmers by letting them decide when they want to sell their grain. If they have held it so far, they can sell at a later date.

In addition, we are handcuffing farmers because of the limitations we have placed on the export of a lot of our products—first, that is, 10 percent of our exports are sanctioned; we cannot go to various countries. And on top of that, our Government has not fought vigorously enough to open up markets in other countries.

One example is China. China does not take any Pacific Northwest wheat—not one kernel—because they have come up with this phony argument that it has a fungus. It is a phony argument. Anybody who looks at the question knows it is phony, yet they do not buy any. How hard has our Government worked to say, ‘Hey, you have to play fair.’ Our Government has not worked nearly as hard as I think it should.

Let me just finish by saying it is a very small matter in terms of what we are doing here on the supplemental appropriations bill. We are not opening up Freedom to Farm. It has zero budget effect. These efforts are likely to help one crop, wheat, and the various States in the country’s northern tier.

The PRESIDING OFFICER. The Senator from Montana has pointed out—we could work with the President in terms of allocations for Public Law 480. That is an act which is on the books. We can work to increase export credits for overseas purchases of U.S. wheat. We can work together with the President, the Secretary of Agriculture, and Senators who are engaged in this, and I would like to be one of them, because I believe an increase in sales exports is tremendously important and it is timely that we do it now as opposed to hereafter.

I suggest USDA comply with the Fair Act’s requirement that high-value U.S. products such as wheat flour be a higher proportion of export programs. We could be helpful in that regard.

And, finally, as I have suggested already, we must work now on our export goals with the Trade Representative and the WTO, as well as for each of the bilateral negotiations we must engage in because we do not have fast-track authority. These efforts are likely to be much more powerful in raising the price of wheat without doing violence to the farm bill—as a matter of fact, utilizing the farm bill and all its resources.

Mr. President, I reserve the remainder of my time and yield to others.

The PRESIDING OFFICER. Who yields time?
Mr. BAUCUS. Mr. President, how much time do we have remaining on this side?

The PRESIDING OFFICER. The Senator has 6 minutes 44 seconds.

Mr. BAUCUS. Six minutes 44 seconds. I have an amendment pending in my colleague from Montana on the floor. I yield to my colleague, since I have only 6 minutes, 3 minutes.

Mr. BURNS. Mr. President, I thank my colleague. I appreciate the courtesy. It won't take me very long to sum up why we think this is important. I agree with everything that the chairman of the Ag Committee has said. The problem is, we have not gotten the administration to implement those tools they have at hand to help us out. They have not confronted our Canadian neighbors to live within their quotas. When you start talking about putting together a farm bill—and I think the Senator from Indiana would agree—it is hard to write farm legislation that is not flawed. Because of the diversification in our agriculture, that is tough to do.

Flexibility in crops in Montana has not come, for the simple reason that we have a short growing season and soil that is unlike that in Indiana or Missouri or Iowa or Nebraska or wherever.

A fellow walked up to me a while ago and said, "The President is in Africa, and he is making a lot of friends." If I had his checkbook, I could be making a lot of friends. I think he ought to be offering food—wheat, principally—and those things that help people most in nations where they are suffering from malnutrition and hunger. I hope this doesn't set a precedent, that this stays with us this year.

But I will tell you what it does. It allows a small group of farmers from North Dakota and from Montana to gain financing so they can get a crop in, before we have some who will not be refinanced on their operational loans. That is what it does. That is who we are speaking for today, those people who are caught between a Canadian situation and a total collapse of the financial situation in the Pacific rim, which takes most of our crops. I speak in favor of it. I appreciate the leadership of my colleague, and I yield the floor.

The PRESIDING OFFICER. Who yields the floor?

Mr. LUGAR. I yield time to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. I thank my chairman and thank you, Mr. President.

Mr. ROBERTS. Mr. President, I rise in reluctant opposition to the amendment offered by my colleague, the distinguished Senator from Montana. In doing so, let me say I appreciate the efforts by those supporting this approach to assist farmers appropriate risk management tools and to do what we can to encourage improved farm prices.

And, I also appreciate the unique and difficult times that farmers face where there is great risk, great opportunity and productivity, but great risk as well. My colleagues who are privileged to serve the hard working and productive farmers in their states are going through a difficult time—Asian economic problems have already resulted in at least a 3.5 percent reduction in agriculture trade. This is why we just considered and passed the US version to the International Monetary Fund with appropriate reforms. Prices at the country elevator in Montana and, for that matter in Dodge City, Kansas, have declined as a result. Add in severe weather and unfair trading practices across the border and you can see the relevance of the effort by my colleagues. But, with all due respect to their intent, I feel compelled to remind colleagues that all policies have unintended effects. Under the banner of providing a so called safety net by extending the loan program what will actually happen?

Is the goal to see increased prices? Today, approximately 20 percent of the nation's wheat crop is under loan, about 191 million bushels. The loan program expires this spring. This amendment would extend that loan to September 30. Extending the loan rate will not create additional marketing opportunity. Rather it will eliminate to some degree, the incentive for farmers to market their wheat. Extending the loan is an incentive for farmers to hold on to the grain they have under loan for an additional six months. Now, this would not create a big problem except for the fact that we will harvest another wheat crop before September 30. And, all indications are we can expect another bumper crop. We will then have farmers holding a portion of last year's crop while adding a new crop to the market—grain from two crops—not one—on the market. We will have excess supply of grain. That will drive prices down even further and we will have just the opposite effect of what is intended.

And, at the same time we are holding our grain under loan and off the world market, other countries such as the EU, Australia and Argentina will again return to the business of taking our market share. This is a repeat of the situation the current farm bill tried to correct. Our current share of the world wheat market is just over the International Monetary Fund target of 15 percent, the EU 15.4 percent, and Australia 14.8 percent. This amendment could well be called the EU and Australia Market Share Recovery Act.

It is also the first step in putting the government back in the grain business in the form of a reserve and I can still hear the advice of the former chairman of the House Agriculture Committee, Boage of Texas who warned repeatedly, grain reserves are nothing more than government price controls.

The Senator's amendment really takes us back to the age old debate in farm program policy as to whether the loan rate should be a market clearing device or income protection. I don't think it can be both. Under the current farm bill, the loan rate is a marketing clearing device and hopefully a price floor. The transition payments now being paid to farmers represent income protection.

What am I talking about? Well, the price of wheat today at the Dodge City elevator is about $3.10. If you add in the additional payment farmers in Kansas, North Dakota, Montana, Texas, North Carolina are now receiving, approximately 65 cents a bushel, that means the farmer is receiving around $3.75 a bushel. Now, I agree with my colleagues that is certainly not the $4.50 price we were getting months back or even higher on the futures market. We hope to see price improvement and soon.

But, let me point out with 20–20 hindsight, that this loan extension is primarily aimed at the harvest of last year's crop, the grain that farmers have not sold and that farmers did have an opportunity to sell at those previous prices.

Let me mention another possible unintended effect. Will a trick keeping grain under loan work at cross purposes to our goal of stating to the world and all of our customers that we will be a reliable supplier? Does not encouraging longer loan terms and keeping grain in storage tell our customers they should go elsewhere? Should that be the signal we send just hours after this body agreed the United States remain active and competitive in international trade by approving funding for the IMF with appropriate reforms?

Should we not be pushing for lower trade barriers and conducting a full court press to export our grain, our commodities, to sell wheat? My predecessor in the House, the Honorable and now Senator Keith Sebelius put it in language every farmer understands: "We need to sell it, not smell it."

What should we do? We should encourage the President, when he comes back from Africa, not to toss in the towel on fast track trading authority, to immediately sit down with Agriculture Secretary Dan Glickman to explore and aggressively seek bi-lateral trade agreements. There are 370 million hungry people in Latin and Central America alone eager to begin trade negotiations—well sell them bulk commodities, they move to sustainable agriculture and quit tearing up rain forests and its a win, win, win situation.

We should continue the good work of Secretary Glickman and Assistant Secretary Schumacher to fully utilize the GSM export credit program in Asia. Restore the markets that have led to the price decline, don't drive them away. Secretary Glickman has committed $2 billion under the GSM program and its a win, win situation. It has resulted in over $600 million in sales of agriculture products. The $2 billion figure is not a ceiling, it is a floor we can
and must use more! We can use the Export Enhancement Program. The Administration recommended severe cuts in the very program that could not be of help. My colleagues, we need to sell the grain. We have the export tools to accomplish that. What happens when this loan extension results in lower prices, we have a bumper crop, our competitors seize the opportunity to steal our market share, and we are faced with this problem again in September? We may be buying time with this amendment but we are also buying into market distortion and problems down the road.

Let us instead convince and support the Administration to aggressively use the export programs we have in place to answer this problem. Let us work on crop insurance reform. Let us recommit to the promises we made during the farm bill debate in regard to tax policy issues. A farmer IRA, regulatory reform, an aggressive and consistent export program.

Again, I commend my colleagues for their concern, for their long record of support for our farmers and ranchers and I look forward to working with them in the future. But, in terms of this amendment, its just that the trail you are recommending leads right into a box canyon.

With that, I reluctantly oppose the Senator’s amendment and hope he can work with us and perhaps even withdraw the amendment. I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. I yield 2½ minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I thank the Senator for the time.

I am a little bit surprised, because I think this is the most modest of proposals. Freedom to Farm is a baby step in the right direction. In fact, it does not conflict at all with the Freedom to Farm bill. It complements it. Those who say that the farmers should get their price from the marketplace need to give the farmers the tools to hold that grain and access the marketplace when it is beneficial to farmers. That is what eventually will allow this farm law to succeed if ever it succeeds. So I think this complements the Freedom to Farm bill.

I think this is the smallest, most modest of steps, but it is in the right direction. I wish that it would be accepted. It has no cost to the Treasury. It would be of some help to some producers at a very critical time.

Let me say, we have heard some about trade here. You have heard me speak about this many times. Regrettably, this country is a 98-pound weakling when it comes to trade. We have sandboxed in our face every day on trade. I would like to fix all that.

The Senator from Montana mentioned Canada. If durum wheat were blood, Canada would long ago have bled to death. With all of that grain coming here, we have an avalanche of Canadian grain glutting our markets. That situation, together with problems with Japan, China and Mexico and a range of other trade problems have undercut the market for agricultural products. The Senator from Montana has proposed the most modest of steps. Let us extend these commodity loans. In my judgment, these loan rates are far too low in any event. Despite that, let us at least extend the term of these commodity loans to give individual farmers a better opportunity to market when it is in their interest to do so. That way they have some say as to when they go into this marketplace.

As you know, this marketplace is full of big shots and little interests. And guess who wins in the marketplace? If the farmer is forced to market at the wrong time, just after harvest, they get the lowest price.

Freedom to Farm can only work if we give farmers the capability of holding that grain with a decent loan for a long enough period so that when farmers go to the marketplace, it is on their time, it is when they find the market has some strength, when they find they can go to the market and get some reward for themselves, not just on the miller’s time, not just on the grocery manufacturers’ time, not just on the traders’ time.

If the Senator insists on a vote on this, I hope we win. I support fully what he is trying to do. If he does not, I hope we come back and try this again, because I think there needs to be a way for all of us, including the chairman of the committee, for whom I have great respect, to work together on this issue.

I yield back the remainder of my time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds remaining.

Mr. BAUCUS. I thank the Chair.

Mr. President, I can’t but be bemused by this debate, because the Senator from North Dakota said this isn’t just a trivial step. In fact, the Senator from Indiana, the very distinguished chairman of the committee, quietly admitted that he doesn’t think it is going to do much, and if that is the case, I don’t know why we don’t just do it.

It is also true one of the tenets of Freedom to Farm is more flexibility. I remind my colleagues that we in the North do not have a lot of flexibility, because of our weather and soil conditions, and so forth. There is not near the flexibility in planting different kinds of crops that farmers in other parts of the country might have.

A major answer to this problem, obviously, is a greater effort to knock down trade barriers. That is clear. A greater answer to this problem, too, is much more executive branch and congressional effort to make sure that other countries are not taking unfair advantage of American producers.

Mr. President, I will withdraw the amendment, but I will continue. I would like the assurance of the Senator from Kansas and the Senator from Indiana of efforts that we can undertake on a bipartisan basis to actually do something about this.

We talk a lot about knocking down trade barriers; we talk a lot about GSM programs; we talk a lot about P.L. 480; we talk a lot about NAFTA; we talk a lot about fast track, and so forth. But it is time to do something about this. I will not press for the vote, but I do urge my friends and colleagues to make the effort, to be sure, again, on a bipartisan basis and with the White House, that we can finally stand up for our producers and work harder and more effectively together than we have in the past. One example is appropriations, whether it is EEP or whatever it is. We can authorize programs, but we also have to have appropriations. I would like to ask my friends if they could respond.

The PRESIDING OFFICER. Time has expired.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am happy to yield such time as he may consume to the chairman of the Agriculture Committee, Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the spirit of the distinguished Senator from Montana, a distinguished member of the Agriculture Committee. I pledge for my part the resources of the committee to work with the Senator from this day hence to see if we can increase wheat exports specifically, and exports generally from our country.

I have outlined a number of areas for work, and the distinguished Senator from Kansas has mentioned others, as has the Senator from Montana. There is urgency to our work. That ought to be clear from this debate.

I pledge to work with the Senator. I hope that our committee will be successful, and we will try to establish benchmarks to see if we make headway. I look forward to working with the Senator on a report of how we did.

Mr. ROBERTS. Will the distinguished chairman yield?

Mr. COCHRAN. I am happy——

Mr. LUGAR. Of course.

Mr. ROBERTS. Will either of the distinguished chairmen yield?

Mr. COCHRAN. I am happy——

Mr. LUGAR. Of course.

The PRESIDING OFFICER. All time has expired.

Mr. BAUCUS. Mr. President, the amendment is withdrawn.

The PRESIDING OFFICER. The amendment has been withdrawn.

The amendment (No. 2162) was withdrawn.
The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I am not seeking recognition. What is the pending business, Mr. President?

The PRESIDING OFFICER. Amendment No. 2120, the amendment offered by the Senator from Oklahoma, Mr. NICKLES.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I appreciate the cooperation of the Senator from Maryland, the ranking member of the Appropriations Committee. I remind folks that in the appropriations, and through the leadership of my friend from Mississippi, the EEP is funded.

We have appropriated that money every year to be used as a tool in the market, so it is not that we have not done our work here in this Senate as far as the agriculture producers are concerned. I think the administration, both the International Trade Representative and the Ag Department, has to start taking a look at the tools or the weapons they have in their arsenal in order to help these folks.

That is to help our farmers who need money to get back in the field to plant their spring crops, but I will tell you that we are going to work very, very hard to make sure it is there next year and this administration uses the tools it has at its disposal.

I appreciate the time, and I yield the floor. And noting no other Senator choosing to use time, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2120

Mr. NICKLES. Mr. President, I understand that the so-called amendment that has my name on it, the NICKLES amendment, to delete $16 million that is in the bill right now to add an additional 65 HCFA employees, is the pending business.

We debated that significantly yesterday. I am happy to vote on it. I am ready to vote on it. I know Senator KENNEDY had a different idea. I do not know what his intentions are, but this Senator is ready to vote, ready to have a time limit, ready to move forward. I think it is important we do so, and do so rather quickly and move on to other business. I know we have the Mexican certification process. So I just make mention of that.

I urge my colleague from Massachusetts is here, so hopefully we will be able to vote on my amendment. If he has an alternative, we are happy to vote on that as well.

Mr. Kennedy addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if the Senate votes to deny the administration's request for additional funding to fulfill the responsibilities bestowed by Congress under the Kassebaum-Kennedy legislation, tens of millions of mentally ill Americans in 30 States will not be provided with the protection of a law we passed unanimously, not once but twice. Supporting the NICKLES amendment is like saying, 'We'll give you a car, but not the keys.'

What good does it do to pass a law that we are not willing to enforce? This amendment will effectively reduce, in a very important and significant way, the enforcement and the protections that were included in the legislation.

Every Senator in the 104th Congress voted for the Kassebaum-Kennedy legislation—not a single vote against it on passage or on the conference bill. And every Senator went back to his or her State to take credit for the good work that they had done to defeat the promise of accessible and portable health insurance.

But now we have this proposal to effectively break the promise by denying the enforcement agency, in this instance HCFA, the staff and the resources they need to make that promise a reality.

So let us be very clear. This really isn't about the budget. This is not about wasteful spending or an ever-expanding government. The HCFA request is to transfer money from another HCFA budget, and it is a justified, targeted response to the situation before us, which has been outlined in the GAO report.

Yesterday questions were raised about whether this request affected more than the five States that have yet to act and whether the request affected HCFA's ability to enforce the legislation that created the mental health parity and the banned so-called drive-by deliveries.

But HCFA Administrator Nancy-Ann Min DeParle answered these questions following our debate yesterday in a letter sent to the Administration. She writes that this money is needed to implement not only Kassebaum-Kennedy, but also the mental health and drive-by delivery bills. The fact is that there are many gaps beyond just the five State references that were included in the GAO report.

I have, Mr. President, in my hand, the National Association of Insurance Commissioners' report as of December 3, 1997, that shows that 30 States have yet to enact the legislation to implement the law on the mental health parity. Thirty States have not implemented those particular protections on mental health.

We had a strong vote here on the Domenici-Wellstone amendment. And we now see that there are effectively 30 States that have not implemented the mental health parity law. If HCFA is not given the resources to enforce it in those states that fail to act, then the persons with severe mental illness who live in those states will not benefit from the parity provisions we voted to give them.

The Senator from Oklahoma continues to insist that this is a short-term problem and that the only real problem that we are facing with in implementing HIPAA is just in five States. And this is wrong. The duration of the problem is not yet known. We have already mentioned that 30 States require federal enforcement for mental health parity. We know on the drive-by delivery issue, which we also passed in a bipartisan way in 1996, was to be implemented with the same kind of enforcement mechanisms—and there are eight States, according to the National Association of Insurance Commissioners—that have not enacted legislation to conform with or implement the federal bill to ban drive-by deliveries.

The request in the bill under consideration today will be used to make sure that women in these eight States are going to have the similar kind of protections as the women in 42 other States. It will be used to ensure that the mental health parity provisions are enforced in the 30 States that have not yet enacted the act. There are many others. Oklahoma is one of 11 States that have not passed laws to guarantee renewability in the individual market, thereby needing federal enforcement of this key HIPAA provision. These are all in addition to the five States that have been referenced by the Senator from Oklahoma. And there are more.

There are very, very important needs, Mr. President.

Now, the supplemental request will simply allow HCFA to move forward with what Congress asked of them. Some of my colleagues have suggested that HCFA should have asked for this increase last year. But we all know that if they had the request they would have been told that it was premature and to wait for State action. Some have suggested that they wait for the regular budget for next year, but such a delay is unnecessary and an insult to the American public.

Each year, HCFA staffing levels are revisited during the appropriations process. If Congress finds in the future that the States are fully compliant and HCFA no longer needs to fulfill this function, I am confident that the Appropriations Committee will adjust accordingly. They do so.

HCFA's duties have significantly increased in the past two years. Among other things, they have chief responsibility for providing guidance to states to implement the new Children's Health Insurance Program, for cracking down on fraud and abuse, and for implementing the various and important changes in Medicare and Medicaid resulting from the Balanced Budget Act. All of those are being implemented virtually at the same time as the Kassebaum-Kennedy bill—including the provisions on mental
health and maternity protections—is being implemented. And the proposal that came to the floor of the Senate did not increase the budget but reallocated resources within the agency. They aren't asking for more money, just for the ability to allow them to do the jobs we asked of them. And the Nickles amendment seeks to gut these efforts by striking this proposal.

Mr. President, it is unconscionable to deny the American public the rights we voted to give them almost 2 years ago. They have waited long enough. The Kassebaum-Kennedy bill bans some of the worst abuses by health insurers, abuses that affect millions of people a year. Prior to its enactment, more than half of all insurance policies imposed unlimited exclusions for pre-existing conditions. Prior to its enactment, insurance companies could refuse coverage to just about anyone—why didn't they? Businesses because one employee was in poor health. Prior to its enactment, 25 percent of American workers were afraid to change jobs and to start new businesses for fear of losing health insurance. Prior to its enactment, people could be dropped from coverage if they had the misfortune to become sick, even if they had faithfully paid their premiums for years.

The General Accounting Office stated that as many as 25 million people would benefit from these protections. These are the protections that are in the Kassebaum-Kennedy legislation. All we are saying is, let's make sure, now that we've created them, they're there. We've shifted, people could be dropped from coverage if they had the misfortune to become sick, even if they had faithfully paid their premiums for years.

The GAO explicitly and repeatedly expressed concerns that HCFA's current resources are inadequate to effectively enforce the bill. The NAIC—which is the National Association of Insurance Commissioners, the commissioners in each of the 50 States; this is their national organization—in testimony before the Ways and Means Committee last fall said, "The Federal Government has new and significant responsibilities to protect consumers in these States. Fulfilling these responsibilities requires significant Federal resources."

The legislation that passed over 20 months ago was being implemented in January of this year, but the States were taking the steps in the previous 18 months to comply with the legislation, with it being implemented in January of this year. In February, we had the GAO report that pointed out the failure of some of the States to take the steps to provide the protections and said additional kinds of resources were going to be necessary. This is really a response to that reality.

The GAO found that many companies were engaging in price gouging, with premiums being charged to consumers exercising their rights to buy individual policies when they lost their job-based coverage as much as 600 percent above standard rates. They found other carriers continue to illegally impose preexisting condition exclusions. We cannot deal with that; nor do we intend to. That ought to be an issue for another day, but the problem is severe in terms of that kind of abuse. We are not talking about that issue. But we are talking about the implementation of these other protections, to make sure, for example, if you are moving from a group to individual, that there is going to be available insurance in those States that are going to cover the individuals that have preexisting conditions, and also what they call renewability, to make sure that those individuals are going to be able to renew their policies without losing terms of their premiums—that it takes that kind of an action to ensure coverage or otherwise people are going to be outside of the coverage. That is an area where a number of States have not taken action.

Some companies or agents illegally fail to disclose to consumers they have a right to buy a policy. Others have reported huge Medicare payments to agents who refer eligible individuals. Others tell agents not to refer any eligibles for coverage. Some carriers put all the eligibles with health problems in a single insurance product, driving up the rates yr. to make sure that an individual is fulfilling regular policies to healthy eligibles.

The Senate should not be voting for a free ride for failure to comply with these protections which most States have complied with. It's a scapegoat to an accomplice to denying families the kind of protections for preexisting conditions that they were promised by unanimous votes just 2 years ago. The need for the additional staff goes beyond because we are looking for wide gaps in consumer knowledge, gaps that prevented consumers from exercising their rights under the laws. HHS wants to launch a vigorous effort to address this problem, but according to the GAO, because of funding constraints, the agency is unable to put much effort into consumer education.

Now, the point that has been raised by the Senator from Oklahoma that this is not an emergency situation—for millions of Americans, the failure to enforce the legislation is an emergency. Every family who is illegally denied health insurance faces an emergency. Every child that goes without health insurance faces an emergency. Every family that is bankrupted by medical costs because this bill is not enforced faces an emergency, and every family that is bankrupted by medical costs because this bill is not enforced faces an emergency. This may not be an emergency for abusive insurance companies, but it is an emergency for families all over this country. For some, it is a matter of life and death.

But don't take my word for it. Since our debate yesterday, more than 20 organizations have sent letters, which are available on the desk, urging that we defeat the Nickles amendment. Leading organizations representing persons with disabilities, the mental health communities, women with breast cancer, and consumers generally have written asking us not to take this opposition to this unwarranted attack on the law. More are coming. The Senate should reject this amendment. We need to toughen the Kassebaum bill, not weaken its enforcement. This is a test as to whether the Senate can really ensure that those provisions in the bill that will guarantee the protection on the preexisting condition will actually be protected.

I yield the floor to Mr. NICKLES. Mr. President, I appreciate my colleague's comments. I appreciate his coming to the floor. I think it is important that we have the discussion. We had a significant discussion on this amendment yesterday. I will make a few comments. I understand one other Senator wishes to speak on it, or if the Senator has any additional Senators.
I mentioned yesterday that HCFA, the Health Care Finance Administration, has over 4,000 employees. That is a lot. Now, the Health and Human Services Department has 58,500 employees. Now, if they need to move a few employees, they can do it. If there is an emergency, there is not really an emergency. Frankly, compliance with HCFA, the so-called Kassebaum-Kennedy bill, which deals with portability, also deals with moving from one plan to another. Now States have complied. The State of Massachusetts has not complied. But I don’t think that we should presume the State of Massachusetts doesn’t care about their employees or about their people in their State. The State of California hasn’t, the State of Missouri hasn’t, the State of Michigan hasn’t, but every one of those States has pretty advanced policies dealing with health care.

Now, some would presume because they haven’t enacted legislation exactly as we told them to do, that we now need to have Federal regulators go in and run their insurance departments. I do not think that is the case. The Senator from Massachusetts says California has a law for health portability. You cannot do this with 65. You could not do this with 650. You would have to hire thousands if we were going to have the Federal Government come in and regulate State insurance. So that is really not the situation. We can also do what I said yesterday. We are always talking about bureaucrats. We can also talk about the mental health parity issue. I mentioned yesterday that HCFA, the so-called Kassebaum-Kennedy, it is not. It is not, they don’t want to have Federal regulators come in and try to enforce the mental parity issue that they had to be on cares in Iraq and in Bosnia. What is urgent about this? This is a law that passed. This is a law that became effective—frankly, we passed the law 20 months ago; it only became effective January first.

The reason California has not passed a law—California passed a law, but Governor Wilson vetoed it because there are other things in the law he did not think were very good. In Missouri, the Missouri legislature passed a law to be in compliance, but the Governor vetoed it because he had a disagreement. In almost all cases, the five States are not saying, “Federal Government, we are now going to do.” They already have 26 employees. They can use additional employees. Now, if they need to move a few employees, they can do it. If there is an emergency, there is not really an emergency. Frankly, compliance with HIPAA, the Health Parity Act in those states that have not fully implemented HIPAA. We had this discussion yesterday. But as we approach a possible vote on this amendment, let me say one more time—and I have a letter here from Laurie Flynn, executive director, which Senator Kennedy offered during other parts of this debate. I want to focus on the mental health parity. Laurie Flynn, executive director, a very strong advocate for people struggling with mental illness, concludes her letter by saying:

Consequently, on behalf of NAMI’s 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in focusing on the importance of steering HCFA’s enforcement responsibilities under HIPAA.

Mr. President, there are still some 30 States, or thereabouts, that are not yet in compliance. Again, in January, I recommended the Mental Health Parity Act. This was an enormous step forward. We said to a lot of women and men to their families that we are going to rise above the stigma, we are going to make sure that there is coverage for you, at least when it comes to lifetime and annual caps; we are not going to have any discrimination, and we are going to treat the illness the way a physical illness is treated. We know that much of this is biochemical. We know that people can be treated with assurance of family and community support can make all the difference in the world. Hopes were raised, expectations were built up.

Now, what we are talking about is making sure—I say again to my colleagues what I said yesterday—that this is enforced, that this is implemented. I am very worried that with our 30 States, or thereabouts, 30 some States, or thereabouts, that are not yet in compliance, we are not going to be able to actually enforce this law of the land; we are not going to be able to have this implemented around the country.

My colleague from Oklahoma keeps talking about bureaucrats. I go back to what I said yesterday. We are always talking about bureaucrats. We can also be talking about men and women in public service who have a job to do. In this particular case, the job is to make sure that the law of the land is implemented. It is to make sure that there is no discrimination against people struggling with their mental illness. It is to make sure that there isn’t discrimination against their families, and that we make sure that States or insurance companies or plans...
Mr. NICKLES. Mr. President, let me make a couple of quick comments. The initial request that came from HCFA for the $16 million supplemental did not include anything dealing with mental parity; not a word, not a letter, nothing. It didn’t include it. The GAO report didn’t include it.

Moreover, we understand that as many as 30 States may have more standards that comply with Mental Health Parity Act and as many of 10 States may not have standards that comply with the Newborns and Mothers’ Health Protection Act. This is what I want you to pay attention to:

We don’t have precise numbers because States are not required to notify HCFA about their intention to implement these two laws. HCFA doesn’t have control over these two laws. These States aren’t going to be managed by the Department of Labor. That is not in HCFA’s jurisdiction. These 65 people will not spend 1 minute of time on mental parity or the 24 hours or 48 hours for newborns. Some people are trying to create an issue that is not real.

The issue is, very frankly, are we going to have $30, 48 hours for newborns. It was not in the request, not in their letter, not in the GAO study. Some people fight very, very hard to expand the bureaucracy of HCFA? They already have over 4,000 employees and 58,500 at HHS. I have said time and time again, if they need to borrow some of those employees, they can do so. People say, no, we want to expand the base, hire more people, have more intrusion. I have a final comment—

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. NICKLES. Not just yet. I will make a final comment, because this is of interest. Yesterday and today, we have spent several hours debating $16 million. I am trying to save for taxpayers, and basically save it for Medicare, that $16 million that should stay in Medicare. We should not be raiding the Medicare trust funds to pay for an expansion to hire more Federal employees. We are spending several hours on that. I tell my colleague from Texas and my other colleagues, I spent an hour opposing an expansion of $1.9 billion. We expanded the cost of this bill from $3.3 billion to $5.1 billion, and we did it in an hour. Maybe some people are kind of proud of that. I am not proud of it. Yet, to try to cut $16 million, we have spent several hours.

Some people fight very, very hard to expand Government. I think that is a mistake. I think it is a mistake in this bill. We should not be doing this, too. But frankly, that is not their responsibility. It is the responsibility of the Department of Labor. It is not in this bill and it would not be helped by passing this supplemental, even as originally requested.

Mr. GRAMM addressed the Chair.

Mr. GRAMM. Mr. President, I am happy to yield to the Senator for Texas.

Mr. NICKLES. Mr. President, let me make a couple of quick comments. The initial request that came from HCFA for the $16 million supplemental did not include anything dealing with mental parity; not a word, not a letter, nothing. It didn’t include it. The GAO report didn’t include it.

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. GRAMM. Mr. President, let me make a couple of quick comments. The initial request that came from HCFA for the $16 million supplemental did not include anything dealing with mental parity; not a word, not a letter, nothing. It didn’t include it. The GAO report didn’t include it.

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Mr. GRAMM. Mr. President, I think we are having an interesting and enlightening conversation. I agree with the Senator from Oklahoma. But I want to go back one more level below this to talk about the real issue here.

Our colleague from Minnesota talks about how much he and the administration care about this program and about how they want to try to see this done, provide this $16 billion. But they didn’t care enough about it to cut $16 billion out of another discretionary program to pay for it. They didn’t care enough about it to reduce discretionary spending in the Federal budget by 0.003 percent to pay for it. They cared so much about it that they weren’t willing to take 65 bureaucrats from the 4,000 people they already have working in the Health Care Finance Administration to do this work. They didn’t do any of those things.

What they did is they cut Medicare and they reduced peer review, which is looking over the office of doctors who are providing medical care to my mother and to other people’s parents. We take money from peer review and the oversight of doctors practicing medicine under Medicare—we take money away from Medicare to fund more bureaucrats at HCFA. That is what this amendment is about. This is robbing Medicare to pay for bureaucrats at HCFA.

Now, first of all, I know the public doesn’t care about these things, but I don’t understand how the Appropriations Committee is cutting Medicare. The last time I looked, Medicare was under the jurisdiction of the Finance Committee. I am chairman of the subcommittee that has jurisdiction over Medicare. What we have here is an extraordinary shell game, which the President started and which this committee has continued to perpetuate.

Here is the shell game in English that I understand. The President wants to hire 65 more bureaucrats. He already has 4,000 bureaucrats working for HCFA. They want 65 more bureaucrats to do work that has absolutely nothing to do with Medicare in shape, form, or fashion. And they want 65 more bureaucrats. But they are unwilling to cut another discretionary program to pay for it. They want these 65 bureaucrats, but they are unwilling to take them away from the current work they are doing. It is not important enough to move 65 of them to do it. It is not important enough to cut any other discretionary program of the Government to do it. But it is apparently important enough to reduce physician oversight of the practice of medicine for 39 million elderly and disabled Americans who qualify for Medicare.

This is another blatant effort to rob Medicare, a program that is going broke, a program that will be a $1.1 trillion drain on the Federal Treasury over the next 10 years, a program where we are going to have to raise the payroll tax from 2.9 cents for every dollar you make to 13 cents for every dollar you make to pay for it over the next 30 years.

So what they are doing is using Medicare as a piggy bank to hire bureaucrats. Let me say that this is outrageous. I am not saying that if the American people knew about this, they would be outraged.

Our colleague from Minnesota said, but we need these 65 bureaucrats for this important function. Look, I am not suggesting that it is not important or not urgent. Our dear colleague here has pointed out that the issues raised wouldn’t even be dealt with by those 65 bureaucrats. But that is not the point here. If it is all that important, cut a program to pay for it. If it is all that important, do what every American working family does every day: They decide that buying medicine, or buying a book, or sending their child to special training is important, so they cut spending they would have spent on vaccination, something less important, to pay for it.

My argument is not against the spending of this money. It is not even important enough to move 65 of them to strike is a provision that says, put Medicare cut money from a program, another discretionary account, that is of less importance.

Is there nothing in the $550 billion every year spent by the Federal Government on discretionary spending that is less important than this? If there isn’t, we probably ought not to be doing it. If there are programs that are less important, I suggest you find them and cut them. But this is a rotten shell game, to be cutting Medicare and reducing peer review oversight over the treatment of 39 million senior and disabled citizens in order to fund more bureaucrats.

What are we doing, cutting Medicare to fund discretionary programs? Whoever heard of cutting Medicare to fund HCFA bureaucrats? I think it is an absolute outrage. What all this shows is, and cut them. But this is a rotten shell game, to be cutting Medicare and reducing peer review oversight over the treatment of 39 million senior and disabled citizens in order to fund more bureaucrats.

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That is a position that you can take. I happen to say that the answer to it is no—clear-cut, unequivocally, no. We ought not to be cutting Medicare to increase the number of bureaucrats working at HCFA. And that is exactly what this proposal does.

If somebody can make the case that we don’t need as much oversight of physicians who are treating my mother and everybody else’s mother, then we ought to take the savings and we ought to use it to save Medicare. But there are two problems here: No. 1, nobody has made that case; I am not convinced of it. And, No. 2, if we are going to save the money, it ought to go to Medicare, where the money is coming from; it ought not to be used to hire bureaucrats.

So we are going to vote at some point on the Nickles amendment. I know our colleagues are threatening to hold up this bill. But let me say, this is not my bill. This is a bill that spends $5 billion that we do not have. This is a bill that raises the deficit by $5 billion. This is a bill that puts Social Security last. This is a bill that takes $5 billion away from our efforts to save Social Security. And if we are going to hold this bill up so that we can steal money from Medicare, let it be held up. If this bill never passes under these circumstances, that will suit me just fine.

I am not going to have to explain why it does not pass, because I am not holding it up. Somebody is going to threaten me that I am not going to raise the deficit by $5 billion unless you let me steal $16 million from Medicare, I am not imperiled by that threat. No. 1, I think it is outrageous that we are not going to save $16 million. My point is, if they are all that important, cut money from a program, another discretionary account, that is of less importance.

So I am not hot for this bill, to begin with. But secondly, your ransom is simply too high. It is absolutely uncalled for to say I am going to spend the $5 billion and raise the deficit by $5 billion and steal the money from Social Security unless you let us steal $16 million from Medicare. That ransom is too high.

And maybe our colleagues can look people in the face and say, “We had to cut oversight of medical practice for senior citizens in Medicare so that we can hire 65 bureaucrats at HCFA.” Maybe they feel comfortable doing it. I want to urge them to explain it to my 85-year-old mother. I don’t think she would be convinced.

But, in any case, we every once in a while have acts of piracy. People say, “If you do not give me this money, or you do not do this, I am not going to let you do what you want to do.” But what our colleagues are saying is, “We won’t raise the deficit by $5 billion unless we can take $16 million away from Medicare.”

A. I am not for raising the deficit by $5 billion; B. I am not for taking the money away from Medicare. So I don’t feel threatened.

And finally, let me say to our dear colleague from Oklahoma, who yesterday tried to prevent us from raising the deficit by $1.8 billion—and it was an honorable stunt, but I don’t think we have to apologize for spending hours trying to save $16 million—there are a lot of people in Oklahoma and Texas who work a lifetime, and their children work a lifetime, and their grandchildren work a lifetime, never to make $16 million.

So I think this is time well spent. Do not take this money out of Medicare.
Do not take this money out of Medicare to hire 65 new bureaucrats. That, I think, is a clear issue. And if our colleagues want to debate forever, I would love for the American people to hear this debate. I don’t believe they can sustain that debate. That was a slick idea by the President, to do it when nobody knew it was in here. I didn’t know this was in this bill, and I am on the Finance Committee, and I am chairman of the sub-committee that oversees Medicare. I didn’t know this was in this bill until we discovered it.

So it was a slick idea until people discovered it. Piracy normally works until somebody discovers it is occurring. And then they send out the sheriff, and the sheriff stops it. We are the sheriff.

So if you want to stop, if you do not want to raise the deficit by $5 billion, if you do not get the $16 million, it doesn’t break my heart. Go right ahead.

I yield the floor.

Mr. KENNEDY addressed the Chair. The PRESIDING OFFICER (Mr. Brownback). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I have seen many smokescreens on the Senate floor before. But I just heard one of the largest smokescreens ever from those who just tried to cut Medicare by some $270 billion in order to give tax breaks to those individuals and corporations. We defended that position here on the floor of the U.S. Senate not long ago. Now what we are talking about at this time is an administrative cost. This isn’t going to affect one single dollar in terms of benefits or in terms of health care costs for senior citizens.

So before we all cry crocodile tears at the suggestions of my good friend from Texas, maybe he would spend an equal amount of time discussing his justification for his proposal to seek major cuts in the Medicare program to fund tax breaks for wealthy individuals. That may be suitable for another time.

I do not suggest that the Republicans who are Members of the Appropriations Committee that supported and reported out the provision that is in the current bill are Republicans that have a distaste for Medicare or want to ignore the problems for citizens and corporations. We defended that position here on the floor of the U.S. Senate not long ago. Now what we are talking about at this time is an administrative cost. This isn’t going to affect one single dollar in terms of benefits or in terms of health care costs for senior citizens.

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have enough people to get regulations out. They have a huge, mammoth mandate. But the fact of the matter is, one more time, colleagues, the National Association of Insurance Commissioners reports that 30 States have not yet even have a mental health parity legislation. Minnesota, I am proud to say, is a State that has enacted this legislation.

So ultimately this is about whether or not the U.S. Senate supports the appropriate appropriators or whether we went with something that was balanced and reasonable. The appropriators understand, and I think what they have proposed represents this understanding, that we have a contract with people in the country. People believe they are going to have some protection. You know, it is hard going against these insurance companies. Can’t we make sure there are a few more women and men— I don’t just use the word “bureaucrats” with a sneer—who are out there to enforce this legislation. But I think we should be on the side of the vast majority of people in this country and not on the side of large insurance companies. I think that is what this vote is about, and I urge my colleagues to vote against the Nickles amendment.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I will try to be brief. I hope we are getting ready to vote on this. I want to go back, since so much has been said, and review exactly where we are. Here is where we are:

The President wanted $16 million to, in part, hire 65 new bureaucrats at HCFA. Here are the choices the President have cut another program in HCFA and used it to pay to hire the 65 new bureaucrats. We have $550 billion of discretionary programs in the Federal budget and he could have cut $16 million out of any one or combination of those. Or he could have cut each one of them by 0.003 percent. But the President could not find in a discretionary budget of $550 billion a single program that could be cut. He could not find anything that was less important, less urgent, than firing these new 65 bureaucrats. So what he did is he cut Medicare and slipped the provision into the supplemental and it is now before us.

Where did he cut Medicare? We have a program where we hire doctors who go in, on a selective sample basis, and look at procedures that are being provided to Medicare patients. Someone goes in and does a procedure on my mother, where they insert a balloon and open her artery and save her life and save a lot of money. And then we have Medicare that goes in to look and see, did they do it well? Did they do it in the most efficient way? Are they practicing good medicine which the Government is paying for?

What the President said is, let’s cut the amount of money that we are spending for this oversight of medical practice where 39 million people who qualify for this oversight. President’s provision will have less oversight of their medical treatment they receive. That is what the President proposed to do, cut Medicare by reducing the oversight of the medical practice that we are paying for and take that money from Medicare and hire 65 bureaucrats in HCFA to perform functions that have absolutely nothing to do with Medicare.

There are two debates going on. To some extent the Senator from Oklahoma and the Senator from Minnesota are arguing about whether we need to hire these 65 bureaucrats at all. We already have 4,000 of them in the same agency but not one of them is doing something less important than this. I don’t want to get into a debate. Maybe the Senator from Minnesota and the Senator from Massachusetts are right. Maybe we just have to hire 65 new bureaucrats at HCFA.

But my point is, if you really need them, they will take money away from another HCFA program. Don’t cut Medicare, don’t take oversight of medical practice on our senior citizens, don’t take that money to spend it on a program that has nothing to do with Medicare.

Our colleague from Massachusetts is still chafing that at one time we actually debated cutting taxes around here. I long to get those days back, myself, and I am not the least bit shy about telling them, I don’t remember anybody ever proposing cutting Medicare to pay for them, but I guess if you are against tax cuts they have to be evil; and wherever, whatever is being done to get them, that in itself must be evil.

But here we are getting ready to go into a series of issues this year where our Democrat colleagues are going to be taking money away from Medicare. So, if they don’t like being criticized for it, they better get used to it. We are going to have a tobacco settlement on the floor of the U.S. Senate, and we are going to have it on the floor of the Senate this spring or summer. There is going to be a debate about what to use that money for. We are going to be providing money for education. We are going to raise the price of cigarettes, which everybody says is the most effective way to get teenagers not to smoke. But the question is going to come down to where should the money be used? We are going to hear this same debate again. I say the Senate Budget Committee says that 14 percent of the cost of Medicare comes from people smoking; $30 billion a year in costs are imposed on Medicare by people smoking, and the whole logic of the tobacco settlement is, they reason that the tobacco companies have agreed to pay the States and to pay the Federal Government, is to compensate the taxpayer for costs imposed on the taxpayer by people smoking.

In the Federal Government, these costs have been imposed on Medicare. So the Budget Committee has said, and I hope the Senate says, take the money from the tobacco settlement and use it to pay for Medicare. And, in fact, if people were not smoking we would have $30 billion a year less in costs, and compensating Medicare for that is what the whole settlement is about.

Many of our colleagues on the other side see the settlement as this giant piggy bank which can be used to fund seven or eight different Government programs. So we are going to have this debate again, only then they are going to take the money away from Medicare to fund building schools and hiring teachers—the list goes on and on. I am not saying any of those are bad things, just as I am not saying that hiring 65 new bureaucrats is a bad thing. I suspect it is, but I am not saying that. All I am saying is, don’t take the money away from Medicare to do it. This provision should have never been put in this bill. It desperately needs to be taken out, and I believe when we do vote we will take it out. And I appreciate the Senator from Oklahoma offering the amendment, and I enjoyed getting an opportunity to come over and talk about it.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2163

Mr. STEVENS. Mr. President, if the Senator will just defer for a moment, I have an amendment that has been cleared on both sides. It has just been cleared as part of the managers’ package. I ask unanimous consent it be in order to send it to the desk and have its immediate consideration at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. D’AMATO, proposes an amendment numbered 2163.

The amendment follows:

On page 38, after line 18, add the following new section:

“SEC. . The Secretary of Transportation and the Secretary of the Interior shall report to the House and Senate Committees on Appropriations. And the House Committee on Commerce, Science, and Transportation and the House Committee on Transportation and Infrastructure not later than April 20, 1998, on the proposed use by the New York City Police Department for air and sea rescue and public safety purposes of the facility that is to be operated by the U.S. Coast Guard at Floyd Bennett Field located in the City of New York.”

Mr. D’AMATO. Mr. President, I would like to thank the Chairman of the Appropriations Committee, Senator STEVENS, for offering this amendment in my behalf.

My amendment is simple. It asks the Secretary of Transportation and the Secretary of Interior to report to the
The motion to lay on the table was agreed to.

Mr. STEVENS. I thank the Senator.

AMENDMENT NO. 220

The PRESIDING OFFICER. The question recurs on the Nickles amendment, No. 220.

Mr. KENNEDY. Mr. President, we will have a good opportunity to debate. I am glad to hear my friend from Texas indicate his support for effective tobacco legislation. We will have, hopefully, a good opportunity to debate that.

I was listening to the Senator speak so eloquently. I was remembering that in checking my facts, the Republican Contract With America provided a $270 billion cut in Medicare, with a $290 billion tax break for the wealthiest individuals. So we have debated this at other times, if we want to discuss who truly cares about Medicare. That is not what we are about here today. We have explored the issue, is it before us.

Mr. President, I want to mention the various groups and organizations that strongly oppose the Nickles amendment. The National Breast Cancer Coalition urges support of funding to implement the Kennedy law and opposes the Nickles proposal; the National Alliance for the Mentally Ill also opposes the Nickles proposal; they are joined by Consortium for Citizens With Disabilities, a group that includes the ARC, the National Association for Protection and Advocacy, Easter Seals, the Paralyzed Veterans of America—and a long list of additional organizations. I will have that printed in the RECORD.

The Disability Rights Education and Defense Fund opposes the Nickles amendment; Families USA Foundation, the voice for health care for consumers; the Consumers Union; the National Mental Health Association; the American Psychiatric Association; the American Psychiatric Association; and the American Managed Behavioral Healthcare Association. They are very powerful statements about the importance of assuring that the Kassebaum-Kennedy protections are going to be implemented, and they understand that the reallocation of these funds to do so is the way to go.

I ask unanimous consent that all these letters be printed in the RECORD. There being no objections, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL BREAST CANCER COALITION,
Hon. Edward M. Kennedy, U.S. Senate, Washington, DC 20510.

DEAR SENATOR KENNEDY: On behalf of the National Breast Cancer Coalition, I am writing to oppose the Nickles Amendment which would deprive the Health Care Financing Administration (HCFA) of sufficient funds to enforce the Health Insurance Portability and Accountability Act (HIPAA). Consequently, on behalf of NBCC's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA. We stand ready to work with you and HCFA to ensure that the mental health parity provisions and other consumer protections contained in HIPAA are aggressively and effectively enforced.

Please do not hesitate to call upon us if we can provide further assistance to you on this important effort.

Sincerely,
Laurie M. Flynn, Executive Director.

CONSORTIUM FOR CITIZENS WITH DISABILITIES
Washington, D.C.

DEAR SENATOR KENNEDY: As you know, the National Alliance for the Mentally Ill (NAMI) has been a leading voice in advocating for parity coverage in health insurance policies for people who suffer from schizophrenia, manic-depressive illness or other severe mental disorders. Enactment of the Domenici-Wellstone Mental Health Parity Act of 1996 was a significant but incomplete step towards ending pervasive discrimination against people with these severe brain disorders in health insurance and other aspects of their lives.

Because of the importance we attach to parity and other protections for vulnerable consumers in health care, we have been concerned that the Health Care Financing Administration (HCFA) may not have sufficient resources to carry out adequately its important role in enforcing mental health parity and other consumer protections embedded in the Health Insurance Portability and Accountability Act (HIPAA). Consequently, on behalf of NAMI's 172,000 members nationwide, I am writing to express my strong appreciation of your leadership in advocating for adequate funding to support HCFA's enforcement responsibilities under HIPAA.

We stand ready to work with you and HCFA to ensure that the mental health parity provisions and other consumer protections contained in HIPAA are aggressively and effectively enforced.

Please do not hesitate to call upon us if we can provide further assistance to you on this important effort.

Sincerely,
Laurie M. Flynn, Executive Director.

CONSORTIUM FOR CITIZENS WITH DISABILITIES
Washington, D.C.

DEAR SENATOR KENNEDY: The Consortium for Citizens With Disabilities—represents almost 100 national disability organizations, strongly opposes the Nickles Amendment which would deprive the Health Care Financing Administration (HCFA) of sufficient funds to enforce the Health Insurance Portability and Accountability Act (P.L. 104-193). The HCFA legislation—also known as the Kassebaum-Kennedy Act—is a truly a landmark piece of legislation that would benefit individuals of all ages, including people with disabilities.

The provisions in HIPAA related to pre-existing condition exclusions and portability of health insurance are working to open the doors to many individuals with disabilities and their families who previously access appropriate health insurance or who were imprisoned by "job lock."
We urge all Senators to oppose the Nickles’ Amendment.

Sincerely,
The Arc, National Association of Protection and Advocacy Systems, National Easter Seal Society, American Association on Mental Retardation, Association for Persons in Supported Employment, the Learning Disabilities Association of America, RESNA, the Rehabilitation Engineering and Assistive Technology Society of North America, National Alliance for the Mentally Ill, Bazelon Center for Mental Health Law.

NISH, Paralyzed Veterans of America, National Association of Business, Industry & Rehabilitation, Council for Exceptional Children, National Association of Developmental Disabilities Councils, United Cerebral Palsy Association, American Congress of Community Supports and Employment Services, American Network of Community Options and Resources, National Association of People with AIDS, Center for Disability and Health.


Sincerely,

PATTISHA WRIGHT, Director of Governmental Affairs.


Senior KENNEDY, Russell Senate Building, Washington, DC.

DEAR SENATOR KENNEDY: The Disability Rights Education and Defense Fund (DREDF) strongly opposes the Nickles Amendment to S. 1716, the Emergency Supplemental Appropriations Bill.

Passage of the Nickles Amendment would stop the civil rights protections guaranteed by the Health Insurance Portability and Accountability Act (PL 105-191) and the only accountability left would be the fox guarding the chickens.

Without these provisions in HIPAA, the doors to health insurance for millions of people with disabilities will be forever locked. Please, as you have done so many times before, oppose the Nickles Amendment and open the doors to employment, vote not on the Nickles Amendment.

Sincerely,

PATRISHA WRIGHT, Director of Governmental Affairs.

We urge all Senators to oppose the Nickles’ Amendment.

Sincerely,

RON POLLACK, Executive Director.


Hon. EDWARD KENNEDY, Committee on Labor & Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: We are writing in opposition to the Nickles’ amendment which would strip $16 million allocated to enforcement efforts by the Department of Health and Human Services of the Services The Health Insurance Portability and Accountability Act (HIPAA).

As you know, HIPAA was enacted in 1996 to help make health insurance more accessible to people who lose their employer-based coverage. Implementation is still at its early stages. The legislation spells out important functions for the Department of Health and Human Services. In addition, several states (including California) have opted for federal enforcement instead of state enforcement. This necessitates federal funding level to ensure that consumers in these states are protected by the legislation.

Only through adequate funding will people with pre-existing health conditions be assured they can change jobs without facing new pre-existing condition exclusions from coverage. Only through adequate funding, will people with existing coverage for the individual market be assured that health insurance will be accessible to them.

Consumers Union urges the Senate to oppose the Nickles amendment.

Sincerely,

GAIL SHEARER, Director, Health Policy Analysis.

ADRIENNE MITCHELL, Legislative Counsel.

— March 26, 1998.

Senator KENNEDY, Labor & Human Resources Committee, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The undersigned organizations are writing to express our support for your effort to defeat the floor amendment offered by Senator Don Nickles that would cut $16 million additional funding for enforcement of the Health Insurance Portability and Accountability Act (HIPAA).

Enforcement of consumer rights and employer responsibilities under HIPAA is vital. Much of the effort expended by the mental health community in 1996 to win passage of insurance reform will be thwarted without effective enforcement. As the Mental Health Parity Act of 1996 was enacted as an amendment to HIPAA, the same personnel at the Health Care Financing Administration are expected to enforce that statute as well.

As the source for the $16 million is from elsewhere in the budget, passage of the Nickles amendment would not save taxpayers any money, and would mean the Senate missed an opportunity to better ensure relief from discriminatory insurance treatment to many thousands of American families. Thank you for your leadership in opposing this amendment.

AMERICAN PSYCHIATRIC ASSOCIATION.

AMERICAN PSYCHOLOGICAL ASSOCIATION.

AMERICAN MANAGED BEHAVIORAL HEALTHCARE.

NATIONAL MENTAL HEALTH ASSOCIATION.

AMENDMENT NO. 2164 TO AMENDMENT NO. 220 (Purpose: To provide amounts for HIPAA enforcement.)

Mr. KENNEDY. Mr. President, on behalf of myself, Senator BOND and Senator WELLS, I send an amendment to the desk and ask for its immediate consideration.

Mr. NICKLES. Reserving the right to object, parliamentary inquiry. I think it requires unanimous consent to set the pending amendment aside, is that correct?

The PRESIDING OFFICER. The pending question is the Nickles amendment.

Mr. KENNEDY. It is an amendment to the bill.

Mr. STEVENS. I did not hear the Senator.

Mr. KENNEDY. This is an amendment to the language proposed to be stricken.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

GENERAL PROVISION, CHAPTER 11

The amendment follows:

Health Care Financing Administration Program Management

For an additional amount for Health Care Financing Administration, “Program Management”, $8,000,000.

On page 50, in lieu of the matter proposed to be stricken, insert the following:

Health Care Financing Administration Program Management

For an additional amount for Health Care Financing Administration, “Program Management”, $8,000,000.

On page 50, in lieu of the matter proposed to be stricken, insert the following:

GENERAL PROVISION, CHAPTER 11

SEC. 1101. Not to exceed $100,000,000 may be obligated in fiscal year 1998 for contracts with Utilization and Quality Control Peer Review Organizations pursuant to part B of title XI of the Social Security Act.

Mr. STEVENS. Mr. President, I wonder if the Senators are now ready to enter into a time agreement so we might vote, if we have to, on both. I think it has been informed by the majority leader that he will come to the floor and move to go to cloture on the education bill at 5:10.

Mr. KENNEDY. I will be glad to vote. I would like to make 4 or 5 minutes of comments, and then I will be prepared to move ahead with the vote. I would like to get the yeas and nays on the amendment.

Mr. STEVENS. Before the Senator does that, can I get an understanding that the Senator also includes voting on the Nickles amendment following the Kennedy amendment?

Mr. KENNEDY. As amended, hopefully.

Mr. STEVENS. Hopefully.

Mr. KENNEDY. Yes.

Mr. STEVENS. We can have a vote on the Nickles amendment following a vote on the Kennedy amendment the Nickles amendment.

Mr. KENNEDY. Yes.

Mr. STEVENS. Can we divide the time and tell the membership that there will be a vote at 4:30?

Mr. KENNEDY. That is fine. The Senator understands, if we are successful, then there is not a Nickles amendment, obviously.
Mr. STEVENS. I understand that. The Nickles amendment, as amended, which we would adopt by voice vote. If the amendment is not adopted, we will then vote on the Nickles amendment immediately, is that correct? Can we divide the time somehow so we have some further discussion in the time—equally di-
vided and vote at 4:30? I ask unanimous consent that be the case. Is that ac-
ceptable?

Mr. KENNEDY. That is acceptable. Can we get the yeas and nays?

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Sen-
ator from Massachusetts.

Mr. KENNEDY. There are 6 minutes to a side, is that correct?

The PRESIDING OFFICER. The Sen-
ator from Oklahoma.

Mr. STEVENS. Will the Senator give me some time? Senator SMITH has told me that he is not going to call up his amendment. So these two are the last amendment[s] of the order of this day, and the amendment [the President] referred to is the Nickles amendment.

Mr. KENNEDY. Thank you very much.

Mr. STEVENS. The Senator from Massachusetts.

Mr. KENNEDY. I believe that we did mean it. I think that we did mean it. I think that we need hundreds—and that wasn’t what we passed in Kassebaum-Kennedy. We said we were going to keep State juris-
diction and State control and regula-
tion of health care.

I urge my colleagues to vote against this second-degree amendment that will add, basically, to the $276 billion out of Medicare to pay for the tax cuts. In the budget deal that passed the Senate last year, he said, “Oh, yes, we save Medicare for 10 years”—we didn’t, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. One year, last year, he said, “Oh, yes, we saved Medicare for 10 years”—we didn’t, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. I just make that comment.

What we are doing now is raiding Medicare, raiding the HI fund, taking money out of Medicare. We are still taking money out of Medicare. I will take a little time.

Mr. NICKLES. I thank my colleague. My colleagues said, “Oh, those Re-
publicans, just a couple years ago, they were trying to cut $276 billion out of Medicare to pay for the tax cuts.” In the budget deal that passed the Senate last year, he said, “Oh, yes, we saved Medicare for 10 years”—we didn’t, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. One year, last year, he said, “Oh, yes, we saved Medicare for 10 years”—we didn’t, in my opinion—but it is the exact same savings in dollars that he vetoed 2 years before. I just make that comment.

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What we are doing now is raiding Medicare, raiding the HI fund, taking money out of Medicare. We are still taking money out of Medicare. I will take a little time.
This amendment, which pares down the original request, goes halfway on this issue, but is still able to provide some of the necessary protections we have debated today. I hope that the Kennedy-Bond-Wellstone amendment will be accepted.

Mr. GRAMM. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from Oklahoma controls 3 minutes 48 seconds.

Mr. GRAMM. Mr. President, let me first say that what we have before us is an effort to take $38 million out of Medicare, money that is now being spent to monitor the quality of health care provided to 39 million Medicare beneficiaries.

This amendment will cut Medicare in order to hire, it was initially 65 bureaucrats, now I guess it is 32 1/2 at $92,000 a year to implement programs that have absolutely nothing to do with Medicare.

My argument is not with the program that the Senator is for. I don't have any doubt that all those groups who wrote those letters are for this program, but I don't believe they want to cut Medicare to pay for it.

The problem the Senator has is that HCFA and the Department of Health and Human Services, which has one of the biggest budgets in the Federal Government, cannot come up with $30 million to hire these 32 1/2 bureaucrats, despite the fact that it is so important. They have said, "We won't take any of our 4,000 people doing other things to do this work; it is not that important; we won't cut any program one of our 4,000 people doing other

So they have said, "We won't take any money away from Medicare to hire 32 1/2 citizens in America to pay for it."'"

physician practice on 39 million senior Medicare and reduce the oversight of health care provided to 39 million Medicare beneficiaries. That ought to speak to where the priorities are. They understand the importance—the importance—of implementing the Kassebaum-Kennedy bill and providing the protections for families in this country. That is what our amendment will do.

Mr. NICKLES addressed the Chair. The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, in a moment I am going to move to table the amendment. But let me make a couple comments.

My colleague from Massachusetts is entitled to his own opinion but not entitled to his own facts. And the facts are that to pay for this, it takes money out of the HI Trust Fund that is used to pay for peer review organizations. So it is cutting money out of Medicare to pay for this.

I read the letters by some of the support groups—some of which I consider supporters of mine—"that have said, "Let's oppose this amendment. We want more money for HCFA bureaucrats or HCFA enforcement." But they did not know the money was coming out of Medicare. I read almost every one of them. Not one said, "Let's transfer the money from the HI Trust Fund to pay for more employees at the Health Care Financing Administration." And so it is coming from Medicare. It is coming from oversight on peer review organizations. We should not do that.

So, Mr. President, I move to table the Kennedy amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The motion to lay on the table the amendment (No. 2164) was agreed to.

Mr. GRAMM. I move to reconsider the vote.

Mr. NICKLES. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

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

The question is on agreeing to the Nickles amendment.

Mr. NICKLES. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

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

The question is on agreeing to the Nickles amendment No. 2120. The amendment (No. 2120) was agreed to.

Mr. GRAMM. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CDBG EMERGENCY FUNDS FOR DISASTER AREAS

Mr. BOND. Mr. President, yesterday, the Senate approved an amendment to S. 1768 that would provide $250 million for emergency Community Development Block Grant funding for disaster recovery and mitigation in communities affected by Presidentially-declared disasters in FY 1998.

This funding is designed to complement the funding currently provided through the traditional emergency disaster programs under the Federal Emergency Management Agency, the Small Business Administration and the Army Corps of Engineers. Contrary to the apparent belief or desire of some Members and constituents, CDBG funding is not intended or designed to be the primary source of federal funding for natural disasters.

In particular, the emergency CDBG program has become a catch-all program and a slush fund for natural disasters that is seen by some as an entitlement. This is wrong. We need to change how we view and respond to disasters—we need to develop policies that are based on state/federal partnerships and are designed to prevent and prepare for disasters. I say this because it is good policy, but also because we cannot keep dipping into the different funds which support the many important programs
under the VA/HUD Appropriations Subcommittee. For example, over the last 3 and one-half years, the Congress has offset the cost of emergencies out of HUD section 8 housing assistance at a cost of some $16 billion. Last year alone, section 8 housing costs $16 billion in excess of section 8 reserves to pay for disaster relief. Well, the bill has come due. For this year, all available section 8 reserve funds are already committed as part of the FY 1999 Budget to renew expired contracts. Without these funds, many elderly and disabled persons and families will be without housing.

In addition, natural disasters are not going to go away and the cost of disasters likely will continue to escalate. In the last 5 years, we have appropriated a staggering $18 billion to FEMA for disaster relief, compared to $8.7 billion in the prior 5-year period.

As I have already noted, I have many concerns about using CDBG funds for emergency disaster purposes, especially since the Department of Housing and Urban Development has failed to provide adequate data and accountability for the use of these emergency CDBG funds in the past.

Nevertheless, while I continue to have reservations, the emergency CDBG legislation in the emergency supplemental is intended to ensure that emergency CDBG funds are used appropriately and where needed. In particular, this legislation is designed to ensure that the funds go to disaster relief activities that are identified by the Director of FEMA as unmet needs that have not or will not be addressed by other federal disaster assistance programs.

In addition, to ensure accountability, states must provide a 25 percent match for the extension of CDBG funds and HUD must publish a notice of program requirements and provide an accounting of the CDBG funds by type of activity, the amount of funding, an identification of the ultimate recipient, and any waivers. As noted, I am concerned about the use of these emergency CDBG funds.

I expect these emergency CDBG funds to be used fairly, equitably and to the benefit of the American taxpayer, especially, as required by the CDBG program, to the benefit of low and moderate-income Americans.

I also want to make clear that these emergency CDBG funds are not intended as a substitute for the state/local cost-share for dams and levees. The purposes of a state/local cost-share are to ensure accountability, local investment and to underwrite the imponence of state partnerships. Using CDBG funds as a state/local cost-share in levee and dam projects defeats these purposes and undermines state and local responsibility. As a result, the VA/HUD FY 1998 appropriations bill limited the amount of CDBG funds to $100,000 for the state/local cost-share of the Corps of Engineers projects, including levees. That standard still applies.

Mr. JEFFORDS. Mr. President, 2 months ago I informed the Senate about an ice storm that hit sections of the northeast in early January with such force and destruction it was named the ice storm of the century. I believe the 1998 Emergency Supplemental Appropriations of 1998, to help bring much needed relief to citizens in not only the Northeast but other areas of the country who have suffered from natural disasters.

Mr. President, for two days straight, freezing rain, snow and sleet battered the Champlain Valley of Vermont, upstate New York, parts of New Hampshire and Maine and the Province of Quebec. Tens of thousands of trees buckled and shattered under the stress and weight of several inches of ice that coated their branches. Power lines were ripped down by falling branches and the weight of the ice—leaving hundreds of thousands of people without electricity for days and even weeks. Roads and rivers and creeks swelled and overflowed from heavy rain. The crippling ice storm brought activity in the area to a grinding halt.

Just a few days after the storm, Senator LEAHY and I visited the hardest hit areas. Vermont’s damage was the worst I have ever seen. In the Burlington area twenty to twenty-five percent of the trees were toppled or must be chopped down. Another twenty-five percent were damaged. The storm also stripped the trees of their branches and dropped trees across hiking trails and snowmobile trails.

Mr. President, local and State emergency officials acted quickly to help their fellow Vermonters and assess the damage. Vermonters rallied, with the help of the National Guard, to help themselves and their neighbors. As the temperatures dropped below zero, days after the storm, with thousands still without power, volunteer firefighters, police and National Guard and many able bodied citizen came together working day and night to help feed, heat, and care for the people in their community. The organized and volunteer responses to this disaster were incredible. Stories of Vermonters helping Vermonters were commonly told throughout the disaster counties and state.

Hardest hit were dairy farmers. Already struggling to make ends meet due to low milk prices, the ice storm left farms without power to milk their cows. During the first few days of the storm the majority of the milk had to be dumped. Milk became non-marketable because it could not be sufficiently cooled or it could not be transported to the processing plants. Farms without generators missed milkings all together or significantly altered the milking schedules. As a result, cows became infected with mastitis and reduced production. In addition, cows became sick due to low temperatures and respiratory illnesses due to poor air circulation in the barns. Even farms with generators were affected. Since the power was out for such a long duration the generators could not provide adequate wattage to precisely run the milking systems, resulting in mastitis and loss production.

The major impact on dairy farms as a result of the ice storm was non-marketable milk and price. The loss of even one milk check for many of the farms will have an adverse impact on their business. Current milk prices are not sufficient to offset such losses.

Mr. President, I am pleased that my colleagues on the Appropriations Committee have worked with me and others in the disaster areas to recognize and respond to the needs of the affected regions. The 1998 Emergency Supplemental Appropriations will bring much needed relief to Vermont’s most severely affected areas. Dairy farmers will be compensated for production loss and loss of livestock. Maple producers will be helped by replacing taps and tubing. Land owners will be aided in clearing debris and replanting trees destroyed by the storm.

Mr. President, the citizens and trees of Vermont, as well as upstate New York, Maine and New Hampshire have suffered from this storm. Local and state assistance will help communities and individuals get back on their feet, but Federal relief will ensure that the disaster areas are not overwhelmed by the recovery.

Ms. SNOWE. Mr. President, I rise today to express my support for the disaster supplemental bill. I want to thank Chairman STEVENS, Ranking Member BYRD and the Committee for their efforts to provide funding to fill the gaps in federal disaster assistance that are essential to ensuring that Maine and the other Northeast states fully recover from the January, 1998 Ice Storm.

Maine is no stranger to the cruelness of winter. But the Ice Storm that started the week of January 1998 and swept across the State in early January was like nothing anyone had ever seen before. It left the state covered with three inches of ice, closing schools, businesses and roads and leaving more than 80 percent of the state in darkness.

For the last two months I have worked with my colleague Senator COLLINS, my friends from Vermont, Senators JEFFORDS and LEAHY and the two gentlemen from New York, Senators D’AMATO and MOYNIHAN, in an effort to ensure that the unmet needs of our states are addressed. Working in conjunction with our states, we identified areas where FEMA was unable to provide the assistance needed. As I have worked with the Administration and the Committee to fill those gaps, I am pleased that the bill before us today provides funding to ensure that Maine, Vermont, New Hampshire and New York will have money available to help ensure a full recovery from the devastation of the Great Ice Storm of 1998.

Our forests were left in shambles as the weight of the ice broke off entire
limbs and felled mature trees, leaving the forest floor in a mass of confusion. This will provide $48 million to the US Forest Service in order to help the states and private land owners assess the damage and develop plans for clean up and for ensuring a healthy future for the forests. In addition to the general clean up, some of the trees which were felled must be harvested as soon as possible in order to retain any value, others may sit on the forest floor for a while. Maine’s forest products industry is vital to the economy, and this supplemental funding will help ensure as quick a recovery as possible from the havoc wreaked by the Ice Storm.

In addition, funding is provided to help Maine’s maple syrup producers. Not only did the storm do immense damage to the trees, but it also tore out the tubes which were waiting to catch the flow of sap. There is approximately $1 million, which requires a cost share, to assist this industry in recovering. This action will be汉pered for a number of several years by the severe damage done to the trees.

The supplemental also provides assistance to Maine’s dairy farmers. The ice knocked out power to more than 80 percent of the state and thousands of people were without power for up to two weeks. The lack of electricity made it impossible for many dairy farmers to milk their cows—and for those that could, the lack of electricity meant they had to dump their milk because it could not be stored at the proper temperature.

Maine’s dairy farmers are family farmers. It is as much a way of life as it is a business, and the storm put a big dent in their finances. This bill provides $8 million to help take care of livestock losses. I also supported an amendment offered by my good friend from New York, Senator D’AMATO and from Vermont, Senator JEFFORDS, that added $10 million for milk production loss. Dairy farmers cannot dump milk, but their inability to milk impacts the production level of milk. It will take several months for these cows to return to their full production level.

I wish to reiterate my appreciation for the support that the Appropriations Committee, lead by Chairman STEVENS, has shown for the needs of the northeastern states hit by the Ice Storm. His leadership has been instrumental in ensuring that Maine will be able to make a quick and full recovery from the devastation of the Ice Storm of 1998. I urge my colleagues to join me in supporting this bill.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am authorized to state that the minority leader, Mr. DASCÉLE, the leader, and I will not call up relevant amendments. And we have completed the list. There are no more amendments in order on the supplemental appropriations.
Mr. COVERDELL. Mr. President, this is the fourth filibuster on this proposal.

When this measure came before the Senate last year, we were told that it was a pretty good idea but it needed to go through the Finance Committee. It has now went through the Finance Committee. It now embraces many ideas from the other side of the aisle, and, of course, its principal cosponsor is from the other side of the aisle, Senator Torricelli of New Jersey.

It was reported out with a bipartisan vote 12–8 on February 10, 1998. Provisions have been added to the bill from Senators Moynihan of New York, Graham of Florida, Breaux of Louisiana. Eighty percent of the tax relief embodied in the bill reflects amendments from the other side of the aisle.

Mr. DASCHLE. Will the Senator yield?

Mr. COVERDELL. Absolutely. Mr. DASCHLE. I was preoccupied when the Senator made the unanimous consent request; I apologize. Was the request made for one-half hour of debate prior to the 30 vote to be taken at 5:30, and was it equally divided?

Mr. COVERDELL. Yes. Mr. DASCHLE. I thank the Senator for yielding.

Mr. COVERDELL. As I said, we are in our fourth filibuster. The majority leader has now offered five different proposals. I don’t think it is necessary to enumerate each of the five different proposals. We have made progress, but every one of them is one more obstacle to getting to the bill and getting to it within the parameters of education debate.

If this filibuster continues, I just want to point out that about 14 million American families will be denied the opportunity to establish savings accounts that will help some 20 million children, that 70 percent of those families will be families that have children in public schools, and 70 percent in private school.

To hear some of the opponents, you would think this is a private education savings account. It is far from it. These families would save about $5 billion in the first 5 years and another $5-plus billion in the second 5 years. So we are talking about a lot of money coming to the aid of education without the requirement to raise taxes. No new property taxes, no new Federal taxes. These are families stepping forward to help their children. That will be blocked. Those millions of American opportunities will be stunted.

If the filibuster continues, the qualified State tuition provision, which would affect some 1 million students gaining an advantage and more provisions when they get to college, 1 million employees will be denied the opportunity to have their employers help them pay for continuing education or fulfilling their educational needs, and 250,000 graduate students will be denied that opportunity as well. $3 billion will disappear from the financing capacity of local school districts to build some 500 new schools across the Nation.

This is not a very productive filibuster. The American public, particularly those concerned about better education and the need for it, have this roadblock standing in front of them. I compliment both leaders for endeavoring to try to get this accomplished. But I think fairness has been extended. I conclude this statement by saying I think that fairness has been accorded and common sense, as well. I have to conclude we are just still in the midst of a filibuster.

I yield the floor.

Mr. MCCAIN. Mr. President, I rise today to express my support for H.R. 2646, the Parent and Student Savings Account PLUS Act, which will create educational choices and academic opportunities for millions of young Americans. I am proud to be an original cosponsor of this measure for which my colleague, Senator Paul Coverdell, has tirelessly fought on behalf of our Nation’s students since it was stripped from the 1997 Balanced Budget Act.

The legislation allows up to $2,000 each year to be placed in an educational savings account, or A–PLUS account, for an individual child. This money would earn tax-exempt interest and could be used for the child’s elementary and secondary educational expenses, including tuition for private or religious schools, home computers, school uniforms and tutoring for special needs.

According to the Joint Committee on Taxation, about 14 million families with children could take advantage of A–PLUS education savings accounts. About 75 percent of the families who would utilize these accounts would be public school parents. At least 70 percent of this tax benefit would accrue to families with annual incomes less than $75,000.

The most exciting aspect of this bill is the creation of individually controlled accounts that can be used to address the unique learning needs of the child for whom they are created. Funds in these A–PLUS accounts can be used to hire a tutor for a child who is struggling with math, or foreign language lessons to help a child become bilingual or even multilingual. They are available to purchase a home computer or help a child with dyslexia obtain a special education teacher. In short, the A–PLUS accounts would enhance the educational experience of a child by meeting their unique needs, concerns, or abilities.

It is important to note that A–PLUS accounts would not carry any restrictions regarding who can deposit funds. However, there is a limit on the total amount of funds that can be purchased annually into an individual child’s account. Thus, deposits into the account, up to a total of $2,000, could come from a variety of sources, including parents, grandparents, neighbors, community organizations and businesses. This provision enhances the prospect that more children could maximize this educational benefit.

This bill also contains several important initiatives which would positively impact access to higher education and school construction.

First, it would assist qualifying pre-paid college tuition plans. Currently, 21 States allow parents to purchase their child’s college tuition at today’s prices. The A–PLUS bill would make these pre-paid plans tax free, thus encouraging additional States to create similar programs which make college more affordable for more families.

Second, this legislation encourages employer–provided educational assistance by extending the tax exclusion of employer–provided undergraduate school courses to December 31, 2002. Currently, this tax exclusion is set to expire on May 31, 2000. In addition, it would allow graduate–level courses to be included in this tax exemption.

Third, the bill would allow school districts and other local government entities to issue up to $15 million in tax–exempt bonds for full school construction. This is an increase of 50 percent from the current level of $10 million.

Finally, this bill allows students who receive a National Health Corps scholarship to exclude any excess income for tax purposes. These individuals help provide vital medical and dental services to our nation’s underserved areas.

These components, combined with the A–PLUS created under this bill, will make significant strides toward improving the academic performance of our Nation’s students.

Mr. President, if a report card on our Nation’s educational system were sent home today, it would be full of unsatisfactory and incomplete marks. In fact, it would be full of “D’s” and “F’s.” These abominable grades demonstrate our failure to meet the needs of our Nation’s students in kindergarten through twelfth grade.

Currently, the Federal Government spends more than $100 billion on education and about $30 billion of this is spent on educational programs managed by the Department of Education. Still, we are failing to provide many of our children with adequate training and academic preparation for the real world.

Our failure is clearly seen in the results of the Third International Mathematical and Science Study (TIMSS). Over forty countries participated in the study which tested science and mathematical abilities of students in the fourth, eighth and twelfth grades. Our students scored tragically lower than students in other countries. According to this study, our twelfth graders scored near the bottom, far below almost 23 countries including Denmark, France and Lithuania in advanced math and at the absolute bottom in physics.

Meanwhile, students in Russia, a country which is struggling economically, socially and politically, outscored U.S. children in math and
scored far above them in advanced math and physics. Clearly, in order for the United States to remain a viable force in the world economy, our children must be better prepared academically.

We can also see our failure when we look at the Federal Government’s efforts to combat illiteracy. We spend over $8 billion a year on programs to eradicate illiteracy across the country. Yet, we have not seen any significant improvement in literacy in any segment of the population. Today, more than 40 million Americans cannot read a menu, instructions, medicine labels or a newspaper. And, tragically, four out of ten children in third grade can not read.

Mr. President, this is an outrage. But contrary to popular belief here in Washington, pouring more and more money into the existing educational system is not the magic solution for what ails our schools.

The problem runs much deeper than a lack of funding. And the solution is more complicated.

In fact, according to the most recent studies, there is very little, if any, correlation between the amount of money spent and the increased performance of students. A Brookings Institute study reported that, “The Nation is spending more and more to achieve results that are no better, and perhaps worse.”

Over the past decade the U.S. Department of Education has spent about $200 billion on elementary and secondary education, yet achievement scores continue to stagnate or drop and an increasing proportion of America’s students are dropping out of school. Most of our students are not meeting proficient levels in reading, and according to the 1994 “National Assessment of Education Progress,” 57 percent of our high school seniors lacked even a basic knowledge of U.S. history.

I am also disturbed by the disproportionate amount of Federal education dollars which actually reach our students and schools. It is deplorable that the vast majority of Federal education funds do not reach our school districts, schools and children. In 1995, the Department of Education spent $33 billion for education and only 13.1 percent of that reached the local education agencies. It is unacceptable that less than 13 percent of the funds directly reached the individual schools and their students.

The lack of a correlation between educational funding and performance can also be seen internationally. Countries which outrank the United States in student academic assessments often spend far less than we do and yet, their students perform much better than our students. The United States spends an average of $1,040 per student in elementary and secondary education costs. By comparison, China spends $216, India $36, South Korea $598, Japan $925, Germany $1,000, and in the United Kingdom $1,050. But interestingly, Slovenia spends $300, the Netherlands spend $725, and each of these countries’ students performed well above U.S. students in the mathematics portion of the Third International Mathematics and Science Study (TIMSS). Obviously, these countries are succeeding in providing their children with higher quality education, and spending less to do so.

Mr. President, clearly, the Federal government has a role in the education of our citizens. I have supported many vital projects to provide the basic educational opportunities of young Americans, such as financial aid for college students, aid to impoverished school districts, and special education programs for disabled children. However, much of the Federal’s investment in education is highly bureaucratic and overly regulatory, and actually impedes our children’s learning.

Clearly, we need to be more innovative in our approach to educating our children. We need to focus on providing parents, teachers, and local communities with the flexibility, freedom, and, yes, the financial support to address the unique educational needs of their children and the children in their communities.

For example, I see no reason why most Federal education programs should not be block-granted to States and local school boards. Such a step would provide more flexibility to parents and local school officials, and eliminate Federal intrusion in local and state education policies. Personally, I have the utmost faith and confidence in parents and educators to utilize Federal education dollars productively and efficiently, and in the best interests of the children in their communities.

Mr. President, it is absolutely crucial, as we approach educating our children, that we not lose sight of the fact that our paramount goal must be to increase the academic knowledge and skills of our Nation’s students. Our children are our future, and if we neglect their educational needs, we threaten that future.

I am gravely concerned that goal is sometimes lost in the very spirited and often emotional debate on education policies and responsibilities. Instead, this should be a debate about how best to ensure that young Americans will be able to compete globally in the future.

I believe the key to academic excellence is broadening educational opportunities and responsibilities to families and communities both the responsibility and the resources to choose the best course for their students.

The A-PLUS bill is an important step toward cooperation and partnership between families and communities the means and responsibility to provide for their children’s education. This is why I support Senator COVERDIEL’s legislation and will continue to support innovative, flexible programs which focus on the best interests of our children, our future.

Mr. DASCHLE, Mr. President, I regret that we have not been able to find a final and successful resolution to our discussions which have extended now over the course of several days. I think it is important to lay out what has happened to date and where we are so everybody knows what the circumstances are. As everyone knows, the legislation came to the floor immediately and a cloture vote was filed on the motion to proceed. I supported that motion to proceed because I felt it was important that we get to legislation. There was some concern expressed about other unrelated matters, and so there was a divided vote on the motion to proceed, but it was an overwhelming vote.

We then got to the bill itself, and I expressed the desire on the part of many of our colleagues that we have a right to offer amendments. It was at that point that cloture was filed again, prior to the time we had the chance to that that is too many. I went to the Senator. Clo- 

ture was not invoked, as the record shows. That began a series of negotiations about amendments.

As I discussed the matter with my colleagues, our list included about 32 amendments originally proposed to the bill. While that sounds like a lot of amendments, as I have noted now on several occasions on the Senate floor, it pales by comparison with regard to a similar circumstance that we had in 1992. A narrowly drafted tax bill having to do with a matter that most of us are very interested in, enterprise zones, was offered, and our Republican colleagues proposed at that time that they be granted the right to offer 52 amendments, including amendments on unrelated matters—on tractors and scholarships and the like.

We didn’t offer 52 amendments; we originally suggested 32. We were told by the leader of the other party that he was going to have to ask you to accept amendments. I said, “Well, we will probably have some leftover matters.” And so there was a divided vote on the amendment to proceed because I felt it was important that we get to the legislation. The request is that not only do we have a right to have amendments second or third degree, but we will drop it by more than 50 percent. We will go from 32 amendments down to 15 amendments so long as we have the right to have an up-or-down vote.

They said, “Well, we will probably consider having up-or-down votes, but you have to put time limits on the amendments.” Then I went to all my colleagues and I said, “Look, we will have to pare this down. I want to be cooperative.” So we pared it from 32 down to 15. I took that to the leader and I said the one thing we really are determined not to do is to have our right to have those amendments second degree, but we will drop it by more than 50 percent. We will go from 32 amendments down to 15 amendments as long as we have the right to have an up-or-down vote.

They said, “Well, we will probably consider having up-or-down votes, but you have to put time limits on all the amendments.” Then I went to all my colleagues and I said, “Look, we aren’t going to believe this. I’m going to have to ask you not only to pare your amendments from 32 to 15, but now I’m going to have to ask you to accept time limits, and we are hoping that we won’t offer any amendments.” So it was suggested and my colleagues cooperated.

I presented that, and I reported to the leader that we had agreed to time limits. The leader then came back and said, “Well, now we have a new request. The request is that not only do we want time limits, but the amendments have to be on education. We are
not going to allow any amendments that are not related to education." I went back to my colleagues again and I said, "You aren't going to believe this, but now we have to allow second degree amendments. But for me now to go back and say we have done everything I know how to do, I went back again to the leader I said, "Well, I think we can do that."

He came back again and he said, "You are going to have to allow second degrees." I went back to my colleagues again and I said, "I don't know if I can do that." I went back to my colleagues and I said, "You aren't going to believe this, but now we have to allow second degree amendments to all these amendments. Not only do you have to reduce from 32 to 15, not only do you have to allow a limit on the issue, that is education, but now you have to allow second degrees."

So on four separate occasions, because of demands from our Republican colleagues that be cooperative, I have had to call upon my colleagues to reduce the amendments by more than half, to reduce the amount of time, to allow second degrees, and not to allow any extraneous issues, even though 4 years of work has been reversed they demanded votes on tractors.

So I must say, Mr. President, the record ought to be very clear about who has cooperated here, who has put out the effort to ensure that somehow we could bring this bill to the floor. But the bar keeps getting raised higher and higher and higher. So if indeed we are the U.S. Senate, it seems to me there comes a time when you say, what else can we do? What else is there left? We have education amendments. We have agreed to second degrees. We have agreed to even less than an hour on these amendments; now it is down to a half hour on each amendment. We have agreed to that. We have agreed to be limited on debate. We have even cut down further the number of amendments. Yet, our Republican colleagues say that is not enough. That is not enough. Go back and do more, prove to us more that you are going to be cooperative. Make sure that you ask your colleagues for more. I think there is a message here. The message is that nothing is good enough. Ultimately, there is no way we can satisfy our colleagues on the other side that think they will get an agreement. I must say that I do not fault the author of the bill. I am not suggesting he is behind this. I certainly do not fault the majority leader. I think he has made a concerted, good-faith effort to try to figure out a way to deal with this. But I must say that I hope he would say the same about me. I hope, after what I have just described, that it is clear that we have done everything I know how to do, under these circumstances, to be able to resolve this in a way that will accommodate both sides. But for me now to go back and say we have given our all, but now we have to even give up education amendments—the last criticism related to me by the majority leader was that we had too many education amendments. It wasn't the issue any longer. We have given that up. Now they are saying we have too many education amendments on an education bill. And now they are asking the minority to say, OK, majority, you tell us what the issue ought to be, what the circumstances for debate ought to be, and now even whether or not we should be able to offer an education amendment on this bill and we should accept that because we are the minority.

That is what this cloture vote is about, Mr. President. We are being asked to cave completely, to give it all up. We cannot do that. There comes a time when you have to be able to say, look, we just can't give anymore.

So I hope my colleagues will understand that. We were within, I thought, minutes or inches of reaching an agreement, an effort made by the majority leader. But we are not there now. I hope the message will be clear; there comes a time when you just cannot give anymore.

A couple of colleagues have asked to speak. I yield 1 minute to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank our leader, Senator DASCHLE, for the efforts he has made to try to raise the education issue for debate here on the floor of the U.S. Senate. I think that, historically, there have been great debates on education, when we found common ground, and they were basically bipartisan in nature. It has been rare that we have been unable to at least have a good, full debate on the education issue.

It is regrettable that our Republican friends are so unsure of their position on education policy that they would deny the opportunity for a debate on the proposals that we would like to debate—whether or not our class sizes should be smaller, how we are going to train our teachers for the future of education, where fewer and fewer children have the opportunity for an education? Or are we going to talk about the proposals that we would like to debate—whether or not our class sizes should be smaller, how we are going to train our teachers for the skills they need with our children in their schools, how we are going to deal with our classrooms that need school construction so badly across this country. There is a debate to be had. We are ready to join it. We want to have that opportunity, and we want to debate the Democratic leader to be allowed to have that debate on this floor.

Mr. DASCHLE. Mr. President, I may have to use a minute or two of leader time.

Mr. DASCHLE. Mr. President, I yield 1 minute to the distinguished Senator from Rhode Island.

Ms. MOSELEY-BRAUN. I thank the Chair and yield the floor.

Mr. DASCHLE. Mr. President, I see other colleagues seeking recognition. I yield 1 minute to the distinguished Senator from Washington.

Mrs. MURRAY. Mr. President, I thank the Democratic leader for his continued work on this issue to try to allow us the opportunity to come here to the floor to talk about the most critical issue in this country today, which is the education of our young children.

There is a very serious debate that ought to be had. Are we going to go down the road of vouchers and block grants and cutting out the Department of Education, when fewer and fewer children have the opportunity for an education? Or are we going to talk about the proposals that we would like to debate—whether or not our class sizes should be smaller, how we are going to train our teachers for the skills they need with our children in their schools, how we are going to deal with our classrooms that need school construction so badly across this country. There is a debate to be had. We are ready to join it. We want to have that opportunity, and we want the Democratic leader to be allowed to have that debate on this floor.

Mr. DASCHLE. Mr. President, I may have to use a minute or two of leader time.

I yield 1 minute to the Senator from Rhode Island.

Mr. REED. Mr. President, I, too, commend the Democratic leader for his efforts to ensure that this debate reaches the full spectrum of issues that concern American education.

I believe there is one thing we can all agree upon: The problems of American education are multiple, and to conduct
a debate that would focus exclusively on one remedy and not allow other voices, other approaches, is, to me, relinquishing our responsibility to deal principally and responsibly with education policy in the United States.

There are proposals by my colleagues with whom I do not always agree. Again, we are seeing evidence from States like Tennessee, where it makes a real difference in performance in education.

Yet, we are not allowed to talk about those issues in this debate. If we are going to talk about this issue with the idea of helping American education rather than the idea of promoting one particular ideological version, we have to allow for open, robust debate that incorporates all of the amendments my colleagues are proposing. And the idea to carry on without the debate, to me, is not worthy of this body.

The PRESIDING OFFICER. All of the time of the minority leader has expired.

MR. DASCHLE. Mr. President, I yield 1 minute of my leader time to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

MR. DODD. Mr. President, I thank the leader, and thank both leaders here. It is not an easy task to try to fashion these agreements. I sympathize in that we have spent I don't know how many days trying to work out an agreement to discuss amendments. In a sense, what the Democratic leader was trying to do was get the bill up and allow the amendment process to flow. I suspect this bill might have been dealt with after having been given a chance to raise these amendments earlier.

It may seem like it is not that large an issue to people. It is one proposal. I suspect this may be one of the few opportunities when we will get a chance to debate education this year, given our calendar. I suggest to my colleague the Senator from Nebraska, that we are talking about $1.6 billion that will go toward education in this case. I think having a healthy debate about where those resources go is something that the country would like to hear. Whether or not we want it to support building up the deteriorating schools that our colleagues from Illinois, Senator CAROL MOSLEY-BRAUN, proposes, or deal with classroom size, which Senator MURRAY proposes, or whether or not we want to go into special education, these are legitimate issues about how you allocate scarce resources.

I applaud the efforts of our leader and, hopefully, we can get some accommodation so we can have a good, healthy debate.

Mr. President, I addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

MR. LOTT. Mr. President, just a little history. Before I do that, I know that I certainly have tried to work out something that Members on both sides could live with. I believe Senator DASCHLE has, too. But we have Senators on both sides who have very strong feelings about amendments that are suggested on both sides. There are amendments on the Democratic side that other Democrats have problems with, and it is the same thing over here. There are Republican amendments that other Republicans have problems with. So we have to allow for open debate.

I remind you that we started this effort on the 13th. Maybe there is a significance to that. On Friday, March 13, we started working on this. The problem is, if you want a good, healthy debate, fine, let's have it. I will not play second fiddle to anybody when it comes to my concern about education.

By the way, I am a product of public education; so is my wife and both of our children. But I am worried about the quality of education and the violence and drugs in schools. But the difference is, I don't think the answers are here in Washington. Some people say, let's have everything paid for and run everything. We have tried that since the 1960s. The scores are going down and violence is going up.

I care about this mightily. Let's have a debate about education. We are going to have a debate this year—not one, but probably two or three. But some Senators say, let's open it up and have debate, let's have amendments of all kinds. That is what was going to happen. We were going to have Senator KERRY's amendment but we don't want to go off on cows because cattle are important in Mississippi. I love beef. We were going to have welfare debates and debates about everything imaginable.

That is what has happened the whole year so far. On every bill that comes up, every Senator takes advantage of his or her right and says, "I have my amendment or amendments," and they just grow like Topsy on everything. Senator GORTON's is education related; Senator KERRY's was not, his was on child care. We will debate that another day.

Talk about fairness. I have been bent over backward, until my back is almost broken. Remember, the base bill is three-fourths a Democrat bill. I don't care because those three-fourths that the Democrats came up with are pretty good ideas—prepaid tuition for college, yes, I am for that; deductions for higher education employer-employee arrangements. That was promoted by Senator BREAUX from Louisiana, Senator MOYNIHAN from New York, and Senator GRAHAM from Florida. We have the school production bond issue thing in here, plus what we have to work back today is our final offer.

There were 12 amendments for Democrats, 3 for Republicans. I mean, how far can I go? I was told, yes, only three. But you say, "We don't want Gorton in there." So I tried. I think Senator DASCHLE has tried. It is time that we have a vote on cloture. Maybe I made a mistake by not saying let's do it earlier, and Senator DASCHLE might say the same thing. But I think the record speaks for itself: 3 out of 4 provisions in the bill, Democrats; 12 out of 15 amendments, Democrats. I mean that is in most games—whatever it is—more than fair.

But we tried. Let's have a vote on cloture. This is a vote to get a good debate on the education provisions which Senators on both sides support. And we will see what happens and take it from there.

Mr. President, I believe we have 2 or 3 minutes remaining. I yield the remainder of the time to Senator COVERDELL, who has done a great job working through all of this.

The PRESIDING OFFICER. The Senator has 4 minutes 15 seconds remaining.

MR. COVERDELL. Mr. President, I appreciate the efforts of both leaders.

But the point is, we are still in a filibuster. When this proposal was in the tax relief bill last year, the President said he would veto the entire tax relief bill because those provisions were in it. Then we went through one or two filibusters. We tried to deal with it. We had a stand-alone measure last year, and then we had a filibuster attempt. And we tried to proceed to it this year. Now we are trying to bring cloture, which, I might point out, doesn't end the amendments. If you file cloture, it is a Senate rule that says you are going to confine amendments to the subject matter. When I was in the State Senate in Georgia, we had to do things on everything, that you could amend with non-germanean amendments.

But that is what we are trying to bring order to. And after we have been through four filibusters, a veto threat, we became concerned that we are not in a serious effort to get to the actual education components.

It is my understanding that we have said the other side can have its own substitute, an education amendment. There has been some resistance to non-education-related amendments, and I understand an amendment of the Senator from Nebraska is still at play.
And it is not an education amendment. It is my understanding that an education amendment on our side is being objected to. We are going to have a vote here in a minute.

I want to, in closing, stress that this is a bipartisan proposal and one of the most dogged, persistent attempts to get this legislation passed with both Republican and Democrat components. The good Senator from New Jersey, Mr. TORRICELLI—and there are a number of Senators on the other side of the aisle, a good number—who want this legislation passed: 70 percent of it has now been designed by the other side of the aisle. They want to get to the substance of the education debate—the good Senator from Illinois. If we can get to the debate, it is going to have a chance. That is an education proposal. We handle it our way; they handle it their way. We will debate it. But what we are saying is, there ought to be a debate on education. We have spent an inordinate amount of time avoiding the debate.

Mr. President, I presume my time has expired.

The PRESIDING OFFICER. The Senator presumes incorrectly. He has 1 minute and 15 seconds.

Mr. COVERDELL. In deference to my colleagues, I yield my time.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+ Education Act.

Trent Lott, Paul Coverdell, Jeff Sessions, Connie Mack, Bill Roth, Jud Gregg, Christopher Bond, Tim Hutchinson, Larry E. Craig, Robert F. Bennett, Mike DeWine, Jim Inhofe, Bill Frist, Bob Smith, Wayne Allard, Pat Roberts.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call under the rule has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2646, the A+ Education Act, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 58, nays 42, as follows:

YEAS—58

Mr. LOTT. Mr. President, I send a cloture motion to the desk on the pending Coverdell A+ Education Act. The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+ Education Act.

Trent Lott, Paul Coverdell, Craig Thomas, Rod Grams, Chuck Hagel, Tim Hutchinson, Kay Bailey Hutchison, Mike DeWine, Bob Bennett, John McCain, Don Nickles, Chuck Grassley, Mitch McConnell, Wayne Allard, Phil Gramm, John Ashcroft.

The PRESIDING OFFICER. The Senate will be in order. The majority leader.

Mr. LOTT. Mr. President, for the information of all Senators, this cloture vote, then, would occur on Monday of next week, at a time to be determined by the majority leader after notification of the minority leader. I presume that will be around our normal voting time, at 5:30 on Monday.

So I now ask consent that the mandatory quorum under rule XXII be waived.

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

UNANIMOUS CONSENT REQUEST—S.J. RES. 43

Mr. LOTT. Mr. President, I ask unanimous consent the Foreign Relations Committee be discharged from further consideration of S.J. Res. 43 regarding Mexico decertification which includes a waiver provision, and the Senate proceed to its immediate consideration under the following terms: The time between now and 7:25 be equally divided between the two leaders.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

MEXICO FOREIGN AID DISAPPROVAL RESOLUTION

Mr. LOTT. Mr. President, in light of the objection, I now ask the Foreign Relations Committee be discharged from further consideration of S.J. Res. 42, regarding Mexico decertification, and the Senate proceed to its immediate consideration under the same terms as described above for S.J. Res. 43.

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

Mr. LOTT. Mr. President, having just reached this agreement, I expect this rollcall vote to occur at 7:25 this evening or earlier if time can be yielded back. But the vote on the Mexico decertification issue will occur at 7:25.

I thank the leader for working with us on this, and also Senator Feinstein and Senator COVERDELL. They have been very cooperative. I believe this is enough time to lay the issue before the Senate and have a vote.

I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the A+ Education Act.

Trent Lott, Paul Coverdell, Craig Thomas, Rod Grams, Chuck Hagel, Tim Hutchinson, Kay Bailey Hutchison, Mike DeWine, Bob Bennett, John McCain, Don Nickles, Chuck Grassley, Mitch McConnell, Wayne Allard, Phil Gramm, John Ashcroft.

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

UNANIMOUS CONSENT REQUEST—S.J. RES. 43

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The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.
who thinks, along with others, we should deferect, I ask them to come to the floor and let me know if they wish to speak so we can, with some degree of rationality, allocate the time. I know Senator DODD, after the Senator from California makes her case, wants to speak in opposition to her position. I have told him I will recognize him first. But I say to other Senators who wish to speak in opposition to this decertification, please let me know. I yield the floor.

Mr. PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, what we have before us is a resolution that has special standing on the floor. It is a resolution that will take the certification that the President has called for in the case of Mexico’s fully cooperating in the war on drugs, and this resolution, if it is adopted, would overturn that and it would decertify. That would be a statement that the cooperation had not been full and complete.

The Senator from California and others have been deeply concerned about this matter for well over a year and believe that by saying Mexico should be certified, we are saying to the people of both the United States and Mexico that things are going along OK. It is a message of fulfillment. It is a message that we are making progress, and that is not true. That is not true.

The situation, by virtually any measurement, is less now than it was a year ago when the Senator from California and I began to raise the issue. I am here reluctantly. I consider myself an ally of the people and the Government of Mexico, but we are losing this war, we are losing this struggle, and it is not appropriate to say otherwise. I wish it were possible for us to be here with a resolution that said certification could occur but there would be a waiver by the President for security reasons. That is not technically possible. The only resolution that has standing is this statement, but it must be made.

Let me say, I commend General McCaffrey for his efforts as our drug czar, and I commend President Zedillo for what appears to be laudable efforts. But we do not do the people of either country, nor the people of this hemisphere, justice by communicating a message of gain or accomplishment or fulfillment when it is the exact reverse.

My concern—although I am sure it will be interpreted to be pointed at Mexico—my concern is mutual, and it is pointed at this administration and Mexico.

On May 2, 1997, I and the Senator from California sent an open letter to the President of the United States. We enumerated 10 areas that should be come benchmarks, measurements by which we can determine whether or not we are getting our arms around this thing that has captured, in the last 5 years, 2 million American children aged 12 to 17.

On May 14, 1997, the President responded to me and to the Senator from California, accepting the letter of May 2 and the standards that were in it, and he indicated they would report and that these were, indeed, benchmarks that would be sought.

Mr. PRESIDING OFFICER. In this letter, we said: The Mexican Government should be able to take significant action against the leading drug trafficking organizations, including arrests and prosecution or extradition of their leaders, and seizure of their assets.

Virtually no progress.

Extraditions:

We said:

While Mexico has taken steps to allow the extradition of Mexican nationals, they have yet to extradite any Mexican nationals to the United States on a drug-related charge.

As we stand here tonight, there still has been no extradition of a Mexican national on a drug-related charge.

Law enforcement cooperation: Mexico should undertake to fully fund and deploy the Binational Border Task Forces... Not done.

In addition, U.S. law enforcement officers working drugs in Mexico need to be granted the rights to take appropriate measures to defend themselves. Not done.

Money laundering: We are anxious to see Mexico fully implement the money laundering laws and regulations... Little progress.

Corruption: The decision to abolish the National Institute for Combating Drugs and replace it with a new agency known as the Special Prosecutor’s Office is an admission that the INCD had become hopelessly compromised... We need to see evidence that the new agency will not simply be a rehash.

Not done.

Air and maritime cooperation: This is an area I think both the Senator from California and I concur has made some progress.

Mr. President, the Senator from California will address this, but she often makes the point that no intelligence is flowing from Mexico to the United States. We are not gaining any advice and counsel on this struggle.

I am going to yield momentarily. In addition, I want to continue the argument that the new agency will not simply be a rehash. But I say to other Senators who have told him I will recognize him first. But I say to other Senators who wish to speak in opposition to this decertification, please let me know. I yield the floor.

Mr. PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, if I may, I would like to continue the arguments that the Senator from Georgia and I have made and add some of my own. And, Mr. President, I do not make these arguments lightly, nor do I make them with any sense of pleasure.

It is never easy or pleasant to criticize a friend, a neighbor, and an ally. And Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000-mile border. And we need to work together to solve problems that confront us.

I have heard many arguments—"Oh, this is all a United States problem." Well, Mr. President, the United States is trying to address that problem. Let me give you just two facts to corroborate that. One, in 1998, the U.S. Federal Government has spent or will spend nearly $16 billion fighting drugs. Of that, on demand reduction alone, we will spend $5.37 billion; on interdiction, $6.4 billion; on domestic law enforcement, $8.4 billion. And it all goes up next year.

One interesting fact is in 1985 prisoners on drug charges in Federal prisons were 31 percent of the total. The American prison population is in prison on drug charges. So the number of people in Federal prisons for drug crimes in the United States of America has risen by over 30 percent in this decade.

We are trying. We may fail, but we do try. So this country does make a substantial effort—prevention, education, treatment, all of it.
“Full cooperation” means full cooperation. And there were six benchmarks, as Senator Coverdell stated, that comprised the basic part of our concerns of last year: enforcement, dismantling the drug cartels, combating corruption, curbing money laundering, extraterritorial Mexican jurisdiction on drug-related charges, and law enforcement cooperation.

I would like to discuss each one of these areas in detail. But I want to make the point that I believe Mexico has fallen short of the mark of full cooperation in each of these areas.

On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, Gen. Barry McCaffrey, said, “I would just like to underscore the absolutely superlative cooperation we have received from Mexico.” I thought a lot about that. What I finally realized is, you know, now I know what the problem is: Mexico’s cooperation with the United States at the political level. Tragically, it does so at the expense of the much more important law enforcement level. The degree to which the administration emphasizes this political level of cooperation is evident by the State Department’s statement of explanation on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico this year that the administration can offer is based on political-level agreements. But if there is one truth about the war on drugs, it is that it is fought on the streets, not in the conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. Good intelligence and good police work can and do stop drug trafficking. Law enforcement cooperation, not political-level agreements, is where the rubber hits the road in counternarcotics. Until this exists in Mexico, the administration’s certification of Mexico will have all the weight of an inflated balloon—impressive to look at, but hollow at the core and easily punctured.

So with this background, I would like to offer my response to the administration’s rationale for its decision to certify Mexico, in hopes that the Senate will look at this decision carefully. I will rely on the benchmarks we set last year.

The State Department statement of explanation says: “Drug seizures in 1997 generally increased over 1996 levels.” Now, third, true, but it is only part of the picture.

Let us begin with this first chart. Yes; this is 1996, and as you can see, cocaine seizures have gone up from 23.6 metric tons to 34.9 metric tons. But look back at the peak in 1991 when it was 50.3 metric tons, look at the drop; look at 1993 when it was 46.2; and then look at it drop back down into the low 20s. Cocaine seizures today are still over 30 percent below where they were back in 1991 when the supply was not nearly as large as it is today.

Let us take a look at heroin seizures. Again, we are told they are much lower. Source country heroin seizures by Mexico. Beginning in 1994 at 297 kilograms, they go down in 1995 to 203 kilograms, and they go up in 1996 to 363 kilograms; this year they have gone down all the way to 115 kilograms. I think this is very, very dramatic. But if there is one truth about the war on drugs, it is based on political-level agreements. Let us take a look, we can, at methamphetamine seizures by Mexico. 1994, 265 kilograms; 496 kilograms in 1995. It has gone steadily downhill—to 172 kilograms in 1996 and all the way to 39 kilograms in 1997—as the United States of America has been inundated with methamphetamine labs. I am ashamed to say my State, the largest State in this Union, has become a source country for the dissemination of methamphetamine now throughout the rest of the United States. The great bulk of it coming from one cartel, which I will point out. A great bulk of the labs are operated, regretfully, by Mexican nationals in this country illegally.

Let us take a look at ephedrine seizures. Ephedrine is a key chemical without which methamphetamine cannot be produced. Here were the seizures in 1996—6,697 kilograms. Look how high they were. Here are the seizures in 1997—only 608 kilograms, a drop of over 90 percent. This is clearly a great drop. Now let us look at narcotics arrests of Mexican nationals by Mexico in 1992. In 1992, they arrested 27,369 people. Look at it in 1997—10,572 people. That is a two-thirds drop in arrests when we are putting all this pressure on, saying, “Go after the cartels. Stop the assassinations. Break it up.” The arrests have actually dropped.

Take the labs. Now, one of the major tests—not the only test; it is not 100 percent accurate—of supply is what street prices are. In Main Street, prices for drugs drop when the supply goes up. Every single narcotics officer that works undercover or works the streets of America will tell you that. So we went to the Western States Information Network, which surveys the findings of local police departments on the west coast. Let me share with you what we found.

Cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997. It has leveled off this past year. But this is the drop over that period of time.

Now, let us talk about black tar heroin. Black tar heroin is Mexican heroin. In the Los Angeles area, look at the street prices in 1991. According to DEA, this is nearly the exclusive province of the Mexican family-operated cartels based in Michoacan. In Los Angeles, the price has dropped two-thirds, from $1,800 in 1992 to $600 in 1997. The price today is one-third of what it was 5 years ago. This is why we see a tremendous increase in heroin addiction in this country. The supply overwhelms the demand, and the prices drop.

In San Francisco it is the same story. Black tar heroin—an average of $3,500 per kilo in 1991. Today it averages $600 per ounce, a dramatic drop in price.

And we see the same pattern with methamphetamine. In Los Angeles, the price per pound for methamphetamine has dropped from $9,000 in 1991. Today it has dropped more than a two-thirds drop in price. That is enormous in the methamphetamine contraband market.

So these street price statistics tell the story of supply. And supply comes mainly flowing across our southern border.

Just this week, the March 23 edition of the San Diego Union-Tribune had an article entitled “Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.”

So in my view, low seizure figures, low arrest figures, falling street prices in large cities, and Customs and Border Patrol agents are hardly indications of “full cooperation” by Mexico’s authorities.

Let me speak about what the great danger is now. What I believe to be the biggest criminal enterprise in the Western Hemisphere is developing in Mexico, and that is the cartels.

There are essentially four major cartels: the Juarez cartel, known as the Carrillo-Fuentes cartel; the Sonora cartel; the Tijuana cartel; known as the Arellano-Felix brothers; and the Amecuea-Contreras brothers.

In testimony about a month ago, DEA Administrator Thomas Constantine told a little bit about when he talked to the Foreign Relations Committee about Mexico’s efforts to dismantle the cartels. He said:

Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.

To me, this is a very telling statement. The State Department would have us believe all is well in Mexico, that the Mexican effort against the cartels—and they will point out some arrests—but evasion of those arrests is second and third level cartel participants, not top level. I believe Mr. Constantine’s testimony tells the true story—very little progress. I hope my colleagues will take these words into consideration.

Let me begin with the Juarez cartel.

Mr. Constantine stated: The scope of the Carrillo-Fuentes cartel is staggering, reportedly forwarding $20-$30 million to Colombia for each major operation. This is an enormous extension of dollars in profits per week for itself.

Meanwhile, the Carrillo-Fuentes cartel—that is the Juarez cartel—spreads
Mr. President, to reiterate I rise today to urge my colleagues to vote to pass S.J. Res. 42 to disapprove the President’s decision to certify Mexico as fully cooperating with the United States in the effort against drug trafficking. And I ask for the yeas and nays to be recorded.

I do not make these arguments lightly, nor do I make them with any sense of pleasure. It is never easy or pleasant to criticize a friend, a neighbor, and an ally—and Mexico is all of these. The United States and Mexico have a deep and complex relationship that spans every conceivable form of interaction across a 2,000 mile border. And we need to work together to solve the problems that confront us.

But we also must be honest with each other and with ourselves. Section 490 of the Foreign Assistance Act, which is the law of the land, requires the President to judge whether drug producing countries are fully cooperating with the United States—Mexico, have met the standard of “full cooperation.”

“Full cooperation.” I suppose, can be viewed subjectively. It probably means different things to different people. But there are probably some areas which everyone can agree are essential parts of full cooperation. Let me suggest a few of these areas.

Last year, when the Senate debated this issue, we established essentially six benchmarks for evaluating Mexico’s counternarcotics performance. The Administration used these benchmarks to guide its report to Congress last September. I believed that it would use them to form the basis of its decision on certification.

These benchmarks each comprise a fairly basic part of any meaningful counternarcotics effort. They are: enforcement (such as seizes and arrests); dismantling the drug cartels and arresting their top leaders; extradition; combating corruption; curtailing money-laundering; and, most importantly, law enforcement cooperation.

I will discuss each of these areas in detail, but I can assure my colleagues that in each of these areas, Mexico has fallen well short of the mark of “full cooperation”, which is the standard of the law.

There has been insufficient progress—and in some cases, no progress at all—on key elements of a successful counternarcotics program in Mexico. Whether due to inability or decisions to ignore the law. These failures badly undermine the urgent effort to keep the scourge of drugs off our streets.

Ignoring these failures, or pretending they are outweighed by any modest advances, does not make them go away. We do Mexico no favors, nor any for our country and our people, by closing our eyes to reality. And the reality is that no serious, objective evaluation of Mexico’s efforts could result in a certification for “full cooperation”. Partial cooperation, perhaps. But that is not what the law calls for. The law calls for “full cooperation.”
On the day the certification decision was announced, the Director of the Office of National Drug Control Policy, General Barry McCaffrey, said: “I would just like to underscore the absolutely superlative cooperation we have received from Mexico.”

However, I think I understand his reasoning, and in fact, the reasoning behind the certification decision as a whole. The reason is that the Administration’s approach to evaluating Mexico’s narcotics interdiction focuses primarily, if not exclusively, on the political level. Tragically, it does so at the expense of the much more important law enforcement level. Let me explain what I mean.

There is no question that President Clinton, General McCaffrey, Attorney General Reno, and other senior U.S. officials enjoy positive working relationships with their Mexican counterparts. Presidents Clinton and Zedillo had a cordial exchange of visits. There is a High-Level Contact Group on Narcotics Control that meets two or three times a year. Documents were released, such as the “Declaration of the U.S.-Mexico Alliance Against Drugs” and the “Bi-National Drug Threat Assessment” and the “National Drug Strategy.”

The degree to which the Administration emphasizes this political-level cooperation is evident by the State Department’s “Statement of Explanation” on the certification of Mexico. The first two paragraphs focus exclusively on meetings held between senior officials, commitments they have made, documents they have signed, and so on.

In other words, the most compelling rationale for certifying Mexico that the Administration can offer is based on political-level agreements. But if there is one truth about the war on drugs, it is that it is fought on the streets, not in conference rooms and banquet halls. Handshakes between men and women in suits do not stop drug trafficking. But good intelligence and police work can and does stop drug trafficking.

Law enforcement cooperation, not political-level agreements, is where the rubber hits the road in counter-narcotics. Good intelligence and dedicated and trusting police work is what really makes a difference. Until this exists in Mexico, the Administration’s certification of Mexico will have all the weight of an inflated balloon: impressive to look at, but hollow at the core, and easily punctured.

So, with this background, I will offer my response to the Administration’s rationale for its decision to certify Mexico, in hopes that the Senate will act to overturn this decision. I will rely on the benchmarks we set last year.

**Law Enforcement**

The State Department’s Statement of Explanation says: “Drug seizures in 1997 generally increased over 1996 levels.” This is true, but it is just a partial picture.

Well, let’s look at the record. It is true that Mexico’s marijuana seizures were marginally higher in 1997, and it is also true of cocaine seizures. But the rise in cocaine seizures can only be considered progress as compared with the dismal seizure levels of the previous three years.

The 34.9 metric tons of cocaine seized in 1997 is an improvement over the previous three years, when cocaine seizures had dropped to about half of the 46.2 metric tons seized in 1995 and the 50 metric tons in 1993. This is a perfect example of lowering the bar. When we accept a dismal performance, as we did in 1994–1996, any improvement is given undue weight, even if it falls far short of Mexico’s own proven capabilities, as the 1991–1993 figures indicate.

In several cases, drug seizures have declined sharply. Take heroin for example. In 1997, Mexico’s heroin seizures declined from 363 kilograms in 1996 to 115 kilograms. That is a 68 percent drop.

The decline is even more pronounced in seizures of methamphetamine, and its precursor chemical ephedrine. Mexico’s methamphetamine seizures fell from 50 metric tons in 1995 to 172 kilograms in 1996, and then to only 39 kilograms in 1997. Over two years, that is a 92 percent drop.

For ephedrine, we see the same pattern. Nearly 6,700 kilograms were seized in 1997. That figure, amazingly, drops 91 percent, down to only 608 kilograms.

I am truly at a loss to understand how the State Department can cite increasing drug seizures as a rationale for its decision to certify, when its own statistics show Mexico’s drug seizures declining by 60, 70, 80, and even 90 percent!! over the past 6 or so years.

In another important area of enforcement—narcotics-related arrests—we can see that Mexico’s performance is getting worse, not better. In 1997, Mexico’s narcotics arrests of Mexican nationals declined from 11,038 to 10,572.

This decline in arrests would be disturbing enough on its own. But it is even more so when one sees how far the bar has been lowered. We should be comparing this year’s arrest figures not to last year’s, which were only slightly less anemic, but to the 1992 level, which was more than double the current figures.

While estimates vary, DEA believes that Mexico is the transit station for 50–70 percent of the cocaine, a quarter to a third of the heroin, 80 percent of the marijuana, and 90 percent of the ephedrine used to make methamphetamine entering the United States.

The 1997 seizure and arrest statistics, in my view, offer ample evidence that Mexico’s enforcement efforts are simply inadequate. And the result, undeniably, is that more drugs are flowing into our cities, our schools, and our communities.

How do we know this? Just look at the street prices. The street value of cocaine, heroin, and methamphetamine are all dropping. According to the Western States Information Network, which surveys the findings of local police departments on the West Coast, the average street value of cocaine in the Los Angeles region has fallen from $16,500 per kilo in 1994 to $14,000 per kilo in 1997.

The drop is even more dramatic in the case of black tar heroin, which DEA has in the past reported to be nearly the exclusive province of Mexican cartels. The price per ounce in Los Angeles, the price per ounce has dropped from $1,800 in 1992 to only $600 in 1997. The price today is one-third of what it was five years ago.

In San Francisco, it is the same story. Black tar heroin averaged $3,500 per ounce in 1991. Today, it averages only $600.

We see the same pattern with methamphetamine. In Los Angeles, the average price per pound for meth has declined from a peak of over $10,000 in 1993 to $3,500 in 1997.

These street price statistics reflect in the main, the simple law of supply and demand. We know that demand remains high, unfortunately, so when the price drops, the obvious conclusion is that you have more supply.

If we take a look at the beginning of the decade of the 90s, there’s now much more cocaine, more heroin, more methamphetamine flowing across our southern border, while Mexico’s enforcement efforts decline. In my mind, this combination makes a mockery of the concept of “full cooperation”.

The evidence of increased trafficking can also be found by following events at the border. Just this week, in the March 29 edition of the San Diego Union Tribune, Gregory Gross wrote an article called “Brazen Traffickers Want Run of the Border: Drug Flow From Mexico Now More Deadly, Frequent.”

So in my view, low seizure figures, low arrest figures, falling street prices in our cities, and inundated customs and Border Patrol agents are hardly indications of “full cooperation” by the Mexican authorities in combating drug trafficking.

**Carrels**

Let me speak about the cartels in Mexico. As evidence of Mexico’s efforts to combat the cartels, the State Department’s Statement of Explanation mentions the arrest of eight “major traffickers,” including Joaquin Guzman Loera, Hector Luis Salazar, Miguel Angel Felix Gallardo, and Raúl Vallardes del Angel.

Not only are these examples of mostly second- and third-tier traffickers, not the cartel bosses, but who the Mexican authorities have failed to capture tells a much more important story. The State Department even admits that two legitimately “major”
traffickers were dealt with lightly: Humberto Garcia Abrego of the Gulf cartel was released from prison—and I would point out this release occurred hours after the President certified Mexico last year—and Rafael Caro-Quintero of the Sonora cartel succeeded in having his sentence reduced.

The simple truth is that after a year of Mexico’s so-called full cooperation in combating the cartels, the situation remains completely out of the Mexican authorities’ control. Somehow, the State Department construes this effort as sufficient.

But that is not how the United States’ drug enforcement officials describe the efforts in Mexico. Let me share with my colleagues what our DEA officials say about it. When DEA Administrator Thomas Constantine testified before the Senate Foreign Relations Committee on February 26, 1998, he described the four major cartels as the most powerful organized crime groups in the Western Hemisphere—much more powerful than anything the U.S. has ever faced. They are: the Juarez cartel, also known as the Carrillo-Fuentes cartel; the Sonora cartel, also known as the Caro Quintero cartel; the Tijuana cartel, also known as the Amezcua-Contreras brothers; and the Amezcua-Contreras brothers.

In his testimony, Mr. Constantine left little doubt about Mexico’s efforts to dismantle the cartels. He said: “Unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders who dominate the drug trade in Mexico and control a substantial share of the wholesale cocaine, heroin, and methamphetamine markets in the United States.”

To me, this is a very telling statement. While the State Department would have us believe that all is well in the Mexican effort against the cartels, Mr. Constantine’s testimony tells the true story: “very little progress” in arresting the key figures, who are well-known, and who run the drug trade. I hope my colleagues will take their words into account.

Even more chilling is Mr. Constantine’s contention that the cartels are stronger today than they were one year ago. That’s right. After a year of what the Administration calls full cooperation, the cartels have only increased in power and influence.

The most frightening part of the failure to actively confront these cartels is that they are increasingly penetrating into U.S. cities and marketing their drugs directly on our streets and to our kids.

Perhaps the most powerful of these cartels is the Juarez cartel, also known as the Carrillo-Fuentes organization. While trafficking in marijuana and heroin, the Juarez cartel specializes in cocaine. In particular, it has served as the distribution network for large shipments of cocaine arriving from Colombia. From regional bases in Guadalajara, Hermosillo, and Torreon, the cocaine is moved closer to the border for shipment into the United States.

DEA Administrator Constantine testified that: “The scope of the Carrillo-Fuentes cartel is staggering, reportedly recruiting local U.S. gang members to act as its agents. DEA has identified active Carrillo-Fuentes cells in cities around the United States: Los Angeles, San Diego, San Francisco, Seattle, Phoenix, Houston, Dallas, Denver, Chicago, and most recently, New York City.

This is new. New York City used to be the preserve of the Colombian cartels, who marketed their cocaine directly. But a DEA study in August revealed that Mexican distribution networks were rapidly moving into the East Coast markets of New York, New Jersey, and Philadelphia, displacing the Colombians.

This trend was illustrated in a major DEA investigation—Operation Lime Light—which uncovered a Chicago-based cell of the Carrillo-Fuentes organization that was delivering hundreds of kilograms of cocaine to a distribution network in New York.

Now some feel that the death of the Juarez cartel’s leader—Amado Carrillo Fuentes—during attempted plastic surgery last May, could have set the stage for a weakening of the cartel. One might even concede that Carrillo-Fuentes’ death was the result of his feeling under some pressure from the Mexican authorities, although this is far from proven.

But instead of getting weaker, the Juarez cartel, according to the DEA, is now stronger. Mexico clearly did not take the opportunity to capitalize on the opportunity presented by Carrillo-Fuentes’ death, and today the cartel continues to operate as usual. And this is in spite of a power struggle within the cartel that has produced an orgy of violence—some 50 drug related murders—in and around Juarez, which is clearly well beyond the Mexican authorities’ ability to control.

Yet there has been no effort to arrest the new leaders of the cartel, men such as Vincente Carrillo Fuentes—Amado’s brother—or Juan Esparragosa Moreno, a top aide, or Eduardo Gonzalez-Quirarte, a key manager of the organization’s distribution networks along the border.

The other major drug trafficking cartel is the Arellano-Felix organization. DEA Administrator Constantine described the cartel this way: “Based in Tijuana, this organization is one of the most powerful, violent, and aggressive trafficking groups in the world. Because of its base in Tijuana, the Arellano-Felix organization—the most vicious and violent of the cartels—has dominated the drug distribution network in the western United States, and of particular concern to me—is especially strong in southern California. The DEA believes that the cartel uses San Diego street gangs as assassins and enforcers.

In other cities and around the country, it is a similar story. The Arellano Felix organization recruits local gang members, who serve as the distributors and protectors of its drug shipments, which include cocaine, marijuana, heroin, and methamphetamine.

Once again, we can point to little effort on the part of the Mexican authorities to curtail this cartel’s activity. Indeed, as Mr. Constantine tells us, the cartel is stronger today than it was one year ago.

Although there have been a few arrests of some second- and third-tier Tijuana cartel members, we would expect a country certified for full cooperation to produce inroads against the top leaders of this cartel, who are well known, especially given the clear U.S. concern for their capture. On September 11, 1997, the most violent of the Arellano-Felix brothers, Ramon Arellano-Felix, was added to the FBI’s Ten Most Wanted List. He has been indicted in San Diego on drug trafficking charges.

But there have been no efforts taken by the Mexican authorities to work in the operations of the Arellano-Felix organization or to arrest its senior leaders? Despite the claim of full cooperation, I am unaware of any such efforts.

I will touch more briefly on the other two major cartels. The first is the Amezcua-Contreras organization. I will quote Mr. Constantine’s testimony: “The Amezcua-Contreras brothers, operating out of Guadalajara, Mexico, head a methamphetamine production and trafficking organization with global dimensions.”

Like the larger, more established cartels, this organization has established links to distribution networks in the United States. Its far afield as California, Texas, Oklahoma, Arkansas, Iowa, Georgia, and North Carolina.

A U.S. law enforcement investigation, Operation META, concluded in December 1997 with the arrest of 101 defendants, the seizure of 133 pounds of methamphetamine and the precursors to manufacture up to 540 pounds more, along with 1,100 kilos of cocaine and over $2.25 million in assets.

Despite this, the methamphetamine trade, Mexico has done little to pursue this cartel. Recently, one of the brothers, Adan Amezcua, was arrested on gun charges, but the true masterminds of the organization, Jesus and Luis Amezcua, who are under federal indictment in the U.S., remain at large.

The other major cartel is the Caro Quintero cartel, based in the state of Sonora. This cartel focuses its trafficking on marijuana, but it also trafficks in cocaine. Most of its smuggling takes place across various points on the Arizona border.
Like the other cartels, the Caro-Quintero organization has been successful because of widespread bribes made to federal officials at all levels. These bribes help explain how the head of the cartel, Miguel Caro-Quintero, was able to have his case dismissed when he was arrested in 1992. He had operated freely since. It also helps explain how his brother Rafael Caro-Quintero, who was implicated in the 1985 torture and murder of DEA Agent Kiki Camarena, recently had his sentence reduced.

The totally insufficient effort by the Mexican authorities to confront the cartels has emboldened them. Today, they are not only more powerful than they were a year ago, they are more brazen. A series of violent incidents on both sides of the border illustrates this new brazenness.

In April 1997 two agents assigned to Mexico’s new Organized Crime Unit, who had investigated Carrillo Fuentes, were killed. Their bodies had been bound, gagged, beaten, shot in the face, and stuffed in the trunk of a car. On July 17, 1997, Hector Salinas-Guerra, a key witness in a McAllen, Texas drug case, was kidnapped. His tortured body was found on July 22 and on July 25, the jury in the trial acquitted the seven defendants.

On November 14, 1997, two Mexican federal police officers investigating the Arellano-Felix organization were shot and killed. They had been bound, gagged, beaten, shot, and stuffed in the trunk of a car.

On November 23, 1997, a shooting incident at the Nogales point of entry into Mexico left one Mexican Customs official dead, and two defendants and another official wounded.

On January 27, 1998, Mexican federal police officer Juan Carlos De La Vega-Reyes and his brother Francisco were shot and killed in Guadalajara.

One believes that they are able to operate with impunity would encourage the Mexican cartel operators to be so openly violent toward law enforcement officers and witnesses. But that is the reality in Mexico today. It is a far cry from the full cooperation that we seek.

There are other examples of brazen acts by the cartels. A May 1997 report by Operation Alliance, a coalition of federal, state, and local law enforcement states that drug traffickers have been involved in smuggling drugs, and by controlling parties in some commercial trade-related businesses in order to expedite their drug trafficking.

According to Operation Alliance, drug traffickers, moving to take advantage of the greater flow of trade occurring under NAFTA, are becoming involved in new transportation infrastructure upgrades, to expand their opportunities to get drugs across the border undetected.

And we now have the first documented case of a cartel attempting to buy control of a financial institution. Just this week, on March 24, 1998, the Wall Street Journal reported that money-launderers with links to the Carrillo Fuentes organization, tried to acquire a controlling stake in a Mexico City Bank, Grupo Financiero Anahuac, for about $10 million in 1995 and 1996. I ask unanimous consent that this article be made a part of the record at the conclusion of my remarks.

Clearly, the prospect of cartels moving into control of otherwise legitimate financial and trading entities is now established. And with each passing year, the cartels will grow bolder and bolder.

But, because of the reach of the cartels into our cities, the State Department’s utter denial that the problem is getting worse, not better, is so dangerous. As much as these cartels are destroying Mexico, their reach into the United States is expanding. They have agents in many of our large and midsize cities. Their drugs reach our children. The gangs they hire kill ruthlessly to protect their turf in our cities.

It is no exaggeration to say that the lives of hundreds, if not thousands, of Americans are literally at stake in the war against the cartels.

The State Department Statement of Explanations says that “Mexico made further progress in the return of fugitives.”

While it is true that Mexico has extradited non-Mexican nationals to the United States, and has deported dual citizens such as Juan Garcia Abrego who are wanted on drug charges, and has even deported a few Mexican nationals for non-drug charges (such as murder or child molestation), one fact remains undeniable: To date, Mexico has not extradited and surrendered a single Mexican national to the United States on drug charges. Out of 27 pending requests, not one has been extradited.

Now, it is important to be clear what we mean. In five cases, the Mexican Foreign Minister has signed extradition orders for Mexican nationals wanted in the United States on drug charges. These are: Jaime Gonzalez Castro, Jaime Arturo Ladino, Oscar Malherbe, Tirso Angel Robles, and Juan Angel Salinas.

However, none of these fugitives has been surrendered to the United States. In each case, a delay has taken hold of the case for one reason or another. In some cases, appeals are pending. In others, amparos, or judicial writs, are holding things up. In others, the Mexican national is serving a sentence in a Mexican jail.

There is some good news. This last reason for delay could be overcome if the United States Senate and the Mexican Congress ratify the protocol to the U.S.-Mexico Extradition Treaty signed last November. But I do not know why the Administration has delayed submitting this protocol to the Senate. Once ratified, it will allow for temporary extradition to take place, for the purpose of conducting a trial, while a defendant is already serving prison time in his own country.

But for now, all of these delays add up to the same end: no extraditions of Mexican nationals on drug charges. With judicial corruption still a major problem, and the failure of other judicial mechanisms are highly suspect.

For whatever reason, either Mexico cannot overcome its reluctance, or simply refuses to extradite Mexican nationals to the United States on drug charges, I will be the first to acknowledge the first such extradition when it actually occurs, and the fugitive is surrendered. But to call the half-steps that have been taken “full cooperation” is to lower the bar to an unacceptable level.

Extradition is a key to stopping the drug traffickers, because they only fear conviction and incarceration in the United States. To have any deterrent value, it must be shown that it can actually happen.

A good place to start would be Ramon Arellano-Felix, who is wanted on narcotics charges in the United States, and has been named to the FBI’s Ten Most Wanted List. Another FBI target wanted by the Drug Enforcement Administration, head of the Sonora cartel, who last year at this time was openly granting an interviews to the Washington Post. He has four indictments pending against him in the United States, for smuggling, RICO statute, and conspiracy charges.

CORRUPTION

The State Department’s Statement of Explanation describes—again tepidly—Mexico’s approach to combating corruption this way: “The Government of Mexico wrestled with very serious corruption issues in 1997 . . .” Wrestled with them. It is not enough to wrestle with them. Mexico has to show a sustained commitment to rooting out corruption in the government, police, military, and judiciary. It is the thin order that will take decades to accomplish.

Again, it is important to acknowledge the progress that has occurred. Mexico did expose, arrest, and convict its former drug czar, General Gutierrez Rebollo, when it was shown that he was on the take from the Carrillo Fuentes organization. This was a painful move, and President Zedillo is to be commended for taking it forthrightly. But the problems run so much deeper than a bad apple at the top of the heap.

According to the DEA, in addition to the Gutierrez-Rebollo incident, which involves the arrest of 40 other officers, the following cases are indicative of the reach of cartel-funded corruption into the Mexican government:

On March 17, General Alfredo Navarra-Lara was arrested by Mexican authorities for making bribes on behalf of the Arellano-Felix organization. He offered a Tijuana official $1.5 million per month—or $18 million per year.

In September, the entire 18-person staff of a special Mexican military unit...
set up to intercept air shipments of drugs was arrested for using one of its own planes to smuggle cocaine from the Guatemalan border to a hideout.

Bribery and corruption is believed to have been behind the withdrawal of Baja California's Tijuana new editor prior to his attempted assassination on November 27, 1997.

In December 1997, the appointment of Jesus Carrola-Gutierrez as Chief of the Mexican City Judicial Police was cut short when his ties to drug traffickers and human rights violations were made public.

The question of judicial corruption is a growing problem. Judges on the pay-roll of cartels can with the stroke of a pen undo the painstaking work of even the most honest and committed investigators and prosecutors. Yet it is totally out of control. According the testimony of the GAO at a joint House-Senate hearing last week at which I was present, U.S. law enforcement officials was only one Mexican judge, in the entire country, who can be trusted not to compromise a wiretap investigation. One trustworthy judge. That is a devastating indictment of the level of corruption in Mexico.

Mexico now needs to take steps to deal with this problem. It has begun vetting officers for the most sensitive units, probing their backgrounds for hints of possible corruption. There has been some success in this process, but it is painfully slow going, and even some vetted agents have turned out to be corrupt.

But to make the argument that the very beginning of the implementation of a broad-based vetting program warrants the badge of "full cooperation" is to set the bar dangerously low. It sends a message to the Mexican government that partial measures are good enough, and it need not worry about carrying the program to its fullest implementation.

Perhaps the best possible measure of Mexico's commitment to combating corruption is how it deals with officials who have been found to be corrupt. Are they dismissed from their jobs? Are they then kept from other official work? Are they prosecuted?

Well, the story is not a good one. In an interview in December 1997, the Mexican Attorney General revealed that of 870 federal police officers dismissed in corruption, 700 of these were rehired because of problems in the Mexican legal system, which requires that the individuals remain at work during an appeal. In a police or military organization, this is a serious problem.

It gets worse. Not only were the vast majority of these corrupt officers reinstated, but not a single one of them was successfully prosecuted. Again, there is no way to read this statistic other than as a lack of seriousness in the fight against corruption. Can we really deem Mexico fully cooperative when it fails to make any serious effort to punish corrupt police officers?

Prosecuting corrupt officials is important because without fear of prosecution, there is little deterrence. Unfortunately, in 1997, there were only three police or military related corruption cases being prosecuted, including General Gutierrez Rebollo. Many more cases are needed to be taken to trial to have any deterrent effect.

**Money-laundering**

Money-laundering is another area in which, by lowering the bar significantly, the Administration has made it much easier to take advantage of Mexico's anti-money-laundering effort and declare it a success. There is no problem with ac-

cooperation and coordination on the ground between the law enforcement agencies of the two sides. Once again, the State Department's assertion that these meetings are a sign of real progress misses the point. Whether or not our leaders can work together is less important than whether our police and intelligence operatives can work together.

And with few exceptions at the moment, they cannot. Again, I would like to acknowledge progress. In contrast to last year, when DEA testified that there was not a single Mexican law enforce-

ment agency with whom it had a completely trusting relationship, it is encouraging to learn that there are now some Mexican officials with whom DEA believes they can build a trusting relationship.

A key aspect of this institution-building process is vetting, leading to the professionalization of the new drug enforce-

ment units in the Organized Crime Unit, and the Special Prosecutor's Office for Crimes Against Health.

This vetting process, if fully implemented, could go a long way toward providing U.S. law enforcement officials with the level of trust in their counterparts necessary for an effective bilateral effort.

But it is still in its infancy, and even some officials who have been vetted have subsequently been arrested in connection with traffickers. So while this effort is critically important, it is not evidence of full cooperation by a long shot.

The small number of officers in the two units with which DEA now has a tentative, case-by-case trusting relationship, is a beginning, but only that. To make the much-vaunted Bilateral Border Task Forces, for example. These joint U.S.-Mexican units have been widely touted for some two years as the "primary program for cooperative law enforcement efforts.

Cooperation with U.S. law enforcement.

As I said before, law enforcement cooperation has hit the road in counternarcotics, not in agree-

ments reached at the political level. And this is a source of major concern to me because, unfortunately, law enforce-

ment cooperation from Mexico has been severely lacking.

The State Department's Statement of Explanation is largely silent on the subject of law enforcement coopera-

tion. Well it should be. To describe the cooperation between the two sides, the State Department cites meetings of the High-Level Contact Group, and the Senior Law Enforce-

ment Plenary, and their various technical working groups.

The truth is that all the high-level meetings in the world do not amount to a hill of beans unless there is cooperation and coordination on the ground between the law enforcement agencies of the two sides. Once again, the State Department's assertion that these meetings are a sign of real progress misses the point. Whether or not our leaders can work together is less important than whether our police and intelligence operatives can work together.

And with few exceptions at the moment, they cannot. Again, I would like to acknowledge progress. In contrast to last year, when DEA testified that there was not a single Mexican law enforce-

ment agency with whom it had a completely trusting relationship, it is encouraging to learn that there are now some Mexican officials with whom DEA believes they can build a trusting relationship.

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ments reached at the political level. And this is a source of major concern to me because, unfortunately, law enforce-

ment cooperation from Mexico has been severely lacking.
March 9, 1998, this program is a sham- bles. The Task Forces exist only on paper. Why did this happen?

Unfortunately, as DEA Administra- tion Constantine explained to the Foreign Relations Committee, these Task Forces never really got started. Seven of the Mexican agents were assigned to these units, including commandantes, were suspected of, and even arrested for, corruption and ties to criminal organizations.

Ignacio Rebollo, commander of the Tijuana task force, was arrested for his alleged involvement in the kidnaping of Alejandro Hodoyan Palacios, a DEA informer.

In May, the Mexican commander and four members of one of the Task Forces were arrested for their alleged involve- ment in the theft of a half-ton of cocaine from the Mexican Attorney General's office in San Luis Rio Colorado. Horacio Brunt Acosta, a Mexican federal police officer in charge of intel- ligence operations for the Task Forces, was fired last year for allegedly taking bribes from drug traffickers. Is it any wonder that, despite the creation of two small vetted units, the level of trust between DEA agents and their Mexican counterparts is very low?

After the arrest of General Gutierrez Rebollo, the old Task Forces were dis- mantled, and have since been rebuilt. But for months, the Mexican government claimed that they had promised funding, leaving DEA to carry the full cost, which they did until last Sep- tember.

Additionally, the issue of personal se- curity for U.S. agents working with the Bilateral Task Forces in Mexico has not been resolved, and, as a result, the task forces are not operational and will not be until the security issue is re- solved.

The bottom line is that the task forces cannot function properly with- out DEA and other federal law enforce- ment agents working side-by-side with their Mexican counterparts, as is the case with similar units in Colombia and Peru.

This critical joint working relation- ship is made impossible by Mexican policies that do not allow for adequate immunities or physical security for U.S. agents while working in Mexico. This is an inescapable sign of lack of cooperation.

A related problem for the Task Forces is the low quality of intel- ligence provided by Mexico. Mr. Con- stantine testified before the Foreign Relations Committee that he is not aware of a single occasion in the past year during which the promised intelligence leads from Mexican agents to their American counterparts led to a signifi- cant seizure of drugs coming across the border. Not one. Intelligence flows in only one direction—south.

Not one. Intelligence flows in only one direction—south. The Administration has a duty to report truthfully to Congress and the American people. It has failed to do so in the case of Mexico."

Clearly, the best option for Mexico, both last year and this, would have been to identify and waive the sanc- tions on national interest grounds, as we did with Colombia this year. That is the appropriate category for an ally with whom we need to work, and who is making progress, but who has not met the standard of “full cooperation.”

In the meantime, we should make very clear what we expect in the way of improved cooperation:

- Improved enforcement and increased seizures and arrests across the board:
- A strong and sustained effort to dis- mantle the cartels, including the arrest of their top leaders;
- The actual extradition and surrender of Mexican nationals wanted on drug charges, without undue delays;
- A sustained program to root out cor- ruption, including more widespread vetting and prosecutions of corrupt offi- cials;
- Full implementation and enforce- ment of money-laundering statutes, with vigorous prosecution of violators; and
- Improved cooperation at the law enforcement level that inspires trust and confidence in our agents, and includes intelligence sharing and adequate security measures.

If Mexico achieves each of these goals, or even makes significant and consistent strides toward them, the supply of drugs will undoubtedly be di- minished. And I, for one, would be an enthusiastic supporter of Mexico’s full certification.

While this is not the resolution I had hoped we would vote on, it is the Senate’s only opportunity to render its verdict on the decision to certify Mex- ico. I urge my colleagues to support this resolution, and stand for genuine full cooperation.

I yield the floor at this time. I know others wish to speak.

Mr. BIDEN. Parliamentary inquiry. As I understand, I have indicated that the allocation of time was based on Demo- crat-Republican, as opposed to sup- porting and opposing the amendment. Although I have a great affection and loyalty to my friend from California, I have a diametrically opposed position.

I ask unanimous consent the time she consumed be charged not to those in opposition to the amendment but those who support the amendment, meaning Senator COVERDELL. I am managing the time of those who are op- posed to the amendment of Senators COVERDELL and FEINSTEIN.

Ms. MOSELEY-BRAUN. Will the Sen- ator yield?

Mr. BIDEN. And I ask for that unani- mous consent.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. I will not ob- ject. I raised a point in that regard.

I am very strongly in support of the resolution to disapprove, and I am pre- pared to speak to that. I was not aware
there was a time agreement based on which side of the aisle you were on. I would very much like an opportunity to speak to this issue. I spoke earlier with Senator FEINSTEIN, and I thought there would be that opportunity. At this point, if you make your unanimous consent request, I would like to see if it is possible to reserve 15 minutes to speak to this issue.

Mr. BIDEN. Mr. President, I don't know if there is. I can almost assure the Senator that my friend from Georgia probably does not have 15 minutes.

Mr. COVERDELL. I have 15 minutes.

Mr. BIDEN. The PRESIDING OFFICER. If the unanimous consent request of the Senator from Delaware is accepted, the Senator from Georgia will then control 16 minutes and the Senator from Delaware will control 32 minutes.

Mr. COVERDELL. In good conscience, the time had to be divided by side. So I accept it, and I will get with the remaining Senators on our side, and we will try to accommodate them as best we can.

I might also suggest that the vote is occurring at 7:25 in order to accommodate Senators. There is nothing that would prevent the Senator from continuing to speak on this following the vote. In fact, it is anticipated. I think some of the longer remarks, if you are prepared to speak for 15 minutes, could be made after the vote.

The PRESIDING OFFICER. Is there objection?

Ms. MOSELEY-BRAUN. In that case, Mr. President, again, I will not object at this point, if I reserve the longer part of my remarks for following the vote, after the vote, or submitted in the RECORD, I would like an opportunity to be heard even briefly before the vote is taken. In that regard, I ask unanimous consent to have 5 minutes.

The PRESIDING OFFICER. The time in favor is under the control of the Senator from Georgia.

Mr. BIDEN. That is fine. The PRESIDING OFFICER. Without objection, the Senator from Illinois will receive 5 minutes of the time of the Senator from Georgia.

Is there objection to the request of the Senator from Delaware?

Mr. TORRICELLI. Reserving the right to object, if I could inquire as to the knowledge of the Senator from Georgia from many speakers he has, so we have some idea how this might be allocated.

Mr. COVERDELL. I have, counting the Senator from Illinois, seven. They will like to be brief.

Mr. TORRICELLI. Indeed. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Without objection, it is so ordered.

Mr. BIDEN. Further parliamentary inquiry, and I asked of you to explain in opposition to the amendment yet, other than the Senator from Delaware who I believe, spoke about 2 minutes?

The PRESIDING OFFICER. No.

Mr. BIDEN. I am confused then as to why I only have 32 minutes left. I thought there were 45 minutes on a side at the outset.

The PRESIDING OFFICER. The Chair will confer with the timekeeper.

Mr. BIDEN. In the meantime, I yield to my friend from Connecticut 15 minutes.

Mr. DODD. I will try to abbreviate my remarks in light of the fact this is going to be a truncated debate.

Let me begin very briefly by saying we are back at this again year after year after year dealing with a fundamentally flawed procedure. It is so flawed in my view that Senator McCAIN and I tried last year to get rid of the current certification process and to try to encourage the administration to come up with an alternative mechanism by which we, as a body, in Congress could express our deep and legitimate concerns about the growing problem of drugs coming into our country, and their increased use throughout this country, without damaging the ability of the United States to obtain cooperation for other governments in combating which is a transnational problem.

I fundamentally believe that while the certification process might have had some utility when it was first enacted in 1986, it has long ceased to be helpful in encouraging other governments to combat the production, transit and consumption of illegal drugs. For those of us who were in the Senate at that time, we remember well why we crafted the existing statute. It was intended to get the attention of the executive branch on this issue, because at that time they were doing very little to work with other governments to put together credible bilateral counternarcotics programs.

The administration got the message, as have subsequent ones. Nevertheless, we continue to go through this process still. We find ourselves year in and year out coming back to this process again in a really in a debate about whether or not we will cut off Mexico from getting IMF, World Bank, or Inter-America Development Bank assistance, which if we did would create problems for us and for Mexico. Let's remember that Mexico is a close neighbor, one with which we share a 2000 mile border and a complex web of very important and complicated day to day relationships. Only one of these issues. It is a very serious issue, but only one of very many.

I see my colleague from New Mexico on the floor, and my colleague from Texas, both of whom are more well aware that most of us as to exactly what the nature of our overall relations with Mexico.

I hope, Mr. President—maybe in vain once again—to make a plea to our colleagues, as I did earlier today to representatives of the executive branch, to take some time this year, sit down with responsible people who care about this issue, and see if we cannot construct a bill by which we can express our concerns about this issue. I want to ensure that we get the maximum cooperation with every major producer and transit country in this hemisphere and elsewhere around the world. But the current system of certification isn't doing that.

My colleague from Georgia has heard me say many times that I believe he has proposed the framework of a very good idea with his suggestion that we form an alliance with other countries in order to tackle this problem. I think I am becoming a stronger supporter of the COVERDELL idea than Senator COVERDELL is himself at this point.

I think we need to have a little more balanced perspective about what the U.S. part of the problem. United States consumers spend $55 billion annually on illegal drugs. Mr. President, $55 billion in drug revenues comes from American pockets. American monies are helping to bankroll the very Mexican corruption that my good friend and colleague from California is talking about. This isn't being funded by Mexican dollars; it is funded by U.S. dollars. We are 5 percent of the world's population, yet we consume over 50 percent of the illegal drugs in the world in this country.

So when we debate this issue in the context of the annual certification process, we need to focus on ourselves as well as on the activities of producing and transit countries and money laundering countries. Yet somehow our culpability seems to get lost in the debate. It is time for us to take a good look in the mirror. If we as a nation didn't consume these illegal substances in such great quantities and at such enormous human and monetary cost, then it would not be as profitable a business as it has become. That is not to excuse our neighbors who also must bear responsibility for failing to maintain credible law enforcement institutions to cope with the supply side of the equation.

We need to try to keep this in perspective. As angry as we get about what happens in nations and countries in Asia and Latin America, and especially with respect to our neighbors to the south, it would be healthy if we also would take some time to recognize that children in Chicago, or Hartford, or Atlanta, or Los Angeles are not consuming these illegal drugs solely because somebody in Mexico wants them to. It is also because we are not doing enough here at home, to address some of the underlying reasons why these children are driven to use drugs.

The idea that if we scream loud enough at these other countries, we are going to somehow solve the problem here at home without doing anything else ourselves, I don't believe is a foolhardy notion. We need to figure out a way in which to get far better cooperation with other nations in addressing the supply side of the equation while at the same time working here at home on demand.
There are a lot of statistics, Mr. President, which the administration and others have put together here. General McCaffrey is not a lightweight and he works at this everyday. If he thinks that Mexico should have been certified, and he did, than I have to agree with him.

The decision that was made on certification was made in consultation with the Attorney General, the Secretaries of State and Defense, and the Director of the Office of National Drug Policy, General McCaffrey. All concerned—knowledgeable people who care deeply about this issue—and believe that certifying Mexico would be a major, major mistake and cause us major, major problems.

I believe that the President’s decision was based on a realistic assessment of what Mexican authorities were capable of accomplishing last year and what, in fact, they did accomplish. Perfection? No. But there was real progress. They need to continue to move in the same direction this year.

That assessment, I might point out, appreciated that there were institutional constraints that faced Mexico—a great deal of poverty, budgetary constraints, a weak judiciary, and corruption, things that my colleague from California has identified. Mexico is a country that is struggling economically.

I will outline quickly some of the major issues that were measured.

Trustworthiness of law enforcement counterparts. We are all well aware that Mexico has serious problems in Mexico, generally within the law enforcement and the military. The Mexican government has confronted that problem head on.

The Mexican authorities discovered in 1997 that the head of their anti-drug agency, General Jose Gutierrez Rebollo, was implicated in major narcotics-related corruption with Amado Carrillo Fuentes, one of Mexico’s most significant drug traffickers. They moved quickly to arrest and prosecute him.

They did so even though, at the time, this was a major embarrassment to the Zedillo government.

Recognizing that the drug mafia had extensively penetrated its National Counternarcotics Institute—its primary drug enforcement agency, which General Rebollo headed, the Zedillo government totally dismantled that agency because they felt he wasn’t the only problem, there were others. That was done at the last year and a half. That is an indication of progress.

U.S. law enforcement agencies have helped Mexico to rebuild its drug enforcement apparatus. Progress against corruption is the most visible evidence that Mexico is serious about routing out corruption, as was the handling of the Rebollo matter. He was expeditiously tried, convicted and sentenced.

Let me remark on the story that ran in today’s New York Times concerning certain allegations made by General Rebollo against other members of the Mexican military. First, I tell you, Mr. President, that there is nothing new in the story. General Rebollo made these same allegations during his trial in an effort to get off the hook. To say things self-serving is an understatement.

I have to doubt that the timing of the selective leak of portions of a classified report is not coincidental. It was obviously intended to influence today’s vote.

The administration has stated for the record that available intelligence information does not support the Rebollo accusations. And I believe we should accept that assessment.

With respect to the judiciary, Mr. President, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican supreme court arbitrarily appoint judges; judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Leaving aside the Rebollo issue, there is other concrete evidence of the Zedillo government’s commitment to addressing government corruption and cronyism.

With respect to the judiciary, the Zedillo government has instituted new procedures for the selection of judges. No longer can the Mexican Supreme Court arbitrarily appoint judges; rather, judicial appointments are now made based upon examinations. Under new review procedures, three sitting judges have been removed from the bench to date.

Finally, some 777 Mexican Federal Police have been dismissed from their jobs because of drug-related or corruption charges.

However, Mexico is not China where government officials rule by fiat. Rather, just as in the United States, Mexican law makes available grievance and other appeals procedures to dismissed government personnel. Because of these appeals, the government has been forced to reinstate some 268 of these individuals.

And, despite what some of my colleagues would have you believe, not one of these individuals has been assigned to counter narcotics or other sensitive law enforcement duties. They’ve been given what we call here in the U.S. “desk jobs,” pending further action by Mexican authorities to seek to permanently dismiss them.

All of this represents progress on the corruption front.

EXTRADITION

With respect to extradition, for the very first time the Mexican government has approved the extradition to the United States of five Mexican nationals—wanted in the U.S. on drug-related charges. As in the United States, these cases are subject to habeas review and are currently on appeal in Mexican courts.

I would remind my colleagues that Mexican authorities have sought to cooperate in other ways with the United States in this very sensitive area. They have availed themselves of various procedures at their disposal and have used other means of turning over fugitives to us, including deportation or expulsion, when that has been legally permissible under Mexican law.

In fact, it was through the expulsion process that the United States obtained custody of a major drug figure, Juan Garcia Abrego—a leader in the Gulf Cartel and someone who had the dubious distinction of being on the FBI’s Ten Most Wanted List.

That is cooperation.

DRUG SEIZURES

There have been some real successes on the drug seizure front. Cocaine seizures were up by 48 percent over 1996—

And let me point to another very interesting statistic. Based upon recent statistics of U.S. cocaine seizures on the Southwest border in comparison to Mexican cocaine seizures, for the first time, Mexican officials out performed U.S. border officials in the seizure of cocaine shipments.

OPIUM ERADICATION

Opium eradication was also up last year to 17,416 hectares—a four year high. The eradication of marijuana crops was also on the rise. Some 23,385 hectares of marijuana fields were destroyed in 1997.

DISRUPTION OF TRAFFICERS

We all recognize that the best way to disrupt drug organizations is to apprehend their mid-level and top leaders. There is clearly progress to report on that score as well.

Perhaps the most remarkable event last year was the death of drug kingpin Amado Carrillo Fuentes, the infamous head of the Juarez cartel, as he underwent surgery to alter his appearance in order to evade Mexican law enforcement authorities. Had he not felt that these authorities posed a credible threat, he would never have undergone this procedure. His death was a severe blow to the Juarez cartel organization.

I ask unanimous consent that a chart be printed in the Record.

There being no objection, the chart was ordered to be printed in the Record, as follows:
Mr. DODD. As you can see from the chart printed above, a number of major well known second-tier cartel figures, including Oscar Malhebe of the Gulf/Juarez Cartel, Adan Amecuzca of the Amecuzca/Colina Cartel, and Manuel Bitar of the Infamous Juarez Cartel have also been arrested by Mexican authorities and their extraditions have been approved.

In addition, if you look further down on the same chart, seventeen major traffickers including Felix Gallardo of the Tijuana Cartel, are behind bars and serving sentences anywhere from nine to forty years. Moreover, thanks to joint operations between United States and Mexican authorities, there have been extensive indictments of key players in the Tijuana cartel.

These events all represent significant advances in disrupting the major drug cartels.

ISSUE 7—MONEY LAUNDERING

In 1996, the Mexican Congress enacted new statutes criminalizing money laundering—heretofore, as in the case of many other countries, it was not a crime. The complicated regulations implementing that law were issued just last year.

Currently, Mexican authorities have more than seventy cases under investigation based upon these money laundering statutes—sixteen of them, jointly with U.S. Treasury officials.

Clearly, that represents progress in the area of money laundering.

ISSUE 8—CHEMICAL CONTROLS

Last December, the Mexican Congress passed comprehensive legislation designed to regulate precursor and essential chemicals as well as equipment for making capsules and tablets. This law is very broad in scope, and once fully implemented should be very effective in monitoring and regulating important ingredients in the illegal drug trade.

ISSUE 9 AND 30—OVERFLIGHT AND MARITIME COOPERATION AND ASSET SEIZURE

Overflight and maritime cooperation has steadily improved. Similarly the Mexican Congress is in the process of considering legislation to permit Mexican authorities to utilize asset seizures and interim seizures as tools in their prosecutions of drug criminals.

Mr. President, this has been a somewhat lengthy and detailed accounting of what has happened with respect to U.S.—Mexican counter narcotics cooperation during the past year. I believe that it paints a clearer and more accurate picture of what has transpired with respect to Mexican counter narcotics cooperation. I believe that it demonstrates a clear pattern of genuine cooperation between our two governments. I would hope that my colleagues will ultimately come to the same judgement.

IMPLICATIONS OF PASSING RESOLUTION

Mr. President, as our colleagues digisthe statistics and details of what has transpired over the past year, I would hope they would keep in mind the "big picture" as well.

What do I mean by that? I mean that first and foremost we should remind ourselves why the Congress enacted the drug certification law in the first place—namely to ensure that the United States would seek meaningful cooperation from other governments in the counter narcotics area.

And why did we seek to promote international counter narcotics cooperation?

We sought to do so, as Mr. Thomas Constantine, DEA Administrator testified in February of this year because, "It is difficult—sometimes nearly impossible—for U.S. law enforcement to locate and arrest these (drug cartel) leaders without the assistance of law enforcement in other countries." Clearly Mr. Constantine must have had Mexican law enforcement in mind when he made that statement.

There are some very fundamental questions that I believe we should ask ourselves as we decide how to vote on the pending resolution. Will cutting off economic assistance to that country improve counter narcotics cooperation? Will voting against loans to Mexico in the IMF, the World Bank, or the InterAmerican Development Bank encourage cooperation?

Will suspending export trade credits from the U.S. Export Import Bank or the Commodity Credit Corporation encourage cooperation? Most importantly, will voting against the President's decision with respect to Mexico improve cooperation between Mexico and the United States?

I think the answer to each one of these questions is fairly obvious—No!
had held up some impossible standard for Mexico to meet. Well, if you look at the text of the Presidential determination certifying Mexico, signed by President Clinton, it is not a standard of perfection that we ask of Mexico. It is this:

I hereby determine and certify that Mexico has cooperated fully with the United States, or has taken adequate steps on their own to achieve full compliance with the goals and objectives of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs.

That is the standard—"cooperated fully and taken adequate steps." I suggest to my colleagues that we have a moral and a legal obligation to measure this vote by that standard. It is not some standard of perfection. It is a standard of whether they have fully cooperated and whether they have taken adequate steps. I further suggest that if you look plainly and clearly at the compelling evidence, by every standard and measure Mexico has failed to fully cooperate and they have failed to take adequate steps.

The government of Mexico has yet to extradite or surrender a single Mexican national wanted in the United States on drug charges, despite the fact that there are 27 outstanding requests. In fact, no Mexican national has been surrendered.

The Bilateral Border Task Force, which was described by the administration last September as the “cornerstone of U.S.-Mexico cooperative enforcement efforts” has yet to become fully operational, and has been completely ineffective. This failure is due to a lack of funding by the government of Mexico, corruption, and the failure of the Mexican Government to allow DEA agents to carry weapons. Is this what we consider “cooperating fully and taking adequate steps?”

According to the Deputy Attorney General testifying before Congress, “None of the senior members of the Arellano Felix Organization (AFO) has been extradited to the United States, not even the head of the Tijuana Cartel—the second most powerful drug cartel in Mexico, continues to operate unimpeded. Is this what we consider “taking adequate steps?”

Mr. President, the answer is obvious—the Government of Mexico has not cooperated fully in this most important war for the lives of our citizens, and has not taken adequate steps to engage in this war on their own.

In fact, seizures of methamphetamines in Mexico in 1997 was less than one-fourth the levels attained in 1996 and seizures of heroin have been cut in half. In Texas, Mexico’s record of drug seizures this past year are far short of adequate and are best characterized as a dismal failure.

Coupled with these poor seizure rates of drug related arrests were down in 1997—and were almost a third of the arrests made in 1992. Again, not adequate, but wholly inadequate—not progress but retrogression.

The failure of the Government of Mexico to move against the major drug producing and transporting Mexican Cartels, their failure to make significant drug seizures and arrests, and their failure to cooperate fully with U.S. counter-narcotic efforts has led to a dramatic increase in the supply of drugs entering the United States. The results are both known and predictable. As the supply of drugs goes up, their prices go down. Street prices for cocaine, heroin and marijuana—key substances—are at their lowest levels in years—making these deadly drugs more affordable for our children and more available for the troubled addicts lining our country’s shattered neighborhoods. This cheap price may be why heroin use is increasing so rapidly—with those under the age of 25 being the largest new heroin user population. Likewise, according to the administration, cocaine use is again on the climb. With the new users falling in the age of 12 to 17.

Mr. President, there are real faces of real children behind these stark numbers. They live in urban and rural in Arkansas, and across the country. This war has cost us tens of thousands of lives. And yet we are not making real progress. And we are not making real progress because the government of Mexico has failed to prevent this drug traffic across its borders. This is not a standard of perfection. Have they cooperated? Have they taken adequate steps? And they have not "cooperated fully." If the annual certification of Mexico is anything more than an empty political exercise, one must vote to decertify in view of the clear and convincing evidence. We must not be like the ostrich—head in the sand—pretending everything is O.K.

Mr. President, your honesty demands a yes vote on this resolution to decertify Mexico. So, Mr. President, I could go on and on. Senator Feinstein did it very well. By every measure, Mexico has failed. It is not a standard of perfection. Have they cooperated? Have they taken steps? They have not. We do not have some fantasy obligation; we have a moral and legal obligation. If words mean anything, we must judge Mexico simply by what it has done and what it has not done. In fact, seizing of drugs is nothing new—everybody has done it. But they haven’t been cooperating, do things like take away IMF, the World Bank, and other assistance, all in the name of making Mexico cooperate, do you know what will happen? Every headline across their country will clearly state: "Los Americanos no quieren los Mexicanos," "They don’t like Mexicans." That is what it will say in big headlines this thick. That is not going to result in cooperation.

What we need to do is repeal the certification statute. It is useless. And we need to replace it with something that will measure cooperation by law enforcement people.

Let me ask you one more time. If things are not going well between Mexico and America regarding drugs, you stand up and tell the U.S. Senate that you will vote with us to de-certify and things will get better. You stand up and say that—any Senator. Just give us a minute or two so we can get up and tell you they will get worse, and that is because this certification law is some kind of an anomaly that doesn’t really fit the relationship between Mexico and America today.

Let me close. For the Mexicans who are listening, don’t think the Senator from New Mexico is excusing your lack of performance. I was the first one to jump on Mexico for not extraditing Mexican drug lords back here to be tried.

But let me tell you, they have to do better. I don’t believe will do one bit better if we decertify. I don’t believe the President ought to sign the
decertification, and we ought to get on with doing something constructive, instead of destructive which will cause no good to America or Mexico.

Thank you for the time.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the chairman.

Mr. President, I rise today to strongly urge my colleagues to support this resolution to disapprove the certification of Mexico under the Foreign Assistance Act for Fiscal Year 1998.

On February 26th, the President certified that Mexico had “fully cooperated” with the United States in its drugfighting activities.

Even a cursory examination of Mexico’s recent anti-drug record demonstrates that it has clearly not earned that certification.

Because it has become so plentiful in our country, in many areas it is easier to purchase cocaine than cigarettes. Drugs are destroying our children’s futures and eating away at the fabric of our society.

Yesterday it was announced that a new anti-drug strike force created by the city of Chicago and Cook County seized 700 pounds of cocaine worth $40 million in a single home in a Chicago suburb.

Cook County States Attorney Dick Devine said that the cache of drugs seized was enough to “provide a hit for every man, woman, and child in Chicago.”

I applaud the strike force for hitting the jackpot in this seizure. They have yielded 3 minutes to the Senator from Illinois.

I am aware that, in a few areas, a decrease in drug seizures may be a sign of reduced drug use. To the extent that is true, it can be a welcome signal. But if we are going to follow the dictates of the current law, the answer is not to pretend that the facts are other than what they clearly are.

Mexico has simply not met the standards necessary to qualify for certification.

For fiscal year 1998, the U.S. has appropriated $15.38 million in standard foreign assistance to Mexico that would be cut off. This assistance includes funding for programs which seek to stabilize population growth; assist health education initiatives; encourage the development of drug rehabilitation programs; and strengthen democracy.

In indirect assistance, Mexico could lose billions of dollars. Mexico’s economy would likely be severely affected as financial markets react to the United States vote of no confidence in the government. The United States would be required to withhold support for multilateral development bank loans to Mexico. Also at stake are hundreds of millions of dollars of export financing through the export-import bank.

In fiscal year 97, the Exim Bank authorized $1.05 billion for Mexico that would not be available.

There would be other financial ramifications, and it would change the nature of our relationship.

The law providing for certification states in Section 490 of the Foreign Assistance Act, that the President must submit to Congress by March 1 of each year a list of major illicit drug producing and transiting countries that he has certified as fully cooperative and therefore eligible to continue to receive U.S. foreign aid and other economic assistance. This sets in motion a 30-calendar day review process in which Congress can disapprove the President’s certification and stop U.S. foreign aid and other benefits from going to specific countries. The ball is now in our court.

If we are concerned about sending signals, disrupting commerce, or chilling our economic partnership with Mexico, then we should admit that this law is not enforceable and we should amend or repeal it.

Perhaps, under current law, the President’s choices are too limited. I know that Senator HUTCHISON and Senator DOMENICI would like to pass a law creating a new option for the President that would be known as “Qualified Certification.”

But if we are going to follow the dictates of the current law, the answer is not to pretend that the facts are other than what they clearly are.

Mexico has simply not met the standards necessary to qualify for certification.

We have an obligation to the people of the United States to do everything in our power to stop drugs from coming into the United States.

So, until Mexico gets tough with its drug traffickers, we must get tough with Mexico.

Mr. President, this is why I stand here. I have seen firsthand the effects of the poison that is coming across our borders in community after community. I have seen families destroyed by the prevalence of cocaine and heroin methamphetamine to the extent that in some communities it...
is almost easier—the popular wisdom is that it is easier—to get cocaine than it is to get cigarettes.

We have to at some point stand up and say reality is what it is. We as the Senate have a responsibility to say, our relationships notwithstanding, that you have to do better. And the only way we are going to get that process started is to pass this resolution.

Last year this debate went on, and we were going to give them a pass for another year. It hasn’t gotten any better. And the only way we are going to get that process started is to pass this resolution.

I encourage strong support for the resolution.

I thank the Chair.

I yield the floor.

Mr. BIDEN. Mr. President, I yield 7 1/2 minutes to my friend from Massachusetts.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 16 minutes 50 seconds.

Mr. BIDEN. I yield 8 minutes to my friend from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Chair.

Mr. President, I come at this somewhat differently from a number of my colleagues. I do not agree with those who say that the certification process does not work. I have been involved in this issue deeply for all the years that I have been in the Senate. I think the debate in the Senate last year sent a very clear signal to the Mexican government that we expected some real movement on the counter narcotics front this year and that certification could be in jeopardy if there was no movement. I think they got the message.

Last year, I believed very strongly that the President should not certify that Mexico was fully cooperating because I believed that the Mexican government’s performance did not measure up to the standard. During the Senate’s debate I argued that if he was going to do anything, he should certify Mexico on the basis of a national interest waiver. That would have more accurately reflected the situation that we found ourselves in at that time and the real rationale underlying the certification decision. The President didn’t do that. We had a vigorous debate here on the Senate floor and ultimately addressed our concern about the lack of progress through a joint resolution which was overwhelmingly supported. And I supported it. But it was because of that effort that I believe we are, in fact, in a different position this year.

For we had said that the certification process doesn’t work, just look at Colombia. This year the President was able to certify Colombia with a national interest waiver. Nobody is here screaming about decertifying Colombia, because, in fact, because of the prior years’ decertification, we finally were able to elicit some progress from Colombia.

So I am not in that camp that comes to the floor suggesting that certification has no meaning and cannot affect behavior. I am in that group that comes to the floor suggesting that the debate we had last year did send the signal and, in fact, there are differences that you can measure this year, which in fairness we ought to measure and make a judgment about.

I have the deepest respect for the Senator from Georgia and the Senator from California. I think they do a great service by pointing out all of the weaknesses. I think the Senator from California has done an incredible job of researching, understanding, and laying out for the Senate the very clear set of deficiencies which need to be addressed. But when we come to the floor one year and criticize them for corruption in their law enforcement agencies, and then they reconstitute their whole structure for law enforcement in an effort to corruption, we cannot come back this year and suggest that what they have done is not enough and will not enable them to make progress on the rest of the things that we want them to do.

I believe the Mexican government has made a genuine effort over the last year and that Mexico’s record has improved in a way that is measurable. By no means is Mexico’s performance anywhere near perfect, but I believe this record of recent action by the U.S. Senate is to say to them that they are on the right track and to give more time to see if they can make further improvements. I believe that the balance sheet before us today is significantly different from the one before us a year ago. If my colleagues look at this balance sheet fairly, I think they will agree that decertification is not the right approach this year.

As my colleagues know, last February, shortly before President Clinton made his decision on certification, Mexican authorities arrested General Jesus Gutierrez Rebollo, then head of the National Counternarcotics Institute (INCD). Gutierrez Rebollo, as we now know, was on the payroll of one of Mexico’s most powerful and notorious drug traffickers, Amado Carillo Fuentes. The arrest of Gutierrez symbolized the endemic drug corruption among Mexican law enforcement officials and their failure to fight the war on drugs. As the facts of the case emerged, it became apparent that Gutierrez had arrested only those traffickers who worked for rivals of Carillo Fuentes—a development which suggested that arrests were being made as a product of inter-cartel rivalries than legitimate law enforcement activities. As I have said, only time and further investigation will demonstrate whether there were alliances between other senior military officials and major traffickers involved in this case.

Throughout 1996 the Mexican government had taken no meaningful steps to address the problem of drug corruption within the law enforcement agencies. Although federal police officers were fired for corruption, none had been successfully prosecuted. Nor was Mexico’s performance much better with respect to other indicators such as extraditions to the US, drug related arrests or implementation of laws dealing with money laundering and organized crime.

The threat posed to the United States in 1998 from drug trafficking organizations in Mexico is little different from that posed in 1997. What is different, however, is the effort made by the Mexican government over the last year to deal with the primary obstacle to successful counter narcotics efforts: drug corruption within its own ranks.

After the arrest of Gutierrez Rebollo on corruption charges, the Mexican government moved to reconstitute its drug law enforcement structure and to institute new vetting procedures to deal with the problem of corruption. The National Counternarcotics Institute (INCD), Mexico’s drug agency, was abolished and a new agency, the Special Prosecutor for Crimes Against Public Health (FEADS), was created under the Office of the Attorney General (PRG). A new Organized Crime Unit (OCU), established pursuant to the 1996 Organized Crime Law, has been established in the FEADS headquarters under the Attorney General’s Office. When fully constituted, the OCU will have sub-units for each of the areas covered by Mexico’s organized crime law including organized money laundering, narcotics, kidnapping and terrorism.

A Financial Crimes Unit has been set up under the Ministry of Finance, air-mobile special counter-drug units now operate under the Secret of National Defense and riverine units under the Mexican Navy. The Mexican government is also reconstituting Federal Border Task Forces, although at present it is fair to say that the accomplishments in this area are few and that our own Drug Enforcement Agency refuses to allow American agents to cross the border for fear of their own security.

Changing of the organizational chart means little unless steps are taken to ensure that the individuals working in these agencies are not corrupt. Since August 1996 the Mexican government has dismissed 777 federal police for corruption. Of these 288 have been ordered reinstated because of procedural errors in the dismissal process. However, it is important to note that their charges on drug corruption have not been dropped, and they have not been re-signed to counterdrug jobs. I know my colleagues who oppose re-signing these reinstatements as evidence of Mexico’s failure or lack of political will to deal with the corruption problem.

While I understand their skepticism, and perhaps share some of it, I believe
that it is too early to rush to this judgment. Our own Civil Service law provides an appeals process for US government employees who have been dismissed, and our Foreign Service Act allows officers who have been dismissed to redress their wrongs through the appeals process. The real test on this issue is the ultimate fate of these individuals who have been reinstated and whether they are dismissed for corruption in the end and whether they are processed quickly.

Last year the Office of the Attorney General opened corruption or abuse of authority cases against over 100 members of the federal judicial police and over 20 federal prosecutors. Links between the traffickers and judges as well as the judiciary’s lenient attitude toward narco-traffickers and others brought up for drug related offenses are major obstacles to an effective counter narcotics effort in Mexico. The Mexican government has finally begun to deal with this problem. The Mexican Judicial Council has recommended that charges be brought against three sitting judges for corruption and five judges have already been dismissed. The selection process for Supreme Court judges allowed for judicial appointments based on examination. Last year the first group of judges selected by this method was seated. Admittedly these are small steps, but they are positive ones.

The Mexican government has also put into place new, more rigorous processes for vetting those who will work in the newly established law enforcement structures. The Attorney General’s office requires that all personnel assigned to FEADS (the Special Prosecutor’s Office) pass suitability examinations. Those in sensitive units like the Organized Crime Unit are now screened through procedures which include extensive background checks; psychological, medical, drug and financial examinations; and polygraphs. According to Mexican officials, these checks will be repeated periodically during their tenure. Ultimately all employees working in the Attorney General’s office are to be screened but those working in most sensitive units like FEADS and the OCU are the first to be screened. To date, 1300 have been through the screening process.

US law enforcement agencies including DEA and the US Customs Service are assisting the Mexican government, at its request, in establishing comprehensive vetting processes and training those who conduct polygraphs and other technical examinations. For example, according to DEA Administrator Constantine, DEA has provided assistance to the Organized Crime Unit in the development of personnel selection systems and provided extensive narcotics enforcement training to the new OCU agents.

I believe the very fact that US law enforcement agencies are working closely with Mexican government officials on this vetting process is enormously important to the ultimate goal of establishing corruption-free law enforcement agencies in Mexico. That cooperation could be seriously jeopardized if we decertify Mexico at this point.

Since the Mexicans have chosen to put thorough screening processes in place, these new law enforcement entities are not fully staffed, and as a result their capacity to undertake investigations is somewhat limited. Nevertheless, by the end of last year, FEADS was conducting investigations and enforcement actions both unilaterally and in conjunction with US law enforcement agencies. Only time will tell whether these entities will be up to the task and whether the vetting processes now being followed will eliminate the corruption that has thwarted the Mexican government’s ability to deal with drug traffickers effectively. However, I believe fairness requires that we recognize the progress the Mexicans have made this last year to revamp its structure and personnel and that we give it some time to produce results. This year, in my judgment, is a transitional year for Mexico. If these entities are not fully staffed and fail to make some major inroads on the trafficking problem, then this Senator, for one, will find it very difficult to support certification next year.

I know that many of my colleagues who oppose certification make the argument that Mexico’s cooperation is only at the political level and that at the working level, it is simply insufficient to warrant certificated. They cite various arguments including the fact that Mexico has not extradited or surrendered one Mexican national to the US on drug charges, that none of the top leaders of the Carrillo-Fuentes, Arellano-Felix, Caro-Quintero or Amezcua-Contreras cartels have been arrested; that seizures of precursor chemicals are down. I totally agree with their argument that Mexico needs to do more in these areas, but I believe if you look at the statistics, you will see a positive trend. For example, in 1997 Mexico ordered more extraditions to the United States (27) than in the previous two years—a positive step. Fourteen of these were fugitives, whose extraterritorial actions have been criminal. One Mexican national wanted for fraud crimes and to complete sentences. Five of the 14 are Mexican nationals wanted for drug crimes but none of these have yet been surrendered. Nonetheless, the fact remains that Mexico has yet to turn over a Mexican national wanted for drug crimes to the US. Clearly we need improvement in this area.

Turning to the question of arrests, it is true that Mexican officials have not apprehended the leadership of major trafficking organizations. However, it is also true that pressure from Mexican law enforcement agencies forced the head of the Carrillo-Fuentes organization, Amado Carrillo-Fuentes, to disguise his appearance through cosmetic surgery—an operation which resulted in his death—and move some of his organization’s operations. Mexican law enforcement operations in the US, like FEADS and the OCU, are the first that demonstrate a positive trend. Mexican law enforcement officials, have resulted in some of the significant arrests of middle level cartel operators, such as: Oscar Malherbe de Leon, operations manager for the Gulf cartel; Adan Ponce Amezcua Contreras, a lieutenant in the Amezcua organization who trafficks in methamphetamine; Jamie Gonzales-Castro and Manuel Bitar Tafich, middle manager and money launderer respectively of the Juarez cartel; and Arturo E. Paez-Martines, a key lieutenant in the Tijuana cartel. While these individuals are not the kingpins, their apprehension has kept some pressure on the cartels and caused some career implosions. Another reason that Mexico’s new law enforcement institutions in the next year will be their ability and willingness to go after the kingpins.

I have always been skeptical of seizure statistics because they are valid only if one knows the universe of product available and often we do not. Nevertheless, the conventional wisdom seems to be that statistics have a story to tell so I will take a moment to review some of the statistics relevant to this debate. Although heroin seizures were down last year, seizures of opium increased. Mexican eradication efforts led to a decrease in the number of hectares of opium poppy and consequently the potential amount of heroin on the market. Mexican efforts to deal with marijuana production are similar. Mexican eradication efforts decreased the number of hectares of marijuana dramatically; at the same time, seizures went up to the highest level ever. Seizures of cocaine increased by 48 percent in 1997 as well. What is noteworthy in all of these areas is that Mexican efforts demonstrate a positive trend. However, the statistics for seizures of methamphetamine and ephedrine, its precursor chemical, are down, as some of my colleagues have pointed out. Given the growing methamphetamine market in the US, we must insist that Mexico’s efforts in this area improve.

I am convinced that seizures alone will not address the problem. The producers and traffickers must be targeted.

Mexico has taken some steps to improve its ability to deal with money laundering, including the passage of a money laundering law and the subsequent promulgation of regulations for currency transaction reports. Regulations for dealers dealing with international transactions are said to be imminent. Laws and regulations, regulations are meaningful only if they are implemented. Mexico has reopened some 70 cases and entered into 16 joint investigations with the US. I am hopeful that they will give Mexico some time in this area, with the caveat that we must see some results by this time next year.
Mr. President, last year, when the certification of Mexico was allowed to stand, we made it clear that genuine progress had to be made in 1997 if Mexico was to be certified again this year. On balance, I believe that Mexico has made progress and that fairness requires that it be certified.

I am prepared to see the President's certification stand this year. However, it is essential that we make it clear that this is a transitional year for Mexico—a year in which to build its new law enforcement agencies into effective institutions unaffected by drug corruption and dedicated to making some serious progress, but in which the whole system of crack-down on drug trafficking must be accelerated. Greater efforts must be made to target the leadership of the cartels. The problem of security for US agents working across the border must be adequately addressed and the border task forces must be reconstituted in a meaningful, productive manner. Prosecutions of those charged with drug corruption or drug related crimes must take place and efforts to root out drug corruption in all Mexican agencies dealing with drug trafficking activities must be accelerated. Absence progress in these critical areas, it will be difficult for Mexico to be certified next year.

The PRESIDING OFFICER (Mr. McCAIN). The Senator's time has well expired.

Mr. BIDEN. Mr. President, I yield 3 minutes to my colleague from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. BOXER. Mr. President, I would like to begin my remarks by commending the distinguished senior senator from California, Senator FEINSTEIN, for her hard work and leadership on this important issue.

Each year, the President must make a determination with respect to every nation that has been identified as either a major drug-producing or drug transit nation. He has three options: he can (1) certify that the country is fully cooperating with the U.S. or has taken steps on its own against drug activities; (2) decertify the country for failing to meet the “fully cooperating” standard; or (3) find that the country has not met the standards, but that it is in the vital national interest of the U.S. to waive the requirement.

For the country to continue receiving U.S. aid of various kinds, it must either be certified as “fully cooperating” or a national interest waiver must be provided.

Last year, I opposed certification of Mexico. The evidence at that time was clear that Mexico had not cooperated fully with the United States in fighting drug activity, either within Mexico or on our mutual border. While Mexico made some progress in 1997 in its anti-drug efforts, I believe it has not been enough to warrant certification.

Mexico is still a major transit point for cocaine shipments from South America. It is a major producer of marijuana and heroin, most of which is shipped to U.S. markets.

Most disturbing, the drug cartels based in Mexico operate as ever. While some cartel members have been arrested, according to the head of the U.S. Drug Enforcement Administration, “unfortunately, the Government of Mexico has made very little progress in the apprehension of known syndicate leaders.”

In fact, the cartels are getting stronger. According to the State Department’s Bureau of International Narcotics and Law Enforcement Affairs, the Mexican drug trafficking organizations’ criminal activities and corrupting influence are “significant enough to threaten Mexico’s sovereignty and democratic institutions.” They have reached a level of influence and intimidation in Mexico that the Government classifies them as the nation’s principal national security threat.

In light of this extremely dangerous situation, I believe the efforts made by the Government of Mexico to respond are inadequate. New laws on money laundering have been adopted, but have not yet been put into effect. Bilateral Border Task Forces were created to be the primary program for cooperative Mexican-U.S. law enforcement efforts, but were never really implemented, due to corruption, lack of security for U.S. officials, and the failure of Mexico to both its fair share of trans-border drug lords and domestic suppliers.

The President has utterly failed to announce worthy goals or to commit sufficient resources to fighting drug use. We are left with the rhetoric—but not the reality—of the drug war.

The President’s decision to certify Mexico is just the latest sign of surrender in the drug war. Since taking office, the Clinton Administration’s record on combating illegal drugs has been a national disgrace.

The first sign of surrender in the President’s war on drugs came within weeks of his first inauguration. After attacking President Bush for not fighting a real drug war, President Clinton announced that he was going to slash the Office of National Drug Control Policy staff from 146 to 25.

The ONDCP, commonly known as the Drug Czar’s office, is singularly responsible for coordinating our nation’s anti-drug efforts and the new President’s first act was to cut the agency by more than 80 percent.

But the reductions in the Drug Czar’s office foreshadowed more dangerous cuts. Its federal law enforcement and interdiction agencies. In its fiscal year 1995 budget, the Clinton Administration proposed cutting 621 law enforcement positions from the DEA, INS,
Mr. President, the Clinton Administration now proposes to cut such abuse during the next 5 years by just 20 percent. In other words, by 2002—two years after he has completed his second term—the President hopes to reduce youth drug use to 120% of the level when he first took office. If that is victory, I would hate to experience the President's idea of defeat.

Judging from the goals and targets recently proposed by the Drug Czar's office, it is clear that this Administration has no confidence in its ability to counteract the rise in illegal drug use. Whereas overall teen-age drug abuse has doubled since 1992, the Clinton Administration now proposes to cut such abuse during the next 5 years by just 20 percent. In other words, by 2002—two years after he has completed his second term—the President hopes to reduce youth drug use to 120% of the level when he first took office. If that is victory, I would hate to experience the President's idea of defeat.

Unfortunately, if we look around us, we can see overwhelming evidence of defeat. The Clinton Administration's cease-fire on drugs has had all-too-predictable consequences: The proportion of 8th graders using any illicit drug in the prior 12 months has increased 50 percent since President Clinton's first year in office. Marihuana use by 8th graders has increased 99 percent over that same time. Since President Clinton took office, cocaine use among 10th graders has doubled, as has heroin use among 8th graders and 12th graders.

Drug-related corruption among Mexican law enforcement officials continues to escalate, with the most obvious and devastating example being the arrest and conviction of Mexico's drug czar on charges of organized crime, bribery, and association with one of the leading drug-trafficking cartels in Mexico.

The Mexican Government also failed to make progress in dismantling drug cartels. In testimony before a Senate Subcommittee a month ago, DEA Director Thomas Constantine said that major drug cartels in Mexico are stronger today than they were a year ago.

Mexican seizures of heroin and methamphetamine were down sharply last year and drug-related arrests declined from an already low level.

By any objective criteria, the efforts of the Mexican Government over the period do not warrant certification. The Senate today could reverse the President's judgment and vote to de-certify Mexico, but if history is any guide, we won't. Congress has never overridden a Presidential certification. It seems that some of my colleagues are reluctant to do anything that might possibly embarrass the Mexican Government. Every year, they take to the floor to denounce the corruption and the lack of cooperation by the Mexican officials, and yet, whenever it comes time to withhold the smallest amount of foreign aid or actually sanction Mexico.

While these towers of timidity prop-ose launching another warning shot across the bow of the Mexican ship of state, they fail to recognize that our own culture is sinking under the weight of an illicit drug supply that flows through our porous Southern border.

The facts prove conclusively that the Mexican government has not achieved the numbers don't tell even the tiniest of its stated goals. By any objective criteria, the efforts of the Mexican Government over the period do not warrant certification. The Senate today could reverse the President's judgment and vote to de-certify Mexico, but if history is any guide, we won't. Congress has never overridden a Presidential certification.

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established by the 1988 U.N. anti-drug trafficking convention. Under current law, this is the standard by which we are to decide whether or not to certify a foreign government.

Mexico’s efforts over the past year do not even warrant a resolution. They are left with only one option—a straight up or down vote on decertifying Mexico. Although it is not a perfect solution, I will vote for telling the truth to Mexico. She can and must do better.

Mr. LEAHEY. Mr. President, on February 26, 1998, the White House announced that it had certified Mexico as a partner in combating international drug trafficking, stating that the Mexican government was “fully cooperating” in the war on drugs. However, in stark contrast to this claim, an assessment by the Drug Enforcement Agency (DEA) prepared in January and obtained by the New York Times states that the Government of Mexico has not achieved its counter-narcotics goals or succeeded in cooperation with the United States Government. ** The scope of Mexican drug trafficking has increased significantly along with the attendant violence.

Last year, the Administration concluded that the Mexican military is helping carry and transport drugs. According to a February 26, 1998, article in the New York Times, the DEA reports that none of the changes by and to Mexican law enforcement institutions “have resulted in the arrest of the leadership or the dismantlement of any of the well-known organized criminal groups operating out of Mexico.” In addition, no Mexican national was extradited to the United States to face drug charges, and the corruption of Mexican law-enforcement officials, judges, and government employees continues to frustrate United States efforts to build cases and apprehend drug traffickers.

Mr. President, if the administration deems this to be “super-lative” cooperation, I am concerned. And that is why I will support the resolution to decertify Mexico. I do not believe a faithful interpretation of the law can lead to any other conclusion than that the Mexican Government has failed to fully cooperate with United States drug control efforts.

Mr. President, I support this resolution because of its importance and because of the need that we continue to work with the Mexican Government in the fight against drug trafficking. I applaud the May 1997 Declaration of the United States-Mexico Alliance Against Drugs, signed by President Clinton and President Zedillo, and the ongoing collaborative efforts between American and Mexican law enforcement officers. I do not minimize the efforts the Mexican Government is making. However, it fails far short of full cooperation. And while I am mindful that decertification could strain relations between our two nations, that is not a justification for interpreting the law in a manner that is not supported by the facts. I am hopeful that Mexico will not view this decision, as a condemnation of its counter-narcotics efforts, but as a challenge to work more closely with the United States to improve them.

Mr. MURKOWSKI. Mr. President, I rise today to express my support for S.J. Res. 42. I also disapprove the President’s certification that Mexico is fully cooperating in the War on Drugs.

Last year, the Administration convinced Congress not to vote on a similar resolution, arguing that voting on such a resolution would hinder cooperative efforts with Mexico. So here we are, one year later, and the situation in Mexico is the same, if not worse than it was last year.

Just last week, a front page New York Times story cites a Drug Enforcement Administration report that indicates that the Mexican military is helping drug traffickers. As one anonymous official observed, if the indications of wider military involvement with traffickers are borne out, “it points to much of our work in Mexico being an exercise in futility.”

I do not believe we have not seen this report so I can’t say how accurate this story is, but it does raise the same concerns I had last year about the level of corruption in Mexico.

Last year, I joined 38 of my colleagues in signing a resolution introduced by Senators COVERDELL and FEINSTEIN, the sponsors of today’s resolution, calling on the President not to certify that Mexico was cooperating fully in anti-narcotics efforts. That letter went through in detail examples of where Mexico was unable or unwilling to deal with drug trafficking problems effectively. Those areas were: cartels; money laundering; law enforcement, cooperation with U.S. law enforcement; extraditions; and, corruption.

I hope the information I have received, it does not appear that the situation is improved in any of these six areas: Mexican cartels continue to expand their three, operations, and violence in the U.S.; anti-money-laundering legislation is not being enforced; concerns about the safety of DEA agents in Mexico remain unresolved; the much-touted cooperative Bilateral Task Forces are not operational; no Mexican nationals have been extradited to the U.S. on drug-related charges; and corruption remains chronic at every level in the military, the police and the government.

Therefore, I think the President made the wrong choice to simply say that Mexico was “fully cooperating” in efforts to combat international narcotics trafficking.

Mr. President, I do not make this decision lightly. Mexico is an important ally and we share a common border. I do not want to cut off our relations with Mexico over this issue, but I also think we make a mockery of our law by simply glossing over issues to make a certification.

I believe we would be better off if the President would say that Mexico is not fully cooperating, but then exercise his authority to waive the restrictions on bilateral assistance on national security grounds, as he did with Colombia this year.

Unfortunately, the President did not choose that path, and we in Congress are left with only one option—a straight up or down vote on decertifying Mexico. Although it is not a perfect solution, I will vote for telling the truth to Mexico. She can and must do better to combat the nagging problem plaguing our borders.

Mr. HELMS. Mr. President, I am confident that all Senators—and indeed millions of Americans—are deeply grateful to the able Senator from Georgia, Mr. COVERDELL, for his remarkable leadership on the drug issue. As chairman of the Foreign Relations Subcommittee
with jurisdiction over international narcotics affairs. Senator COVERDELL has developed an expertise here at home and overseas. He is a credit to both the Foreign Relations Committee and the Senate.

The joint resolution that Senator COVERDELL and I have brought before the Senate today concerns a very complex issue. But, it can be boiled down in terms of its significance to 6 words: "The President should tell the truth."

The truth before us is Mexico—specifically, the President’s unwise and unjustified decision to certify to the U.S. Congress that the Government of Mexico is "cooperating fully" with America’s anti-drug efforts. That is precisely what Mr. Clinton told us on February 26.

Since then, we have heard the rest of the story. Regarding the role Mexico plays in the drug trade, the President’s own State Department tells us that "Mexico is a major transit point for U.S.-bound cocaine shipments from South America," and "(Mexico) is a major producer of marijuana and a significant producer of heroin, most of which is destined for the U.S.," and "Criminal organizations based in Mexico are among the most significant wholesale and retail distributors of methamphetamine."

These facts warn us that the United States simply cannot let the Mexican government off the hook when it comes to fighting drugs.

When the President certified Mexico’s full cooperation, he told us, "The U.S. is convinced of the Zedillo Administration’s firm intention to persist in its campaign against the drug cartels."

A few weeks later, the story changed. Mary Lee Warren, a senior Justice Department official, told a House Committee on March 18, "None of the senior members of the (Tijuana Cartel) has been arrested."

She also noted that charges dating from 1992 against the head of the Sonora Cartel "were dismissed."

And, she said that "Mexico had not charged or apprehended any principal of Mexico’s third cartel (the Amezcua organization)."

Senators surely will ask themselves, why does the President tell us that Mexico will "persist in its campaign against the drug cartels" when his own Justice Department and his own DEA tell us that Mexico is not waging such a campaign?

In certifying Mexico, the President told us, "Drug seizures in 1997 generally increased over 1996 levels."

Not true. The State Department’s statistics tell a different story. Mexico’s 1997 seizures of heroin, marijuana, and methamphetamine are at, or well below, 1996 levels.

Although cocaine seizures are up from last year, they total well below the 50 metric tons of cocaine seized in 1991, despite the growing role of Mexican traffickers in the methamphetamine market, Mexico’s seizure of that product has dropped significantly to one-fifth of 1996 levels and one-tenth of 1995 levels.

Another troubling subject is extradition. Most of us believe that Mexico will become a safe-haven for drug kingpins as long as that government refuses to turn over Mexican drug lords to face justice in American courts.

All told, there are about 120 requests for "provisional arrest" and "extradition" pending in Mexico.

But, not one Mexican national was extradited and surrendered to U.S. custody on drug charges throughout 1997 and so far this year. In fact, no Mexican has been surrendered to U.S. custody on any crime since April 1996. The State Department reports that all 5 Mexican nationals approved for extradition on drug charges have appealed their extradition orders.

There is, obviously, a pattern here. A Mexican wanted for child molestation can be surrendered to U.S. justice. A foreigner wanted for drug crimes may be handed over, as well. But a Mexican drug trafficker is made to feel very much at home in Mexico.

Another problem is corruption. Mr. President, we must not forget the February 1997 scandal when Mexico’s drug war was found to be on the payroll of one of Mexico’s most blood-thirsty cartels.

The Administration has cited repeatedly Mexico’s handling of this scandal as evidence of Mexico’s commitment to ferreting out corruption. Indeed, a senior Justice Department official told Congress just law week, "The (corrupt drug cartels) are a noteworthy testament to President Zedillo’s anti-corruption commitment."

In light of these rosey commendations, we were surprised by a report in today’s New York Times that U.S. law enforcement officials have concluded privately that this scandal and the way the Mexican government handled it may be just the tip of the iceberg of drug corruption in Mexico’s military.

One unnamed U.S. official told the New York Times that "this news of deeper corruption ‘point to much of our work in Mexico being an exercise in futility.’"

According to this published report, U.S. officials discussed these findings with Attorney General Janet Reno more than 2 weeks before the President’s certification of Mexico.

The fact that this assessment comes to Congress’ attention through the media, rather than through its "certifications" to the Congress suggests an appalling lack of candor on the part of the Administration. The Committee on Foreign Relations intends to investigate this revelation.

More recently, cases of alleged corruption border on being countless. Mexico’s attorney general admitted last September that he had to turn to the military for law enforcement because, in his words, he “couldn’t find civilians who could demonstrate the honesty and efficiency for the work.”

But military men—as well as civilian police—have themselves been accused of stealing cocaine that had been seized by the government. Also, last year, the federal police commander in charge of intelligence for the border task forces—which are supposed to cooperate closely with our DEA—was accused of protecting drug traffickers and of aiding and abetting the traffickers in drugs in Arizona.

Such flagrant examples of corruption remind us that meaningful anti-drug cooperation will never be possible through honest, competent people with the skills and resources to do their job.

Beginning 12 months ago, Mexico’s anti-drug forces were dismantled entirely. It takes time to put these units back in place—which is what we have been helping the Mexicans do for most of last year.

Today, fewer than one-third of the 3,000 employees of the special anti-drug prosecutor’s office are on duty. About one-third of the 300 staff members of the organized crime unit are in place. And only two-thirds of the small border task forces staff have been cleared for duty.

It is fair to point out that these new anti-drug units also lack the experience and the resources to do their jobs. It is fair to ask whether Mexico has the ability to “cooperate fully” to fight drugs—even if it had the political will to do so, which it obviously does not.

Finally, Mr. President, let’s turn to an issue that speaks eloquently to the Mexican government’s lack of political will to work with us. Despite numerous threats and several attacks on U.S. and Mexican police, President Zedillo has insisted that our DEA agents cannot carry weapons for their self-defense while in Mexico. The Mexicans argue that this is a question of “sovereignty.”

Baloney. I have two questions for the officials in Mexico City: Where were these questions of sovereignty in the 1970s and 1980s, when the same government allowed Marxist Central American guerrillas to operate freely in Mexican territory?

And, why does that government fear having a couple of American DEA and FBI agents carrying weapons for their own protection?

Mr. President, I hope Senators will consider the facts so clearly evident. Under the law, the President of the United States has the duty to certify a country’s full cooperation when there has been “full cooperation.” The sad truth is that there has been no “full cooperation.”

Therefore, Senate Joint Resolution 42 deserves the support of all Senators who truly want to bring drug trafficking under control. This will send a message to the Mexican government that it can no longer be A.W.O.L. in the war on drugs.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I yield 3 minutes to the good Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.
Mr. GREGG. Mr. President, I would have to say at the outset that I believe the certification process is a mistake because clearly it isn’t working. But the fact is that as long as we have it, we ought to have integrity in it. And the fact is that, if we are going to look at the certification process, there has been an effort to comply that meets the terms of the certification process by Mexico, we would have to conclude that they have failed.

We can wish that they had complied. We can hope that they have complied. We can say as a matter of public policy we truly wanted them to comply. But the fact is that they have not complied. To claim they have complied is to delude ourselves. Essentially it would be the same as suggesting that the Red Sox are going to win the World Series. We want it to happen, but we know it isn’t going to happen. The fact is that Mexico and the core elements that are necessary for us to pursue the drug war against Mexico have been undermined by the cartels which earn so much money from the sale of drugs.

The real problem here isn’t Mexico, though. The real problem is ourselves. We could use that phrase, we have met the enemy and it is us.’’ The fact is that our consumption of narcotics has corrupted not only much of the mechanism of Mexico but has corrupted the mechanism of Belize, Colombia, a series of countries in the Central American area, Peru, and in the Central American area, Peru, should truly be ashamed of what we are doing to those nations.

Were I a Mexican or were I a citizen of Belize or Colombia or Peru, or a citizen of many of our Caribbean neighbors, I would be angered and outraged at the fact that my nation and the government of my nation, as a result of the demand for drugs in this country, the United States, has become so debilitated. It is really our utilization of those nations that has undermined those nations. But the fact is that we do have the certification process, and the integrity of the certification process requires that we at least comply with its terms. Under the terms of the certification process, there is no way that we should be certifying Mexico. I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. I yield 4 minutes to the senior Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise today in opposition to legislation that would completely decertify Mexico as being fully cooperative in the war against drugs.

I certainly agree with the sponsors of this resolution that Mexico is not adequately fulfilling its role in fighting international narcotics trade: they have failed to seriously pursue the war against the Juarez, Tijuana, and Sonora Cartels which dominate the drug trade; there has been no substantial progress to prosecute the leaders of major narcotics trafficking groups, even those indicted by U.S. prosecutors; the number of heroin, methamphetamine, and ephedrine seizures are down from the 1996 levels; in all of 1997 and thus far in 1998, not one Mexican national has been extradited and surrendered to U.S. custody on drug charges. In addition, corruption within their law enforcement community, government institutions, and criminal justice system is rampant. This is just not acceptable.

We cannot do this. If we were to decertify Mexico, the problem will not go away but will only be exacerbated. The progress that Mexico has made thus far, albeit modest, will come to a standstill. With the assistance of the Department of Defense (DoD), Mexico has countered extensive drug-related official corruption with unprecedented reform efforts, including identifying and punishing corrupt Mexican officials; increased their effectiveness against drug organizations significantly disrupting a number of organizations; completely overhauled their counterdrug law enforcement agency; and participated in interdiction and information sharing.

It is of vital importance that the DoD continue to provide assistance to the Mexican military to combat drugs. If the Senate votes to disapprove the certification of Mexico, the progress that the DoD has made will be seriously undermined.

As such, I ask my colleagues to join me in opposition to S.J. Res. 42.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. COVERDELL. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I think we all wish we had more options, but the law is very clear. The law says, have they cooperated fully? Have they taken adequate steps?

For 12 years, knowing that the answer to both of those questions was no, I voted yes because I thought we wanted to encourage Mexico, we wanted to work with Mexico. I still want to work with Mexico. I still want to encourage Mexico. But you reach a point where it cannot be good public policy to say publicly something that is clearly untrue.

I am going to vote tonight to decertify Mexico. I know the strategy we are following today is failing. I know from 12 years of hoping, wishing the best, that hoping and wishing the best does not change reality. We are either going to change strategy or we are going to lose the war. That is why I intend to vote to decertify. I hope by doing that we can induce Mexico to do more.

I am not apologizing for what we are doing. I think the war on drugs is phony and a sham and an embarrassment. We have taken no real efforts to try to stop people from consuming drugs in this country, and we have, from the point of view of public policy, a more serious, more dedicated policy to stop people from smoking than we do to stop people from using illegal drugs. But the point is, the law is very clear. Have they cooperated fully? Have they taken adequate steps? And the answer to both those questions, regrettably, is, “No.” Maybe by telling the truth, maybe by saying “No,” in the future the answer will be “Yes.” And I hope it will be.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Whatever time I have left I yield to my friend from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I thank my distinguished colleague from Delaware.

Mr. President, I rise this evening not to offer a ringing endorsement of Mexico’s cooperation on drug interdiction in the last year, but to make the simple observation that we should proceed with extraordinary care before using the stick of decertification on a good friend and ally. Initially, I gave serious consideration to supporting the effort to decertify. Mexico has made none of the tangibles on decertification will not create goodwill between Mexico City and Washington—just the opposite: bilateral tensions will rise, drug cooperation will decrease, and once more America will be perceived as a sanctions bully.

That is not a healthy approach to sustaining a crucial relationship with a country that sits right on our border. It’s one thing to let unilateral sanctions fly in distant countries and places, but we ought to be very careful to not stir the pot of anti-Americanism that is an inevitable consequence of decertification, with our nearest neighbor. We simply don’t need to increase tensions and decrease cooperation with a country with which we share a 2,000 mile border.

The basic point is as follows: breaking down the Mexican drug cartels is critically important, but lets forego the short-term political bashing of Mexico, Mr. President, and agree to work harder and better with our friends South of the Border. In the future we will have all the minutia—methamphetamine seizure rates, drug related arrests, Mexican cartel behavior, prosecution of corruption, street
pricing of heroin, cocaine and all the rest—because I think that misses the point. There are a few simple considerations that come to mind in judging whether to decertify Mexico.

First, do you believe that the political leadership in Mexico is honestly committed to solving this problem and working with us toward that goal? I believe the answer is "yes". President Zedillo appears willing to engage in comprehensive efforts to seize and eradicate drugs destined for our streets. He’s committed to arresting and prosecuting major traffickers and kingpins ... and I understand that such individuals have received stiff sentences ranging from 5 to 40 years. He’s scrapped the discredited National Drug Control Institute and replaced it with a new Special Prosecutor’s Office. He’s begun the process of weeding out corrupt officials in the Mexican judicial system, dumping three judges so far. He’s helped to increase marijuana eradication to record levels, and armed law enforcement allowing cocaine seizure rates to jump 47%. Mexico has worked closely with us in developing new overflight clearance procedures, while common ground is being established in the areas of money laundering controls and asset forfeiture issues.

Second, will economic and diplomatic sanctions on Mexico improve our chances of stemming the tide of drugs? The answer is no.

Let's be clear, on this point: sanctioning Mexico will likely invite retaliation in a variety of forms ... anti-Americanism ... additional political ostracism in the hemisphere ... and could, over the long-term, have the consequence of creating a broader national security threat right on our border.

Third, a Democrat House colleague thoughtfully observed in today's Los Angeles Times that "It’s hard for the United States to cast the first stone." Perhaps it’s time we take a stone-cold look in the mirror and admit that until we take massive, comprehensive steps toward the demand side of this problem, trying to sort it out, principally on the supply side is doomed to failure.

Fourth and lastly, sometime soon I hope we can carefully examine whether we should actually engage in this painful exercise in self-flagellation by openly ripping countries with which we might have strong disagreements on the drug issue but share a great deal in common as well. The present mechanism for evidencing our concerns is self-defeating when it comes to Mexico and deleterious, I believe, to the overall relationship.

Mr. President, Mexico’s record on drug interdiction has to improve, and I don’t fault colleagues in the Senate for demanding results. Many of their concerns are legitimate and deserve to be heard. Like them, I am particularly concerned about the lack of extraditions of Mexican nationals from Mexico, and have been personally assured by officials at the highest level of our government that they will redouble their efforts to get the ball moving in this area. I understand five individuals are presently appealing their extraditions, and I intend to watch closely to see that the Mexican government lives up to its part of the bargain should those appeals fail.

For now, however, I believe decertifying Mexico will do more to reverse the limited progress we’ve made to date and virtually eliminate any hope we have about future cooperation. That’s a risk too great to take.

Let’s treat Mexico as a friend and partner in this process, instead of blaming it for a problem that starts and ends with the insatiable appetite for drugs on our own streets.

We are just about to vote on this particular issue. Mr. President, I must confess I came very close to agreeing with the decertification provision that we are going to be voting on this evening. But upon more mature reflection, I have decided that the consequences for our friends in Mexico and for the United States that President Zedillo and others are putting forward, that would be counterproductive for a neighbor with whom we share a 2,000 mile border and for the kind of reaction that it would elicit from not only our neighbors in Mexico, who are trying, but from neighbors throughout South America.

So I urge my colleagues on this particular resolution to vote against the decertification as a means of signaling the president that we are going to be voting on this evening. But upon more mature reflection, I have decided that the consequences for our friends in Mexico and for the United States that President Zedillo and others are putting forward, that would be counterproductive for a neighbor with whom we share a 2,000 mile border and for the kind of reaction that it would elicit from not only our neighbors in Mexico, who are trying, but from neighbors throughout South America.

The joint resolution (S.J. Res. 42) was rejected.

Mrs. FEINSTEIN. Mr. President, I move to reconsider the vote by which the resolution was rejected.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FRIST). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, March 25, 1998, the federal debt stood at $5,544,337,068,114.14 (Five trillion, five hundred forty-four billion, three hundred thirty-seven million, sixty-eight thousand, one hundred fourteen dollars and fourteen cents).

One year ago, March 25, 1997, the federal debt stood at $5,374,777,000,000.
and Russia, to preserve the preroga-
tives of the Congress with respect to
certain arms control agreements, and
for other purposes.

MEASURES REFERRED
The following bill was read the first
and second times by unanimous con-
tent and referred as indicated:
H.R. 2589. An act to amend the provisions
of title 17, United States Code, with respect
to the duration of copyright, and for other
purposes; to the Committee on the Judici-
ary.

ENROLLED BILL PRESENTED
The Secretary of the Senate reported
that on March 26, 1998 he had presented
to the President of the United States,
the following enrolled bill:
S. 758. An act to make certain technical
corrections to the Lobbying Disclosure Act
of 1995.

EXECUTIVE AND OTHER
COMMUNICATIONS
The following communications were
laid before the Senate, together with
accompanying papers and documents,
which were referred as indicated:
EC–4424. A communication from the Chair-
man of the Long-Range Air Power Panel,
transmitting, pursuant to law, the report of
recommendations; to the Committee on
Armed Services.
EC–4425. A communication from the Direc-
tor of the Office of Regulations Management,
Department of Veterans Affairs, transmit-
ting, pursuant to law, the report of a rule
received on March 24, 1998; to the Com-
mittee on Veterans’ Affairs.
EC–4426. A communication from the Sec-
retary of Labor and the Executive Director of
the Pension Benefit Guaranty Corpora-
tion, transmitting, pursuant to law, the an-
nual report for the fiscal year 1997; to the
Committee on Labor and Human Resources.
EC–4427. A communication from the Chair-
man of the Transportation Safety Board,
transmitting, pursuant to law, the re-
port under the Government in the Sun-
shine Act for calendar year 1997; to the
Committee on Governmental Affairs.
EC–4428. A communication from the Chair-
man of the Federal Energy Regulatory Com-
misson, transmitting, pursuant to law, the re-
port under the Government in the Sun-
shine Act for calendar year 1997; to the
Committee on Governmental Affairs.
EC–4429. A communication from the Chair-
man of the Board of Governors of the
Federal Reserve System, transmitting, pur-
suant to law, the report relative to
requests of the Council; to the Com-
mittee on Banking, Housing, and Urban
Affairs.
EC–4430. A communication from the Acting
Chairman of the Thrift Depositor Protection
Overight Board, transmitting, pursuant to
law, the report of a rule received on March
24, 1998; to the Committee on the Judici-
ary.
EC–4431. A communication from the Execu-
tive Director of the Pension Benefit Guar-
anty Corporation, transmitting, pursuant to
law, the report under the Freedom of Infor-
mation Act for calendar year 1997; to the
Committee on Governmental Affairs.
EC–4432. A communication from the Chief
of the Regulations Unit, Department of the
Treasury, transmitting, pursuant to law, the
report of a rule received on March 24, 1998;
to the Committee on Finance.
EC–4433. A communication from the Chief
of the Regulations Unit, Department of the
Treasury, transmitting, pursuant to law, the
report of a rule received on March 24, 1998;
to the Committee on Finance.
EC–4434. A communication from the Ad-
ministrator of the Agricultural Marketing
Service, Department of Agriculture, trans-
mitting, pursuant to law, the report of a rule
received on March 24, 1998; to the Com-
mittee on Agriculture, Nutrition, and Forestry.
EC–4435. A communication from the Man-
ager of the Federal Crop Insurance Corpo-
ration, Department of Agriculture, transmit-
ting, pursuant to law, the report of a rule
received on March 24, 1998; to the Com-
mittee on Agriculture, Nutrition, and Forestry.
EC–4436. A communication from the Acting
Assistant Secretary of the Army (Civil
Works), transmitting, pursuant to law, the
report relative to the Wabash River project
in New Harmony, Indiana; to the Committee on
Environment and Public Works.
EC–4437. A communication from the Dep-
uty Director for Policy and Programs, trans-
mitting, pursuant to law, the report relative
to notice of funds availability and technical
assistance component; to the Committee on
Banking, Housing, and Urban Affairs.
EC–4438. A communication from the Deputy
Director for Policy and Programs, transmit-
ting, pursuant to law, the report relative
to notice of funds availability and the Core
Component; to the Committee on Banking,
Housing, and Urban Affairs.
EC–4439. A communication from the Asso-
ciate to the Board, Board of Governors of
the Federal Reserve System, transmitting,
pursuant to law, the report relative to
requests of the Council; to the Com-
mittee on Banking, Housing, and Urban
Affairs.
EC–4440. A communication from the Sec-
retary of the Security and Exchange Com-
mcision, transmitting, pursuant to law, the
report relative to notice of funds availability and the Core
Component; to the Committee on Banking,
Housing, and Urban Affairs.
EC–4441. A communication from the Presi-
dent of the Export-Import Bank of the
United States, transmitting, pursuant to
law, the report relative to exports to Uzbek-
istan; to the Committee on Banking, Hous-
ing, and Urban Affairs.
EC–4442. A communication from the Presi-
dent of the Export-Import Bank of the
United States, transmitting, pursuant to
law, the report relative to exports to the
People’s Republic of China; to the Com-
mittee on Banking, Housing, and Urban Af-
fairs.

PETITIONS AND MEMORIALS
The following petitions and memo-
rials were laid before the Senate and
were referred or ordered to lie on the
table as indicated:
POM–368. A resolution adopted by the Sen-
ate of the Legislature of the State of Ariz-
a; ordered to lie on the table.

SENATE MEMORIAL
Whereas, Ronald Wilson Reagan, the for-
tieth president of the United States, was one
of this nation’s greatest and most beloved
presidents; now, therefore;
Whereas, through his leadership and dedi-
cation to principle, President Reagan usher-
ed in a new era of sustained peace, pros-
perity, optimism and hope for both our nation and much of the world; and
Whereas, President Reagan established fisc.
als policies that invigorated the American econ-
y, stimulated growth and investment while curbing federal spend-
ing, inflation and interest and tax rates; and
Whereas, when confronted by increasingly tense relations with the former Soviet Union, President Reagan implemented a policy of "peace through strength" that restored the security and ensured peace in Europe and paved the way for the successful end of the Cold War; and

Whereas, in 1986 President Reagan persuaded Congress to end the inefficiency and expense resulting from federal ownership of Washington National Airport and to transfer control to an independent state-level authority. The agreement for long overdue airport modernization projects, including construction of the airport’s new terminal; and Washington's State Dock (H.R. 2625 and S. 2307) is pending in both houses of Congress that would redesignate Washington National Airport as "Ronald Reagan Washington National Airport" in recognition of President Reagan's exceptional leadership on behalf of the citizens of this nation and all freedom-loving people around the world; and

Whereas, the Congress of the United States expedite the legislation that would effect this redesignation in order that the dedication can be completed before February 6, 1986, Ronald Reagan’s eighty-seventh birthday.

Whereas, the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona.


HOUSE JOINT MEMORIAL 4039

Whereas, Washington state has sought to leverage the state’s purchasing power in its procurements of telecommunications and information services; obtain the lowest prices for telecommunications services for state agencies, local governments, and schools and libraries; and avoid unnecessary duplication of resources; and

Whereas, the legislature created the Department of Information Services and directed it to aggregate the demand for telecommunications services purchased from the private sector, add value, and make such services available to public entities at significantly reduced costs; and

Whereas, through such efforts the Department of Information Services has saved the taxpayers of Washington millions of dollars each year; and

Whereas, the Washington Legislature in 1996 authorized and funded the development of the (202) Educational Telecommunications Network, a fifty-four and one-half million dollar state-wide backbone network linking K–12 schools, districts, educational service districts, baccalaureate institutions, public libraries, and community and technical colleges; and

Whereas, this network will provide schools and libraries with enhanced function and increased efficiencies in their use of telecommunications services; and

Whereas, the Federal Communications Commission, pursuant to the Telecommunications Act of 1996, has begun implementation of a two and one-quarter billion dollar universal service program to ensure that the cost of telecommunications and information services to schools and libraries; and

Whereas, on December 30, 1997, the Federal Communications Commission ruled that state networks, such as the K-20 educational network, may not recover directly from the fund for telecommunications services, other than Internet services and internal connections, provided and billed to schools and libraries; and

Whereas, in its order, the Commission also determined that schools and libraries served by state telecommunications networks will not be able to obtain discounts on the value added over telecommunications services procured from the private sector; and

Whereas, this ruling potentially creates incentives for Washington’s schools and libraries to forego the less costly state-provided services, and instead buy more expensive services directly from private providers in order to be assured of federal subsidies; and

Whereas, this ruling creates a severe administrative burden on Washington state government, and will contravene long-standing Legislative policy; and

Whereas, this ruling could increase the costs to the universal service fund since discounts will be based on higher costs negoatiating unit-year-by-unit-year individual schools and libraries and private telecommunications companies; Now, therefore, Your Memorialists respectfully pray that the members of the Committee on Commerce, Science, and Transportation of the United States Senate; and members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives urge the Federal Communications Commission to review and amend its ruling barring direct reimbursement to state agencies that provide telecommunications services.

Be it resolved, That copies of this Memorial be transmitted immediately to the Honorable William J. Clinton, President of the United States, the members of the Committee on Commerce, Science, and Transportation of the United States Senate, the members of the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, United States House of Representatives, the President of the United States Senate, the Speaker of the House of Representatives, each member of Congress from the State of Washington, and the members of the Federal Communications Commission.

POM-370. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Finance.

SENATE JOINT MEMORIAL 8019

Whereas, the policy of the state of Washington is to provide health, safety, and welfare of its citizens; and

Whereas, an adequate supply of tax-exempt private activity bond volume cap and the allocation of low-income housing tax credits available to each state, including Washington, to levels that would fully restore the tax-exempt private activity bond volume cap purchasing power and the low-income housing tax credit purchasing power of each state, including Washington, to levels that would offset the diluted effects of inflation since 1986, the index increases for these resources to inflation in future years; and

Be it resolved, That copies of this Memorial be immediately transmitted to the Honorable William J. Clinton, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.

POM-371. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on Finance.

SENATE RESOLUTION NO. 155

Whereas, current laws governing foreign-child adoptions and immigration are complex and necessary to provide certain safeguards. Included in those safeguards is the stipulation that a person entering the United States of America on a Visitor’s Visa cannot become a legal resident. Therefore, whereas, Wojtek Tokarczyk spent nearly two years as a member of the family of Walter and Teresa Tokarczyk, Michigan residents, and their adopted children. His adoptive parents, Walter and Teresa Tokarczyk, had enrolled him at Ogemaw Heights High School. Wojtek Tokarczyk was a member of the basketball team and following a 1997 Christmas visit to his native Poland; and...
Whereas, using the seldom-used method commonly known as Private Relief Legislation, the Congress can act swiftly to allow Wojtek Tokarcyzk to re-enter the United States citizens of the United States, and be legally adopted by his aunt and uncle, Walter and Teresa Tokarcyzk; and
Whereas, Wojtek Tokarcyzk has become a boy without a country. This is not an instance where the Immigration and Naturalization Service has acted to protect the resources of the nation from an undesirable illegal alien. He is missed dearly by his family, his soccer teammates and friends, and the community at large. Wojtek is also missed by the local fire department where he served as a volunteer firefighter. This is a matter of family values and a sense of community. The return of Wojtek Tokarcyzk would be one small victory for the American notion that families are our most important resource and that close-knit communities still exist, now, therefore, be it

Resolved by the Senate, That we memorize the President of the United States and the Congress of the United States to take immediate and necessary action to provide for United States citizenship for Wojtek Tokarcyzk; and be it further

Resolved by the Senate, That copies of this resolution be transmitted to the President of the United States of America, the Speaker of the United States House of Representatives, the members of the Senate and House of Representatives of the State of Delaware, the Attorney General, the United States marshals by the Attorney General, and the Immigration and Naturalization Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

H.R. 927. A bill to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General.

THE MEDICARE SOCIAL WORK EQUITY ACT OF 1998

S. 1865. A bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the Medicare skilled nursing facility prospective payment system; to the Committee on Finance.

By Mr. BAUCUS:

S. 1866. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Commerce, Science, and Transportation.

By Mr. DeWINE:

S. 1867. A bill to provide assistance to individuals who are victims of violence and who were displaced from their homes due to the September 11 terrorist attacks; to the Committee on Foreign Relations.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMP, Mr. THORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. ADAMSON):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted on their faith worldwide, to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom; and for other purposes; to the Committee on Foreign Relations.

By Mr. CLELAND (for himself, Mr. COVERDELL, Mr. KERRY, Mr. HOLINGS, and Mr. HARKEN):

S. 1869. A bill to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration; to the Committee on Small Business.

By Mr. CAMPBELL:

S. 1870. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain institutional trusts from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.

By Mr. CLELAND:

S. 1872. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. INOUYE:


STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself, Mrs. MURRAY and Mr. WYDEN):

S. 1864. A bill to amend title XVII of the Balanced Budget Act of 1997 which prevents social workers from directly billing Medicare for services provided in skilled nursing facilities; to the Committee on Finance.

Ms. MIKULSKI. Mr. President, I rise today to introduce the “Medicare Social Work Equity Act of 1998”. I am proud to sponsor this legislation which will amend section 4432 in the Balanced Budget Act of 1997 which prevents social workers from directly billing Medicare for services provided in skilled nursing facilities. I am honored to be joined by my good friends Senator MURRAY and Senator WYDEN who care equally about correcting this inequity for social workers.

Last year’s Balanced Budget Act changed the payment method for skilled nursing facility care. Under current law, reimbursement is made after services have been delivered for the reasonable costs incurred. However, this “cost-based system” was used for inordinate growth in Medicare spending at skilled nursing facilities.

The Balanced Budget Act of 1997 phases in a prospective payment system for skilled nursing facilities beginning July 1, 1998. Payments for Part B services for skilled nursing facility residents will be consolidated. This means that the provider of the services must bill the facility instead of directly billing Medicare.

Congress was careful to not include psychologists and psychiatrists in this new consolidated billing provision. Social workers were included. I think by mistake. Clinical social workers are the primary providers of mental health services to residents of nursing homes, particularly in underserved urban and rural areas. Clinical social workers are also the most cost effective mental health providers.

This legislation is important for three reasons: First, I am concerned that section 4432 will inadvertently reduce mental health services to nursing home residents. Second, I believe that the consolidation of billing requirement will result in a shift from using social workers to other mental health professionals who are reimbursed at a higher cost. This will result in higher costs to Medicare. Finally, I am concerned that clinical social workers will lose their jobs in nursing homes or will be inadequately reimbursed.

I like this bill because it will correct this inequity for America’s social workers, it will assure quality of care for nursing home residents, and will assure cost efficiency for Medicare. I look forward to the Senate’s support of this worthy legislation.

By Mr. BAUCUS:

S. 1864. A bill to amend title IV of the Social Security Act to provide safeguards against the abuse of information reported to the National Directory of New Hires; to the Committee on Finance.
Why it is so important to require that state legislatures pass child support enforcement laws which are headed by single parents. That is why it is so important to require that single parents are headed by single parents. This is important to require that single parents are headed by single parents.

Title: The Child Health Care Quality Research Improvement Act

Mr. DeWINE. Mr. President, I rise today to introduce the Child Health Care Quality Research Improvement Act. We have been hearing a great deal recently about the quality of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

The bill also establishes a 24-month limit on retention of New Hire data. Thus far, the new data base has been very successful in enabling states to locate delinquent parents, enforcing payment orders and reducing the number of children who lack adequate health insurance. However, many folks are concerned about the confidentiality of the registry, and the fact that this information is never deleted.

Last year, for example, the Montana State Legislature passed a child support bill to comply with the new federal regulations. I must add, this bill was passed in the final hours of the legislative session and under the threat of losing $32 million a year in federal funds. At that time, the legislature was hesitant to pass the bill because of concerns regarding confidentiality.

Mr. President, the Safeguard of New Employee Information Act of 1998 makes needed changes to the National Directory of New Hires was created to assist states in locating parents who reside in other states.

Thus far, the new data base has been very successful in enabling states to locate delinquent parents, enforcing payment orders and reducing the number of children who lack adequate health insurance. However, many folks are concerned about the confidentiality of the registry, and the fact that this information is never deleted.

Mr. President, the Safeguard of New Employee Information Act of 1998 makes needed changes to the National Directory to alleviate these fears and ensure the registry's continuation. The bill provides penalties for misuse of information by federal employees. Specifically, it establishes a fine of $1,000 for each act of unauthorized access to, disclosure, or use of information in the National Directory of New Hires.

The bill also establishes a 24-month limit on retention of New Hire data. This two year limit gives Child Support Enforcement agencies the necessary time to determine paternity, establish a child support order, or enforce existing orders. A shorter period of data retention would impede enforcement activities, and a longer period of retention increases the potential for abuse.

Mr. President, in my state of Montana, 90 percent of families on welfare are headed by single parents. That is why it is so important to require that the absent mothers or fathers provide money to feed, clothe and care for their children. The National Directory of New Hires is a good idea—we just need to ensure new employee confidentiality. I urge my colleagues to support new hire confidentiality and support this important legislation.

S. 1866. A bill to provide assistance to improve research regarding the quality and effectiveness of health care for children, to improve data collection regarding children's health, and to improve the effectiveness of health care delivery systems for children; to the Committee on Labor and Human Resources.

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Title: The Child Health Care Quality Research Improvement Act

Mr. DeWINE. Mr. President, I rise today to introduce the Child Health Care Quality Research Improvement Act. We have been hearing a great deal recently about the quality of health care in this country. Most of the debate, both here in Congress and back in our States, has been driven, at least in part, by a fear among consumers that efforts to control costs and move people into managed care has compromised quality. This fear has been driven legislation such as the bill we passed just last year to provide for 48-hour maternity stays. This year a whole host of health care quality bills have been introduced in the Congress. However, I believe that my bill will address this issue: One, focusing on training; two, research; and three, data collection for child health outcomes and effectiveness research.

Let me start with the first one. In order for us to make advances in the study of pediatric health outcomes, it is essential that we have researchers who have received training in this field. This bill I am introducing today entitled 'The Child Health Care Quality Research Improvement Act'. This legislation was developed with the help of leaders in the pediatric community, child advocates, and health services researchers. My bill takes a three-pronged approach to address this issue: One, focusing on training; two, research; and three, data collection for child health outcomes and effectiveness research.

As a means of getting this research into real world settings and improving the quality of health care that our children receive, I am introducing a bill today entitled 'The Child Health Care Quality Research Improvement Act'. This legislation was developed with the help of leaders in the pediatric community, child advocates, and health services researchers. My bill takes a three-pronged approach to address this issue: One, focusing on training; two, research; and three, data collection for child health outcomes and effectiveness research.

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We envision that these centers and networks will bring together pediatric specialists from children’s hospitals, physicians in managed care plans, statisticians from schools of public health, and other experts in the field to work together on research projects and to translate the findings into real-world settings where children are receiving health care.

Third, and finally, this legislation contains a component that adds supplements to existing national health surveys that are today administered by the National Center for Health Statistics and the Maternal and Child Health Bureau. In addition to not knowing how to measure health care quality in children, other data, like that measuring children’s use of health care systems and health care expenditures, are lacking. Adding supplements to existing surveys is a very sensible measure. This bill does not require yet another survey to be administered. Rather, it simply adds questions to existing surveys, to allow us to collect valuable data on children. This is the type of information that we need if we want to look at trends in children’s health and what we can do to improve their health.

Mr. President, we are all well aware that children have medical conditions and health care needs that are different from those of adults. It doesn’t make sense to do health services research for adults and then apply the results to children. Federal support for child health quality and effectiveness research is vital to ensure that children are receiving appropriate health care. We owe it to our Nation’s children to train health professionals in this important field, and to support these very important research initiatives.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1866

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Child Health Care Quality Research Improvement Act”.

SEC. 2. FINDINGS.

Congress finds the following:

(1) There is increased emphasis on using evidence of improved health care outcomes and cost-effectiveness to justify changes in our health care system.

(2) There is a growing movement to use health care quality measures to ensure that health care services provided are appropriate and likely to improve health.

(3) Few health care quality measures exist for children, especially for the treatment of acute conditions.

(4) A significant number of children in the United States have health problems, and the percentage of children with special health care needs is increasing.

(5) Children in the health care marketplace have unique health attributes, including a child’s developmental vulnerability, differential morbidity, and dependency on adults, families, and communities.

(6) Children account for less than 15 percent of the nation’s health care expenditures, and do not command a large amount of influence in the health care marketplace.

(7) The Federal government is the major payer of children’s health care in the United States.

(8) Numerous scientifically sound measures exist for assessing quality of health care for adults, but such tools should be developed for assessing the quality of health care for children.

(9) The organizational structures and systems that provide care for children are necessarily different than systems caring for adults, and therefore require appropriate types of quality measurements and improvement systems.

(10) Improving quality measurement and monitoring will—

(A) assist health care providers in identifying ways to improve health outcomes for common and rare childhood health conditions;

(B) assist consumers and purchasers of health care in determining the value of the health care products and services they are receiving or buying; and

(C) assist payers in selecting effective treatments and priorities for service delivery.

(11) Because of the prevalence and patterns of children’s medical conditions, research on improving care for relatively rare or specific conditions must be conducted across multiple institutions and practice settings in order to guarantee the validity and generalizability of research results.

SEC. 3. DEFINITIONS.

In this Act:

(A) develop and use better measures of health and functional status, as well as functional status, clinical status, and patient satisfaction;

(B) develop new or improved tools and evaluate their implementation in order to establish benchmarks for care for specific childhood illnesses, conditions, impairments, or populations;

(C) develop and use better measures of the quality of care to determine whether a specific health service has been provided in a technologically appropriate and effective manner, that is responsive to the clinical needs of the patient, and that is evaluated in terms of the clinical and functional health outcomes for the patient and, as well as the patient’s satisfaction with the care; or

(D) assess policies, procedures, and methods that can be used to improve the process and outcomes of the delivery of care.

(3) PEDIATRIC QUALITY OF CARE AND OUTCOMES RESEARCH.—The term “pediatric quality of care and outcomes research” means research involving the process of health care delivery and the outcomes of that delivery in order to improve the care available for children, including, at a minimum, the prevention, diagnosis, treatment, and rehabilitation services, including research to—

(A) develop and use better measures of health and functional status in order to determine more precisely baseline health status and health outcomes;

(B) evaluate the results of the health care process in real-life settings, including variations in medical practices and patterns, as well as functional status, clinical status, and patient satisfaction;

(C) develop new or improved tools and evaluate their implementation in order to establish benchmarks for care for specific childhood illnesses, conditions, impairments, or populations;

(D) develop specific measures of the quality of care to determine whether a specific

health care marketplace has unique health attributes, including a child’s developmental vulnerability, differential morbidity, and dependency on adults, families, and communities.

(4) PROVIDER-BASED RESEARCH NETWORKS.—The term “provider-based research network” means a network that is comprised of a sufficient number of children’s hospitals or pediatric departments of academic health centers.

(5) MANAGED CARE-BASED RESEARCH NETWORK.—The term “managed care-based research network” means a network that is comprised of a sufficient number of groups of physicians practices.

(6) STATE CERTIFIED MANAGED CARE PLAN.—The term “state certified managed care plan” means a network that is comprised of all or part of a state certified managed care plan.

SEC. 4. EXPANSION OF THE HEALTH SERVICES RESEARCH OFFICE.

(a) GRANTS.—The Secretary shall annually award not less than 10 grants to eligible entities at geographically diverse locations throughout the United States to create and direct such entities to carry out research training programs that are dedicated to child health services research training initiatives at the doctoral, post-doctoral, and junior faculty levels.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a public or nonprofit private entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(c) LIMITATION.—A grant awarded under this section shall be for an amount that does not exceed $500,000.

SEC. 5. DEVELOPMENT OF CHILD HEALTH IMPROVEMENT RESEARCH CENTERS AND PROVIDER-BASED RESEARCH NETWORKS.

(a) GRANTS.—In order to address the full continuum of pediatric quality of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice, the Secretary shall award grants to eligible entities for the establishment of—

(1) not less than 10 national centers for excellence in child health improvement research at geographically diverse locations throughout the United States; and

(2) not less than 5 national child health improvement centers for the development of provider-based research networks at geographically diverse locations throughout the United States, including at least 1 of each type of network as described in subsection (b).

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) for purposes of this subsection (a)(1), be a public or nonprofit entity, or group of entities, including universities, and where applicable their
schools of Public Health, research institutions, or children’s hospitals, with multi-disciplinary expertise including pediatric quality of care and outcomes research and primary care research; or

(b) subsection (a)(2), be a public or non-profit institution that represents children’s hospitals, pediatric departments of academic health centers, pediatrician practices, or managed care plans; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and subject to the same information as the Secretary may require, including—

(A) in the case of an application for a grant under subsection (a)(1), a demonstration that a research center will conduct 2 or more research projects involving pediatric quality of care and outcomes research in high priority areas; or

(B) in the case of an application for a grant under subsection (a)(2)—

(i) a demonstration that the applicant and its network will conduct 2 or more projects involving pediatric quality of care and outcomes research in high priority areas;

(ii) a demonstration of an effective and cost-efficient data collection infrastructure;

(iii) a demonstration of matching funds equal to the amount of the grant; and

(iv) a plan for sustaining the financing of the operation of a provider-based network after the expiration of the 5-year term of the grant.

(c) LIMITATIONS.—A grant awarded under subsection (a)(1) shall not exceed $2,000,000 per year and be for a term of more than 5 years and a grant awarded under subsection (a)(2) shall not exceed $750,000 per year and be for a term of more than 5 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated—

(1) to carry out subsection (a)(1), $10,000,000 for each of the fiscal years 1999 through 2003; and

(2) to carry out subsection (a)(2), $3,750,000 for each of the fiscal years 1999 through 2003.

SEC. 6. RESEARCH IN SPECIFIC HIGH PRIORITY AREAS.

(a) ADDITIONAL FUNDS FOR GRANTS.—From amounts appropriated under subsection (c), the Secretary shall provide support, through grant programs authorized on the date of enactment of this Act, to entities determined to have demonstrated in high priority areas, and shall be subject to the same conditions and requirements that apply to funds provided under the existing grant program through which such additional funds are provided.

(b) ADVISORY COMMITTEE.—

(1) IN GENERAL.—To evaluate progress made in pediatric quality of care and outcomes research in high priority areas, and to identify new high priority areas, the Secretary shall establish an advisory committee which shall report annually to the Secretary.

(2) MEMBERSHIP.—The Secretary shall ensure that the advisory committee established under paragraph (1) includes individuals who are—

(A) health care consumers;

(B) health care providers;

(C) purchasers of health care;

(D) representative of health plans involved in children’s health care services; and

(E) representatives of Federal agencies including—

(i) the Agency for Health Care Policy and Research;

(ii) the Centers for Disease Control and Prevention; and

(iii) the Health Care Financing Administration;

(iv) the Maternal and Child Health Bureau;

(v) the National Institutes of Health; and

(vi) the Substance Abuse and Mental Health Services Administration.

(c) ELIGIBILITY.—The advisory committee established under paragraph (1) shall evaluate research in high priority areas using criteria that include—

(1) the extent to which research that includes both short and long term studies;

(2) the ability to foster public and private partnerships; and

(3) the likelihood that findings will be transmitted rapidly into practice.

(d) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this section, $12,000,000 for each of the fiscal years 1999 through 2003.

SEC. 7. IMPROVING CHILD HEALTH DATA AND DEVELOPING BETTER DATA COLLECTION SYSTEMS.

(a) SURVEY.—The Secretary shall provide assistance to enable the appropriate Federal agencies to—

(1) conduct ongoing biennial surveys and initiate and maintain a longitudinal study on children’s health that is linked to appropriate existing national surveys (including the National Health Interview Survey and the Medical Expenditure Panel Survey) to—

(A) provide for reliable national estimates of health care expenditures, cost, use, access, and satisfaction for children, including uninsured children, poor and near-poor children, and uninsured special health care needs, as well as an understanding of these changes over time and their relationship to health care access and use; and

(B) enhance the understanding of the determinants of health outcomes and functional status among children with special health care needs, and the costs of providing care for such children; and

(2) to carry out subsection (a)(2), $3,750,000 for each of the fiscal years 1999 through 2003.

(b) GRANTS.—The Secretary shall award grants to public and nonprofit entities to enable such entities to develop the capacity of local communities to improve child health monitoring at the community level.

(c) ELIGIBILITY.—To receive a grant under subsection (b), an entity shall—

(1) be a public or nonprofit entity; and

(2) prepare and submit to the Secretary an application, at such time, in such manner, and, containing such information as the Secretary may require.

(d) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this section, $14,000,000 for each of the fiscal years 1999 through 2003, of which—

(1) $9,000,000 shall be available in each fiscal year for grants under subsection (a)(1);

(2) $6,000,000 shall be made available in each fiscal year for grants under subsection (a)(2); and

(3) $4,000,000 shall be made available in each fiscal year for grants under subsection (b).

SEC. 8. OVERSIGHT.

Not later than after the date of enactment of this Act, the Secretary shall prepare and submit a report to Congress on progress made in pediatric quality of care and outcomes research, including the extent of ongoing research, programs, and technical assistance to improve health and Social Security priorities for funding pediatric quality of care and outcomes research.

S. 1867. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining Federal paperwork requirements applicable to small businesses; to the Committee on Governmental Affairs.

THE SMALL BUSINESS PAPERWORK REDUCTION ACT

Ms. COLLINS. Mr. President, today I am introducing the Small Business Paperwork Reduction Act Amendments of 1998, a companion bill to legislation pending in the House of Representatives.

This legislation has five components. First, it requires the Office of Management and Budget to publish annually in the Federal Register and on the Internet all of the Federal paperwork requirements imposed on small businesses which will not be an available tool for those who must comply with these mandates, but it will also make it far easier for policy makers to monitor, and I would hope check, the growth in the paperwork burden.

Second, under the Small Business Paperwork Reduction Act of 1995, an agency will have to establish one point of contact to act as a liaison with small businesses on paperwork requirements. In an era when serving the customer has become recognized by the private sector as critical, this is a modest step to ask of our government.

Third, the legislation provides for the suspension of civil fines imposed on small enterprises for first-time paperwork violations, except under certain circumstances, such as when the violation causes serious harm to the public or presents an imminent danger to the public health or safety. In dealing with America’s entrepreneurs, we need to move away from a culture that seems to place a higher priority on imposing punishment than on facilitating compliance.

Fourth, in addition to meeting the mandates of the Paperwork Reduction Act, agencies will have to make further efforts to reduce the burden on enterprises with fewer than 25 employees. There must be some measure of proportionality between the size of a business and its costs of complying with government regulations. For example, we need to take into account the size of the enterprise when we consider the feasibility of imposing new mandates.

By reducing the amount of time currently devoted to these tasks, our companies will have more to spend on the activities for which they were formed.

Mr. President, all too often the relationship between the owners of small businesses and government is an adversarial one. That benefits no one—not the owners of these enterprises, not the many Americans they employ, not
the government they help to support, and not the public at large.

The problem often is not with the goals which underlie our regulations, but rather in how we seek to achieve those goals. We should not forget that we are Americans. We must make a great contribution to the prosperity of our nation. In seeking to meet our regulatory objectives, we should be reaching out to these entrepreneurs with a helping hand and not a heavy hand. That, Mr. President, is the purpose of this legislation.

By Mr. NICKLES (for himself, Mr. MACK, Mr. LIEBERMAN, Mr. KEMPTHORNE, Mr. CRAIG, Mr. HUTCHINSON, and Mr. DEWINE):

S. 1868. A bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Freedom, and a Special Adviser on International Religious Persecution, and a Special Adviser on International Religious Freedom, within the National Security Council; and for other purposes; to the Committee on Foreign Relations.

THE INTERNATIONAL RELIGIOUS FREEDOM ACT OF 1998

Mr. NICKLES. Mr. President, today I am prompted to speak by both a tragic reality, and also what I would think is a promising hope. The tragic reality is that literally millions of religious believers around the world live gripped by the incessant, terrifying prospect of religious persecution, of daily fear and threat of persecution, of simply practicing their faith. A promising hope, I believe, might perhaps be found in the bill that I am introducing today with Senator LIEBERMAN, Senator KEMPTHORNE, Senator CRAIG, Senator HUTCHINSON and Senator DEWINE. It is called the International Religious Freedom Act. The International Religious Freedom Act will establish a process to ensure that on an ongoing basis the United States closely monitors religious persecution worldwide.

It is wrong for a country to persecute, to prosecute, to imprison, harass individuals simply practicing their faith, whether that faith is Jewish or Christian or Muslim or Hindu. It is absolutely wrong for them to be persecuted for practicing their faith. This act requires the U.S. Government to take action with all countries engaging in religious persecution.

What kind of persecution am I talking about? First, three facts command attention.

One reliable estimate indicates that more Christian martyrs have perished in this century than all previous centuries combined. That is a staggering, staggering statement.

A recent book reports that 200 million Christians around the world live under daily fear and threat of persecution, including interrogation, imprisonment, torture and in some cases death.

Finally, over half the world's population lives under regimes which severely restrict if not prohibit their ability to believe in and practice the religious faith of their choice and conviction.

Of course, religious persecution goes beyond facts and figures. It happens to real people in real places. Let me point out just four compelling examples.

At this very moment one of China's leading house church pastors, Pastor Peter Xu, is languishing in a Chinese prison under a 3-year term for the so-called "crime" of "disturbing public order." Hundreds, perhaps thousands of other believers in China currently suffer similar treatment.

Again, at this very moment, 13 courageous Christians are imprisoned by the Communist authorities in Laos. What was their "crime"? Simply that they organized an "unauthorized" Bible study in the privacy of a home.

In Pakistan, just a few months ago, Pastor Noor Alam was brutally stabbed to death by anti-Christian assailants. What was his "crime"? Simply that he organized a "unauthorized" Bible study in the privacy of a home.

In Pakistan, just a few months ago, Pastor Noor Alam was brutally stabbed to death by anti-Christian assailants. What was his "crime"? Simply that he organized a "unauthorized" Bible study in the privacy of a home.

The International Religious Freedom Act seeks to ensure that on an ongoing basis the United States closely monitors religious persecution worldwide.

Mr. President, I ask unanimous consent that the text of the bill printed in the RECORD.

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

S. 1868

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

Title I—Department of State Activities

Sec. 102. Reports.
Sec. 103. Establishment of a religious freedom Internet site.
Sec. 104. Training for Foreign Service officers.
Sec. 105. High-level contacts with NGOs.
Sec. 106. Programs and allocations of funds by United States missions abroad.
Sec. 107. Equal access to United States missions abroad for conducting religious persecution concerns.
Sec. 108. Prisoner lists and issue briefs on religious persecution concerns.

TITLE II—COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION
Sec. 201. Establishment and composition.
Sec. 204. Termination.

TITLE III—NATIONAL SECURITY COUNCIL
Sec. 301. Special Adviser on Religious Persecution.

TITLE IV—SANCTIONS
Subtitle I—Targeted Responses to Religious Persecution
Sec. 401. Executive measures and sanctions in response to findings made in the Annual Report on Religious Persecution.
Sec. 402. Presidnetial determinations of gross violations of the right to religious freedom.
Sec. 403. Consequences.
Sec. 404. Report to Congress.
Sec. 405. Description of Executive measures and sanctions.
Sec. 407. Presidential waiver.
Sec. 408. Publication in Federal Register.
Sec. 409. Congressional review.
Sec. 410. Tolling of sanctions.
Subtitle II—Strengthening Existing Law
Sec. 421. United States assistance.
Sec. 422. Multilateral assistance.
Sec. 423. Exports of items relating to religious persecution.

TITLE V—PROTECTION OF RELIGIOUS FREEDOM
Sec. 501. Assistance for promoting religious freedom.
Sec. 502. Incentives for broadcasting.
Sec. 503. International exchanges.
Sec. 504. Foreign Service awards.

TITLE VI—REFUGEE, ASYLUM, AND CONSULAR MATTERS
Sec. 601. Use of Annual Report.
Sec. 602. Reform of refugee policy.
Sec. 603. Reform of asylum policy.
Sec. 604. Inadmissibility of foreign government officials who have engaged in gross violations of the right to religious freedom.

TITLE VII—MISCELLANEOUS PROVISIONS
Sec. 701. Business codes of conduct.
Sec. 702. International Criminal Court.

SEC. 2. FINDINGS; POLICY.
(a) FINDINGS.—Congress makes the following findings:
(1) Freedom of religious belief and practice is a fundamental human right articulated in numerous international agreements and covenants, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the Helsinki Accords, the Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion or Belief, the United Nations Charter, and the European Convention for the Protection of Human Rights and Fundamental Freedoms.
(2) The right to freedom of religion undergirds the very origin and existence of the United States. Many of our Nation’s founders fled religious persecution abroad, cherishing in their hearts and minds the ideal of religious freedom. They established in law, and as a pillar and foundation stone of our Nation, the right to freedom of religion. From its birth to this day, the United States has prized this legacy of religious freedom, having come to stand for religious freedom and offering refuge to those suffering religious persecution.

(b) POLICY.—It shall be the policy of the United States, as follows:
(1) To condemn religious persecution, and to promote, and to assist other governments in the promotion of, the fundamental right to religious freedom.
(2) To seek to channel United States security and development assistance to governments that have engaged in gross violations of human rights, including the right to religious freedom, as set forth in the Foreign Assistance Act of 1961, the International Financial Institutions Act of 1977, and in other formulations of United States human rights policy.
(3) To be vigorous and flexible, reflecting both the unwavering commitment of the United States to religious freedom and the desire of the United States for the most effective and principled response, in light of the range of violations of religious freedom by a variety of persecuting regimes, and the status of the relations of the United States with different countries.

(3) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘‘appropriate congressional committees’’ means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and, in the case of an amendment made with respect to the imposition of a sanction under paragraphs (9) and (10) of subsection (g) of section 102(b) of the Foreign Relations Authorization Act, Fiscal Year 2001, as the term is defined in section 103(b) of such Act.

(4) COMMISSION.—The term ‘‘Commission’’ means the United States Commission on International Religious Freedom appointed under section 101(b).

(5) GOVERNMENT OR FOREIGN GOVERNMENT.—The term ‘‘government’’ or ‘‘foreign government’’ includes any agency or instrumentality of the government.

(6) GROSS VIOLATIONS OF THE RIGHT TO FREEDOM OF RELIGION.—The term ‘‘gross violations of the right to freedom of religion’’ means the consistent pattern of gross violations of the right to freedom of religion that include torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charge or trial, arbitrary arrest, or the extrajudicial, summary, or arbitrary execution of persons by the abridgment or clandestine detention of those persons, or other flagrant denial of the right to life, liberty, and security of person, outlawed in the meaning of section 119(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151(a)).
(7) HUMAN RIGHTS REPORTS.—The term "Human Rights Reports" means the reports submitted by the Department of State to Congress under sections 116 and 502B of the Foreign Assistance Act of 1961.

(8) OFFICE.—The term "Office" means the Office on International Religious Freedom established in section 101(a).

(9) RELIGIOUS PERSECUTION.—The term "religious persecution" means any violation of the internationally recognized right to freedom of religion, as defined in Article 18 of the Universal Declaration of Human Rights and Article 18 of the International Covenant on Civil and Political Rights, including violations such as—

(A) arbitrary prohibitions on, restrictions of, or punishment for—

(i) assembling for peaceful religious activities such as worship, preaching, and prayer, including arbitrary registration requirements,

(ii) speaking freely about one’s religious beliefs,

(iii) changing one’s religious beliefs and affiliation,

(iv) possession and distribution of religious literature, including Bibles, or

(v) raising one’s children in the religious teachings and practices of one’s choice, as well as arbitrary prohibitions or restrictions of religious practice on holding public office, or pursuing educational or professional opportunities; and

(B) any of the following acts if committed on account of an individual’s religious belief or practice: detention, interrogation, harassment, imposition of an onerous financial penalty, forced labor, forced mass resettlement, imprisonment, beatings, torture, mutilation, rape, enslavement, murder, and execution.

(10) SPECIAL ADVISER.—The term "Special Adviser" means the Special Adviser to the President on Religious Persecution established in section 101(i) of the National Security Act of 1947, as added by section 361 of this Act.

TITLe 1—DEPARTMENT OF STATE ACTIVITIES

SEC. 101. OFFICE ON INTERNATIONAL RELIGIOUS FREEDOM; AMBASSADOR AT LARGE FOR INTERNATIONAL RELIGIOUS FREEDOM

(a) ESTABLISHMENT OF OFFICE.—There is established within the Department of State an Office on International Religious Freedom that shall be headed by the Ambassador at Large for International Religious Freedom appointed under subsection (b).

(b) APPOINTMENT.—The Ambassador at Large shall be appointed by the President, in consultation with the Senate.

(c) DUTIES.—The Ambassador at Large shall have the following responsibilities:

1. In general.—The primary responsibility of the Ambassador at Large shall be to advance the right to freedom of religion abroad and to work toward the violation of the religious right, and to recommend appropriate responses by the United States Government when this right is violated.

2. ADVISORY ROLE.—The Ambassador at Large shall be the principal adviser to the President and the Secretary of State regarding matters affecting religious freedom abroad and to work toward the violation of the religious right, and to recommend appropriate responses by the United States Government when this right is violated.

3. DIPLOMATIC REPRESENTATION.—The Ambassador at Large shall be authorized to represent the United States in matters and cases relevant to religious persecution in—

(A) contacts with foreign governments, international organizations, intergovernmental organizations, and specialized agencies of the United Nations, the Organization of American States, the European Union, and other organizations of which the United States is a member; and

(B) multilateral conferences and meetings relevant to religious freedom.

4. REPORTING RESPONSIBILITIES.—The Ambassador at Large shall have the reporting responsibilities described in section 102.

5. FUNDING.—The Secretary of State shall provide the Ambassador at Large with such funds as may be necessary for the hiring of foreign service officers and for the conduct of investigations by the Office, and for necessary travel to carry out the provisions of this section.

SEC. 102. REPORTS

(a) PORTIONS OF ANNUAL HUMAN RIGHTS REPORTS.—The Ambassador at Large shall assist the Secretary of State in preparing those portions of the Annual Human Rights Reports that relate to freedom of religion and discrimination based on religion and those portions of other information provided Congress under sections 116 and 502B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151m, 2304) that relate to the right to religious freedom.

(b) ANNUAL REPORT ON RELIGIOUS PERSECUTION.—

1. IN GENERAL.—

(A) DEADLINE FOR SUBMISSION.—Not later than May 1 of each year, the Ambassador at Large shall submit to the appropriate congressional committees an Annual Report on Religious Persecution, expanding upon the most recent Human Rights Reports. Each Annual Report on Religious Persecution shall contain the following:

(i) An identification of each foreign country the government of which engages in or tolerates acts of religious persecution.

(ii) An assessment and description of the nature and extent of religious persecution, including persecution of one religious group by another religious group, religious persecution by governmental and nongovernmental entities, persecution targeted at individuals or particular denominations or entire religions, and the existence of government policies violating religious freedom.

(iii) A description of United States policies in support of religious freedom, including a description of the measures and policies implemented during the preceding 12 months by the United States under this Act in opposition to religious persecution and in support of religious freedom.

(iv) A description of any binding agreements with a foreign government entered into by the United States under section 402(c).

(B) CLASSIFIED ADDENDUM.—If the Ambassador determines that it is in the national security interests of the United States or is necessary for the safety of individuals to be identified in the Annual Report, any information required by subparagraph (A), including any description of the measures and policies implemented during the preceding 12 months by the United States under this Act in opposition to religious persecution and in support of religious freedom, may be summarized in the Annual Report and submitted in more detail in a classified addendum to the Annual Report.

(c) DESIGNATION OF REPORT.—Each report submitted under this subsection may be referred to as the ‘Annual Report on Religious Persecution’.

(d) FOREIGN GOVERNMENT INPUT.—Prior to submission of each report under this subsection, the Secretary of State may offer the government of any country concerned an opportunity to present portions of the report. If the Secretary of State determines that doing so would further the purposes of this Act, the Secretary shall request that the government of a country present to the Secretary the country’s response as an addendum to the Annual Report on Religious Persecution.

(e) PREPARATION OF REPORTS REGARDING RELIGIOUS PERSECUTION.—

1. STANDARDS AND INVESTIGATIONS.—The Secretary of State shall ensure that United States missions abroad maintain a consistent reporting standard and thoroughly investigate reports of religious persecution.

2. CONTACTS WITH NGO’S.—In compiling data and assessing the right to religious freedom for the Human Rights Reports and the Annual Report on Religious Persecution, United States missions personnel shall seek out and maintain contacts with religious and human rights nongovernmental organizations, with the consent of those organizations, including receiving reports and updates from those organizations and, when appropriate, investigating such reports.

(f) AMENDMENTS TO THE FOREIGN ASSISTANCE ACT —

1. CONTENT OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING ECONOMIC ASSISTANCE.—Section 118(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended—

(A) by striking “and” at the end of paragraph (4); and

(B) by striking the period at the end of paragraph (5) and inserting “;”

2. CONTENTS OF HUMAN RIGHTS REPORTS FOR COUNTRIES RECEIVING SECURITY ASSISTANCE.—Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended—

(A) by inserting “and with the assistance of the Ambassador at Large for Religious Freedom” after “Labor” and

(B) by inserting after the second sentence the following new sentence: “Such report shall also include, wherever applicable, information on religious persecution, including gross violations of the right to religious freedom.”

SEC. 103. ESTABLISHMENT OF A RELIGIOUS FREEDOM INTERNET SITE.

In order to facilitate access by nongovernmental organizations (NGOs) and by the public around the world to international documents on the protection of religious freedom, the Ambassador at Large shall establish and maintain an Internet site containing major international documents relating to religious freedom, the Annual Report on Religious Persecution, and any other documentation or references to other sites as deemed appropriate or relevant by the Ambassador at Large.

SEC. 104. TRAINING FOR FOREIGN SERVICE OFFICERS.

Chapter 2 of title I of the Foreign Service Act of 1980 is amended by adding at the end the following new section:

"SEC. 708. TRAINING FOR FOREIGN SERVICE OFFICERS.

"The Secretary of State and the Ambassador at Large on International Religious Freedom, appointed under section 101(b) of the International Religious Freedom Act of 1998, acting jointly, shall establish as part of the standard training for officers of the Service, including chiefs of mission, instruction in the field of internationally recognized human rights. Such instruction shall include—

1. standards for proficiency in the knowledge of international documents and the United States policy in human rights, and shall be mandatory for all members of the Service having reporting responsibilities relating to human rights, and for chiefs of mission; and

2. instruction on the international right to freedom of religion, the nature, activities,
and beliefs of different religions, and the various aspects and manifestations of religious persecution.”.

SEC. 105. HIGH-LEVEL CONTACTS WITH NGOs.

United States chiefs of mission shall seek out and establish nongovernmental organizations to provide high-level meetings with religious nongovernmental organizations where appropriate and beneficial. United States diplomatic personnel or Foreign Service officers abroad shall seek to meet with imprisoned religious leaders where appropriate and beneficial.

SEC. 106. PROGRAMS AND ALLOCATIONS OF FUNDS BY UNITED STATES MISSIONS ABROAD.

It is the sense of Congress that—
(1) United States diplomatic missions in countries the governments of which engage in or tolerate religious persecution should develop, as part of annual program planning, a strategy to promote the respect of the internationally recognized right of freedom of religion; and
(2) in allocating or recommending the allocation of funds or the recommendation of candidates for programs and grants funded by the United States Government, United States diplomatic missions should give particular attention to those programs and candidates deemed to assist in the promotion of the right to religious freedom.

SEC. 107. EQUAL ACCESS TO UNITED STATES MISSIONS FOR FOREIGN NATIONALS.

(a) IN GENERAL.—Subject to this section, the Secretary of State shall permit, on terms no less favorable than that accorded other nongovernmental organizations, access to the premises of any United States diplomatic mission or consular post by any United States citizen seeking to conduct an activity for religious purposes.

(b) TIMING AND LOCATION.—The Secretary of State shall make reasonable accommodations with respect to the timing and location of such access in light of—
(1) the number of United States citizens requesting the access including any particular religious concerns regarding the time of day, date, or physical setting for services;
(2) conflicts with official activities and other nonofficial United States citizen requests;
(3) the availability of openly conducted, organized religious services outside the premises of the mission; and
(4) necessary security precautions.

(c) DISCRETIONARY ACCESS FOR FOREIGN NATIONALS.—The Secretary of State may permit access by one or more foreign nationals for the purpose of attending or participating in religious activities conducted pursuant to this title.

SEC. 108. PRISONER LISTS AND ISSUE BRIEFS ON RELIGIOUS PERSECUTION.

(a) SENSE OF CONGRESS.—To encourage involvement with religious persecution concerns at every possible opportunity and by all appropriate representatives of the United States Government, it is the sense of Congress that officials of the executive branch of Government should promote increased advocacy on such issues during meetings between executive branch and congressional leaders and foreign dignitaries.

(b) RELIGIOUS PERSECUTION PRISONER LISTS AND ISSUE BRIEFS.—The Secretary of State, in consultation with United States diplomatic mission abroad, regional experts, the Ambassador at Large, and nongovernmental human rights and religious groups, shall prepare, and maintain, a list of imprisoned religious freedom, on a country-by-country basis, consisting of lists of persons believed to be imprisoned for their religious faith, together with brief evaluations and critiques of policies of the respective country restricting religious freedom. The Secretary of State shall have the discretion regarding the safety and security concerns of prisoners in considering the inclusion of their names on the lists.

(c) AVAILABILITY OF INFORMATION.—The Secretary shall provide these religious freedom issue briefs to executive branch and congressional officials and legislative committees in an effort to encourage bilateral contacts with foreign leaders, both in the United States and abroad.

TITLE II—COMMISSION ON INTERNATIONAL RELIGIOUS PERSECUTION

SEC. 201. ESTABLISHMENT AND COMPOSITION.

(a) GENERAL.—There is established the United States Commission on International Religious Persecution.

(b) MEMBERSHIP.—

(1) APPOINTMENT.—The Commission shall be composed of—
(A) the Ambassador at Large, who shall serve as Chair; and
(B) 6 other members, who shall be appointed by the President—
(i) 2 members of the Commission shall be appointed by the Majority Leader of the Senate, upon the recommendations of the Majority Leader and the Minority Leader;
(ii) 2 members of the Commission shall be appointed by the Speaker of the House of Representatives upon the recommendations of the Majority Leader and the Minority Leader;
(iii) 2 members of the Commission shall be appointed by the Secretary of State, with the advice and consent of the Senate, upon the recommendation of the Majority Leader and the Minority Leader;

(2) NO COMPENSATION FOR GOVERNMENT EMPLOYEES.—Members of the Commission shall be selected among distinguished individuals noted for their knowledge and experience in the international religious persecution, including foreign affairs, human rights, and international law.

(3) TERM OF APPOINTMENT.—The appointments required by paragraph (1) shall be made not later than 120 days after the date of enactment of this Act.

(c) SELECTION.—Members of the Commission shall be selected among distinguished individuals noted for their knowledge and experience in the issue of international religious persecution, including foreign affairs, human rights, and international law.

(1) APPOINTMENTS.—The Commission shall select and recommend policy options, including significant involvement, to the Secretary of State for punishing perpetrators of religious persecution.

(2) MONITORING.—The Commission shall, on consultation with independent human rights groups and nongovernmental organizations, including churches and other religious communities, and make such recommendations as may be necessary to the appropriate officials and offices in the United States Government.

TITLE III—NATIONAL SECURITY COUNCIL

SEC. 202. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall have as its primary responsibility the consideration of the facts and circumstances of religious persecution presented in the Annual Report on Religious Persecution, as well as information from other sources as appropriate, and to make appropriate policy recommendations to the President, the Secretary of State, and Congress.

(b) POLICY REVIEW AND RECOMMENDATIONS IN RESPONSE TO VIOLATIONS.—The Commission, in evaluating the United States Government policies in response to religious persecution, shall consider and recommend policy options, including significant involvement, to the Secretary of State, with the advice and consent of the Senate, upon the recommendation of the Majority Leader and the Minority Leader, of the United States chiefs of mission, and Congress.

(1) PREFERENCES.—The Commission shall recommend policies, including significant involvement, to the Secretary of State, with the advice and consent of the Senate, upon the recommendation of the Majority Leader and the Minority Leader, in response to violations of the international religious persecution.

(2) DUTIES OF THE COMMISSION.—In each year, the Commission shall submit a report to the President, the Congress, and the appropriate Committees of the Congress, including the Committees on Foreign Relations, Armed Services, and Appropriations, and other Committees of the Congress having jurisdiction over the provisions of this title, concerning facts and circumstances of religious persecution, in consultation with independent human rights groups and nongovernmental organizations, including churches and other religious communities, and make such recommendations as may be necessary to the appropriate officials and offices in the United States Government.

SEC. 203. REPORT OF THE COMMISSION.

(a) IN GENERAL.—Not later than August 1 of each year, the Commission shall submit a report to the President setting forth its recommendations for changes in United States policy based on its evaluations under section 202.

(b) CLASSIFIED FORM OF REPORT.—The report may be submitted in classified form, together with a public summary of recommendations.

(c) INDIVIDUAL OR DISSENTING VIEWS.—Each member of the Commission may include the individual or dissenting views of the member.

SEC. 204. TERMINATION.

The Commission shall terminate 4 years after the initial appointment of Commissioners.

TITLE III—NATIONAL SECURITY COUNCIL

SEC. 301. SPECIAL ADVISER ON RELIGIOUS PERSECUTION.

Section 101 of the National Security Act of 1947 (30 U.S.C. 401) is amended by adding at the end of subsection (a) the following paragraph:
“(v) It is the sense of the Congress that there should be within the staff of the National Security Council a Special Adviser to the President, on religious persecution, whose position should be comparable to that of a director within the Executive Office of
the President. The Special Adviser should serve as a resource for executive branch officials, compiling and maintaining information on the facts and circumstances of religious persecution and violations of religious freedom, and making policy recommendations. The Special Adviser should serve as liaison with the Ambassador at Large on International Religious Freedom, one or more of the States Commission on International Religious Persecution, Congress and, as advisable, religious nongovernmental organizations.

TITLE IV—SANCTIONS
Subtitle I—Targeted Responses to Religious Persecution Abroad

SEC. 401. EXECUTIVE MEASURES AND SANCTIONS IN RESPONSE TO FINDINGS MADE IN THE ANNUAL REPORT.

(a) IN GENERAL.—For each foreign country the government of which engages in or tolerates religious persecution, as described in the Annual Report on Religious Persecution, the President shall oppose such persecution and promote the right to freedom of religion in that country through the actions described in subsection (b).

(b) PRESIDENTIAL ACTIONS.—As expeditiously as practicable, but not later than one year after submission of the Annual Report on Religious Persecution, the President, in consultation with the Ambassador at Large, the Special Adviser, and the Commission on International Religious Freedom, shall take one or more of the actions described in paragraphs (1) through (3) of section 405(a) with respect to a foreign government described in subsection (a).

(c) EXECUTIVE MEASURES.—The President shall notify the appropriate congressional committees and, as appropriate, the Commission, of any measure or measures taken by the President under paragraphs (1) through (3) of section 405(a).

(d) SANCTIONS.—Any measure imposed under paragraphs (1) through (3) of section 405(a) may only be imposed in accordance with the procedures set forth in section 409 after the requirements of sections 403 and 404 have been satisfied.

(1) IMPLEMENTATION.—In carrying out subsection (b), the President shall—

(A) take the action or actions that most appropriately response to the nature and severity of the religious persecution;

(B) seek to the fullest extent possible to target actions as broadly as practicable with respect to the agency or instrumentality of the foreign government, or specific officials thereof, that are responsible for such persecution, and

(C) make every reasonable effort to conclude a binding agreement concerning the cessation of such persecution.

(2) GUIDELINES FOR SANCTIONS.—In addition to the guidelines under paragraph (1), the President, in determining whether to impose a sanction under paragraphs (1) through (3) of section 405(a), may only be imposed in accordance with the procedures set forth in section 409 after the requirements of sections 403 and 404 have been satisfied.

(a) DETERMINATION OF RESPONSIBLE PARTIES.—The President shall at the same time as the submission of the Annual Report on Religious Persecution, identify, to the extent practicable for each foreign government under that subsection, the responsible agency or instrumentality thereof and any specific officials thereof that are responsible for such gross violations, in order to appropriately target sanctions in response.

(b) SANCTIONS AGAINST GOVERNMENTS ENGAGED IN GROSS VIOLATIONS OF RELIGIOUS FREEDOM.—

(1) IN GENERAL.—Subject to paragraph (2), the President may take, as described in section 405(a), to be determined by the President.

(2) SUBSTITUTION OF BINDING AGREEMENTS.—In lieu of carrying out an action under paragraph (1), the President may conclude a binding agreement with the respective foreign government concerning the cessation of such violations. The existence of a binding agreement under that subsection, and the impact upon the United States economy and other interested parties.

(3) OBTAIN INFORMED CONSENT FROM THE PRESIDENT.—Before entering into such a binding agreement, the President shall, to the extent practicable, consult with United States interested parties described in section 403(b) and (c) of the Purpose of Sanctions.

(c) DUTY TO CONSULT WITH UNITED STATES INTERESTED PARTIES.—The President shall consult with United States interested parties as to the potential impact of the intended sanctions on the economic or other interests

of the United States. The President shall provide the opportunity for consultation with, and the submission of comments by, those United States interested parties likely to be affected by intended United States measures.

SEC. 403. CONSULTATIONS.

(a) DUTY TO CONSULT WITH FOREIGN GOVERNMENTS PRIOR TO IMPOSITION OF SANCTIONS.—

(A) IN GENERAL.—The President shall—

(iii) the population of the country whose government is engaged in or tolerates religious persecution;

(ii) the United States and foreign nongovernmental organizations in such country.

(1) IN GENERAL.—Subject to subsection (b), the President shall—

(iii) the impact of the intended sanctions.

(ii) the President determines and certifies that—

(i) negotiations are still taking place with the respective foreign government;

(ii) the government of that country, and

(iii) the United States. The President shall not later than 90 days after the President determines and certifies that—

(i) the President, in determining whether to impose a sanction under subsection (a) with respect to a foreign government, unless Congress enacts a joint resolution of disapproval in accordance with section 409, the President shall carry out one or more of the following actions after the requirements of sections 403 and 404 have been satisfied:

(1) SANCTIONS.—An account of the sanctions described in paragraphs (1) through (3) of section 405(a) with respect to a foreign government described in subsection (a).

(2) COMMENSURATE ACTIONS.—An account of the commensurate actions, as described in section 405(b).

(3) SUBSTITUTION OF BINDING AGREEMENTS.—An account of the substitution of binding agreements. The existence of a binding agreement under that subsection, and the impact upon the United States economy and other interested parties.

(4) EXHAUSTION OF POLICY OPTIONS.—An account of the policy options exhausted. The President may withhold part or all of such evaluation from the public but shall provide the entire evaluation to the appropriate congressional committees.

(b) DELAY IN TRANSMITTAL OF REPORT FOR THE PURPOSE OF CONTINUING NEGOTIATIONS.—

If, on or before the date that the President would (but for this subsection) submit a proposal under subsection (a) to Congress to impose sanctions under paragraphs (1) through (3) of section 405(a) against a foreign country—

(1) negotiations are still taking place with the government of that foreign country; and

(2) the President determines and certifies to Congress that a single, additional period of time not to exceed 90 days is necessary for such negotiations to continue, then the President shall not be required to submit the proposal to Congress until the expiration of that period of time.

(c) DESCRIPTION OF MULTILATERAL NEGOTIATIONS.—A description of multilateral negotiations sought or carried out, if appropriate and applicable.

SEC. 405. DESCRIPTION OF EXECUTIVE MEASURES AND SANCTIONS.

(a) DESCRIPTION OF MEASURES AND SANCTIONS EXCEPT AS PROVISED IN OTHER LAWS.—Except as provided in other laws, the Executive measures and sanctions referred to in this subsection are the following:

(1) A private demarche.

(2) An official public demarche.

(3) A public condemnation.

(4) A public condemnation within one or more multilateral fora.

(5) Economic sanctions.

(6) The cancellation of one or more cultural exchanges.

(7) The withdrawal, limitation, or suspension of United States development assistance in accordance with the provisions of section 116 of the Foreign Assistance Act of 1961.
(10) Directing the Export-Import Bank of the United States, the Overseas Private Investment Corporation, or the Trade and Development Agency not to approve the issuance of any of a specified number of guarantees, insurance, extensions of credit, or participations in the extension of credit with respect to the specific government, agency, or instrumentality as determined by the President to be responsible for gross violations of the right to religious freedom.

(11) The withdrawal, limitation, or suspension of United States security assistance in accordance with the provisions of section 502B of the Foreign Assistance Act of 1961.

(12) The limitation, termination, or suspension of preferential tariff treatment accorded under—
(A) title V of the Trade Act of 1974 (relating to the Generalized System of Preferences);
(B) the Caribbean Basin Economic Recovery Act;
(C) the Andean Trade Preference Act; or
(D) any other law providing preferential tariff treatment.

(13) Consistent with section 731 of the International Trade Administration Act of 1977, directing the United States executive directors of international financial institutions to vote against loans primarily benefiting foreign governments, agencies, instrumentalities, or official determined by the President to be responsible for such persecution under—
(A) the Export Administration Act of 1979;
(B) the Arms Export Control Act;
(C) the Atomic Energy Act of 1954; or
(D) any other statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services.

(15) Preventing the United States financial institution from making loans or providing credits totaling more than $10,000,000 in any 12-month period to the specific foreign government, agency, instrumentality, or official determined by the President to be responsible for such persecution under—
(A) the Export Administration Act of 1979;
(B) the Arms Export Control Act;
(C) the Atomic Energy Act of 1954; or
(D) any other statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services.

The President shall report such action, together with an explanation for taking such action, to the appropriate congressional committees.

(c) Binding Agreements.—The President may negotiate and enter into a binding agreement with a foreign government that obligates such government to cease, or take substantial steps to cease, violations that are the primary objective for the President in responding to a foreign government that engages in a consistent pattern of gross violations of the right to religious freedom.

(d) Exceptions.—Any action taken pursuant to subsection (a) or (b) may not—
(1) prohibit or restrict the provision of medical care, food, or other humanitarian assistance; or
(2) impede any action taken by the United States Government to enforce the right to maintain intellectual property rights.

SEC. 406. CONTRACT SANCTITY.

The President shall not be required to apply or maintain any sanction under this subtitle—
(1) in the case of procurement of defense articles or defense services—
(A) under existing contracts or under contracts entered into before the date on which the President determines and so reports to Congress that such articles or services are essential to the national security of the United States; or
(B) if the President determines in writing that the person or other entity to which the sanction would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or
(C) if the President determines in writing that such articles or services are essential to the national security under defense co-production agreements; or
(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction.

SEC. 407. PRESIDENTIAL WAIVER.

The President may waive the requirement to take an action under this subtitle with respect to a country, if—
(1) the President determines and so reports to the appropriate congressional committees that—
(A) the respective foreign government has ceased or taken substantial steps to cease the violations that were the primary objective for the imposition of the measure or sanction;
(B) the exercise of such waiver authority would better further the purposes of this Act; or
(C) the national security of the United States requires the exercise of such waiver authority; and
(2) the requirements of congressional review under section 409 have been satisfied.

SEC. 408. PUBLICATION IN FEDERAL REGISTER.

The President shall cause to be published in the Federal Register a description of the measure or sanction that such waiver authority is exercised under section 409.

(1) Determinations of Violator Governments, Officials, and Entities.—Consistent with section 654(c) of the Foreign Assistance Act of 1961, any determination that a government has engaged in gross violations of the right to religious freedom, together with, when applicable and possible, the officials or entities determined to be responsible for the violations. Such a determination shall include a notification to all interested parties to provide consultation and submit comments that may be taken by the United States in response to the violations.

(2) Sanctions.—A description of any sanction under section 407, 409, and the effective date of the sanction. A description of the sanction may be withheld if disclosure is deemed to jeopardize national security.

(3) Delays in Transmission of Sanction Reports.—Any delay in transmission of a sanction under this section shall be reported to Congress unless, within such period, Congress enacts a joint resolution disapproving the sanctions, waiver, or termination of a sanction as the case may be, in accordance with subsection (b).

(A) Any sanction proposed under section 407.

(B) Any waiver proposed under section 407.

(C) Any proposed termination of a sanction under section 407.

(2) Submission of Revised Proposals to Congress.—In the event that Congress enacts a joint resolution disapproving any action described in paragraphs (1)(A), (B), or (C), the President shall, within 30 days of the date of any override of the President's veto of that resolution, revise the proposed sanction, waiver, or termination of sanction and submit the revised proposals to Congress for consideration in accordance with subsection (b).
Senate shall be referred to the Committee on Foreign Relations of the Senate. Such a resolution may not be reported before the eighth day after its introduction.

(4) REPORTING COMMITTEE.—If the committee to which is referred a resolution described in paragraph (1) has not reported such resolution (or an identical resolution) at the end of fifteen calendar days after its introduction, such committee shall be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(5) FLOOR CONSIDERATION.—
(A) MOTION TO PROCEED.—When the committee on which introduction is referred has reported, or has been deemed to be discharged (under paragraph (4)) from further consideration of a resolution described in paragraph (1), notwithstanding any rule or precedent of the Senate, including Rule 22, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived.

(B) MOTION TO POSTPONE.—A motion to postpone, or to a motion to proceed to the consideration of other business, or a motion to proceed to the consideration of the resolution in order, is in order. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(C) DEBATE ON THE RESOLUTION.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to proceed to the consideration of the resolution in order, is in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(D) ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a resolution described in paragraph (1), and a single quorum call at the conclusion of the debate, or upon motion in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(E) APPEALS OF RULINGS.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(F) TREATMENT OF OTHER HOUSE'S RESOLUTION.—If, before the passage by one House of Congress of a resolution described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

(A) REFERRAL OF RESOLUTIONS OF SENDING HOUSE.—The resolution of the sending House shall not be referred to a committee in the receiving House.

(B) PROCEDURES IN RECEIVING HOUSE.—With respect to a resolution of the House receiving the resolution—

(1) if the resolution is one that House shall be the same as if no resolution had been received from the sending House; but

(ii) the vote on final passage shall be on the resolution of the sending House.

(C) DISPOSITION OF RESOLUTIONS OF RECEIVING HOUSE.—Upon disposition of the resolution originated in that House, the action of the House with regard to the disposition of the resolution originated in that House shall be deemed to be the action of the receiving House with regard to the resolution originated in that House.

(D) PROCEDURES AFTER ACTION BY BOTH THE HOUSES.

(7) PROCEDURES AFTER ACTION BY BOTH THE HOUSES.—When a resolution described in paragraph (4) has been disagreed to (under paragraph (4)) from further consideration of the receiving House after the receiving House has disposed of a resolution originated in that House, the action of the receiving House with regard to the disposition of the resolution originated in that House shall be deemed to be the action of the receiving House with regard to the resolution originated in that House.

(E) APPEALS OF RULINGS.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to the resolution of the House in which the resolution originated are waived. The motion is highly privileged in respect to a resolution of the House receiving the resolution, and on all debatable motions and appeals in connection therewith, shall be in order without the yeas and nays and shall be divided equally between those favoring and those opposing such resolution, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and (B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SECT. 410. TERMINATION OF SANCTIONS.

Any sanction imposed under section 409 with respect to a foreign country shall terminate on the earlier of the following dates:

(1) TERMINATION DATE.—Within 2 years of the effective date of the sanction unless expressly rescinded by law.

(2) FOREIGN GOVERNMENT ACTIONS.—Upon the determination by the President and certification to Congress that the foreign government—

(a) has engaged in gross violations of internationally recognized human rights, or

(b) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.

SEC. 421. UNITED STATES ASSISTANCE.

(a) IMPLEMENTATION OF PROHIBITION ON ECONOMIC ASSISTANCE.—Section 116(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2153(c)) is amended—

(1) in the text above paragraph (1), by inserting "and in consultation with the Ambassador at Large for Religious Freedom" after "Labor";

(2) by striking "and" at the end of paragraph (1);

(3) by striking the period at the end of paragraph (2) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(3) whether the government—

(A) has engaged in gross violations of the right to freedom of religion; or

(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion when such efforts could have been reasonably undertaken.".

(b) IMPLEMENTATION OF PROHIBITION ON MILITARY ASSISTANCE.—Section 502(b)(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)) is amended by adding at the end the following new paragraph:

"(4) In determining whether the government of a country engages in a consistent pattern of gross violations of internationally recognized human rights, the President shall give particular consideration to whether the government—

(A) has engaged in gross violations of the right to freedom of religion; or

(B) has failed to undertake serious and sustained efforts to combat gross violations of the right to freedom of religion, when such efforts could have been reasonably undertaken.".

(b) EXPORTS OF ITEMS RELATING TO RELIGIOUS PERSECUTION.

SEC. 501. ASSISTANCE IN PROMOTING RELIGIOUS FREEDOM.

(a) MANDATORY LICENSING.—Notwithstanding any other provision of law, the Secretary of Commerce, with the concurrence of the Secretary of State, the Ambassador at Large, and the Special Adviser, shall include in the list of crime control and detection instruments or equipment controlled for export and reexport under section 502(b)(2) of the Export Administration Act of 1979 (22 U.S.C. 2458(c)), or under any other provision of law, items that the Secretary of State, in consultation with the Ambassador at Large and the Special Adviser, determines are best suited to (or are intended for use directly and in significant measure to carry out) gross violations of the right to freedom of religion.

SEC. 502. INTERNATIONAL BROADCASTING.

(a) Section 302(1) of the International Broadcasting Act of 1994 is amended by inserting "and the right to free religious belief and practice" after "freedom of opinion and expression".

(b) Section 303(a) of the International Broadcasting Act of 1994 is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(8) promote respect for human rights, including freedom of religion.".

TITLE V—PROMOTION OF RELIGIOUS PERSECUTION
SEC. 504. FOREIGN SERVICE AWARDS.

(a) PERFORMANCE PAY.—Section 614(a) of the Foreign Service Act of 1980 is amended by inserting after the first sentence the following: ‘‘Such training shall provide all United States officials adjudicating asylum cases on the nature of religious persecution abroad, including country-specific conditions, methods of religious persecution, and applicable distinctions within a country in the treatment of various religious practices and believers.’’

(b) TRAINING FOR IMMIGRATION JUDGES.—The Attorney General, in consultation with the Department of State, and by providing testimony by the Ambassador at Large. The Secretary of State shall also provide religious nongovernmental organizations and human rights nongovernmental organizations the opportunity to testify.

SEC. 505. CONGRESSIONAL FINDING.

It is the sense of Congress that in negotiating the definitions of crimes that fall within the meaning in international law for the purposes of the International Criminal Court, the President and the Attorney General shall include by governments known to be involved in practices which would meet the definition of persecution under international refugee law. The President shall also instruct the Department of State to ensure that interpreters with hostile biases, including personnel of airlines owned by transnational corporations as global actors, and their potential for providing positive leadership in their host countries in the area of human rights, shall be provided with the training described in this section.

SEC. 506. UNIFICATION OF RELIGIOUS PERSECUTION.

(1) by striking ‘‘and’’ after paragraph (10);

(a) GUIDELINES.—The Attorney General and the Secretary of State shall develop guidelines to ensure uniform procedures to the extent possible with Joint Voluntary Agencies process is enhanced and faulty preparation of claims does not result in the failure of a genuine claim to refugee status.

(b) ANNUAL CONSULTATION.—In carrying out the responsibilities of the Department of State, and by providing testimony by the Ambassador at Large. The Secretary of State shall also provide religious nongovernmental organizations and human rights nongovernmental organizations the opportunity to testify.

SEC. 507. REFORM OF ASYLUM POLICY.

(1) by inserting ‘‘(a)’’ before ‘‘The Secretary of State’’;

(a) GUIDELINES.—The Attorney General and the Secretary of State shall develop guidelines to ensure that interpreters with hostile biases, including personnel of airlines owned by governments known to be involved in practices which would meet the definition of persecution under international refugee law.

(b) TRAINING FOR ASYLUM OFFICERS.—The Attorney General, in consultation with the Department of State, and by providing testimony by the Ambassador at Large. The Secretary of State shall also provide religious nongovernmental organizations and human rights nongovernmental organizations the opportunity to testify.

SEC. 508. TRAINING FOR CONCILOR OFFICERS.—(1) Section 706 of the Foreign Service Act of 1980, as added by section 104 of this Act, is further amended—

(b) by adding at the end the following:


(a) RELIGIOUS FREEDOM FOR VISAS OR ADMISSION.—Section 212(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(2)) is amended by adding at the end the following new subparagraph:

(2) the amendment made by subsection (a) shall apply to aliens entering the United States on or after the date of enactment of this Act.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. BUSINESS CODES OF CONDUCT.

(a) CONGRESSIONAL FINDING.—Congress recognizes the importance of creating a business code of conduct requiring domestic corporations to create and enforce policies that are consistent with Congress’s objective of promoting religious freedom. This bill employs the power of the purse to achieve this goal. It is not a concern that is unique to Americans, for the freedom of religion is a bedrock principle for the American people, a cherished right that lies at the very foundation of our country. It is appropriate, and it is right, that we as Americans express our concern about abuses of that freedom as a cornerstone of our foreign policy. This is not a concern that is unique to Americans, for the freedom of religion is explicitly recognized by the Universal Declaration of Human Rights. Sadly, and tragically, the recognition that we have given to the right to religious freedom has not served to prevent the assault on believers of a variety of religions simply for seeking to follow their faith. We must not be silent. The International Religious Freedom Act of 1998 is a serious, thoughtful, and comprehensive approach to reducing and combating violations of the right to religious freedom. This bill employs a broad range of tools within the United States foreign policy apparatus for the most flexible, appropriate, and enduring response to violations of religious liberty.

The bill is carefully crafted to do the following: promote religious freedom through both incentives and sanctions,
with the long-term goal of alleviating religious persecution rather than merely punishing governments; build on principles contained in U.S. and international human rights law, on negotiating principles of U.S. Trade law, and on ideas by advocates, religious and human rights leaders; discard the option of silence, with its Annual Report publicly addressing all forms of religious persecution; promote the conclusion of binding agreements with offending governments to cease the violations, allowing for bilateral negotiation to achieve this goal; and sanction gross violators, through an annual review and sanctions process.

The issue of religious persecution is one that we must be concerned about, one that we must take action on. The International Religious Freedom Act of 1998 is an effective means of doing so and I am honored to be an original cosponsor of it. There are other excellent approaches to this critical international problem, including the legislation cosponsored by Congressman WOLF and Senator SPECTOR. In the weeks ahead we will look forward to working with all of our colleagues on this issue, inviting and welcoming a collective approach that will result in our bringing the most effective legislation to pass.

By Mr. CAMPBELL.

S. 1247. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

THE INDIAN GAMING REGULATORY ACT AMENDMENTS OF 1998

Mr. CAMPBELL. Mr. President, today I am pleased to introduce the Indian Gaming Regulatory Act Amendments of 1998 to reform the federal components of Indian gaming regulation.

I wish to begin by acknowledging the work in this area by the two distinguished individuals who preceded me as the chairman of the Senate Indian Affairs Committee, Senators MCCAIN and INOUYE. This legislation builds upon their extraordinary efforts to listen to all sides of this debate and broker a fair and equitable compromise. I seek to continue this tradition by providing a starting point for negotiations among all of those with an interest in Indian gaming, and by addressing those areas that are most in need of immediate reform.

This bill will revitalize the National Indian Gaming Commission, by ensuring that it has the authority to develop and impose a series of minimum federal standards on all Indian gaming operations. It will reform and restore the compact negotiation process by providing an alternative compact negotiation process in those instances where a state wishes to exercise its 10th Amendment immunity from lawsuits and its own 10th Amendment right to decide for itself whether it wishes to regulate on-reservation gaming. Finally, this bill addresses the two issues that in my opinion are most in need of immediate reform. First, the bill applies the standard post-employment restrictions for former federal officials who are employed by any tribe that stood to benefit from any gaming-related decisions the officials made while they were federal employees, and will prohibit the acquisition of off-reservation lands for gaming activities unless the tribe and the state agree to do so.

Ten years ago the Congress enacted the Indian gaming legislation that many were afraid to update. In 1998 most Indian gaming consisted of high stakes bingo and similar types of games. Since then, it has grown to become a billion dollar activity and has provided many tribes and surrounding communities with much-needed capital and employment opportunities.

For those tribes lucky enough to be well situated geographically, gaming has proven successful. Where welfare rolls once bulged, tribes are employing thousands of people—both Indian and non-Indian. Once entirely reliant on federal transfer payments, many tribes are beginning to diversify their economies and provide jobs and hope to their members.

For most tribes, however, gaming is not a viable development alternative. Indeed, only one-third of all federally-recognized tribes have any form of gaming and most of that is more like charitable bingo than Las Vegas or Atlantic City. And as well as competition from local and international operations, has created a very tight market. In Washington State, for example, as well as in other parts of the country, market saturation is leading some tribes to close their operations for good.

Over the past ten years, the statute has only been significantly amended one-time—in 1997 I introduced a measure to provide the federal National Indian Gaming Commission with the resources it needs to monitor and regulate certain Indian gaming operations. Today, a strengthened commission is beginning to fulfill its obligations under the statute and help maintain the integrity of Indian gaming nationwide.

The lack of uniform standard operating procedures for Indian gaming continues to cause anxiety for many of those inside and outside of Indian gaming. States are in cooperation with the states where gaming is located, have developed sophisticated gaming regulatory procedures and standards. Many tribes have put in place standards regarding the rules of play for their games, as well as financial and accounting standards governing those games. Not all tribal-state gaming compacts mandate such sophisticated regulatory frameworks.

By setting threshold standards at the federal level, this bill will mean that Indian gaming customers throughout the nation can be assured that every Indian gaming establishment must comply with a federally established level of regulation, operation, and management, just as they are already assured that gaming proceeds may only be spent for certain purposes set out in the Act.

When the Congress enacted the IGRA in 1988, states were invited for the first time ever, to play a significant role in the regulation of activities that take place on Indian lands. The statute required tribes to seek to negotiate a gaming compact with a state before commencing any casino-style gaming. Though there were incentives for the process, this was a major concession by Indian tribes and one that worked reasonably well for 8 years, and which will continue to be available if it is chosen by both a state and a tribe.

Under IGRA, before a tribe may commence casino-style gaming, it must seek to negotiate a gaming compact with the state where the gaming will occur. Up until 1996, if a federal court determined that the state was negotiating in bad faith or if the state decided simply not to negotiate, the tribe had the option of filing a lawsuit to bring about good faith negotiations.

In 1996, the Supreme Court turned this process upside down when it handed down its decision in Seminole Tribe of Indians v. State of Florida. This decision said that a state may assert its Eleventh Amendment immunity from lawsuits to preclude tribes from suing it in order to conclude a gaming agreement. Also, some states have asserted that the IGRA may force them to regulate reservation-based gaming in violation of their 10th Amendment rights.

My bill will allow tribes and states to continue to use the existing process to negotiate compacts if that is their desire.

As I believe the Act should respect each state's sovereign right to absent itself from this process if it chooses to, we must also respect the Supreme Court's decision that Indian tribes have the sovereign right to offer gaming activities that do not violate the public policy of the state where those activities are offered. This approach is consistent with what the Congress intended in 1988.

Finally, there are ongoing Congressional investigations of the so-called 'Hudson Dog Track' matter involving whether the Interior Department denied an application by certain Indian tribes to acquire off-reservation lands for gaming purposes because of campaign contributions by a rival group of tribes. Even before these allegations surfaced, I expressed strong concerns about the acquisition of offreservation lands for gaming purposes.

The IGRA requires the Interior Secretary to consult with local officials, local communities, and nearby tribes in evaluating the tribe's application to take lands into trust. The Act also provides State governors with an absolute veto over such applications. In my opinion, federal laws and regulations already make it very difficult for the Secretary to take land into trust for a
tribe if it is located away from a tribe’s reservation or previous homeland. As a result, few tribes apply to have off-reservation lands taken into trust, and even fewer are successful.

The IGRA imposes additional requirements on off-reservation acquisitions if there is any possibility that the lands will be used for gaming purposes. As a result of these requirements, I am aware of only two or three such acquisitions. Yet the opposition to Indian gaming that results from the mere possibility of such acquisitions is significant. This opposition far exceeds that speculative possibility that the Secretary, a local community, and a state governm ent will all converge on such an acquisition. Thus, my bill will preclude off-reservation acquisitions unless the tribe and the state reach agreement to allow those lands to be used for gaming purposes. This provision encourages tri b- state cooperation rather than tribal-state conflict when it comes to gaming matters.

My bill will also remove the argument that those Indian groups that are laboring to achieve federal recognition as tribes are doing so only to develop gaming. Achieving federal recognition is difficult enough. I do not believe it should be further complicated by squabbles over gaming.

My bill will eliminate any appearance that federal officials and employees who are responsible for making decisions about Indian gaming are “cash- ing in” on their activities when they leave government service. By closing an existing loophole, my bill will estab lish that those federal employees who have made decisions concerning a tribe’s gaming activities are bound by the same policies, procedures, and criminal laws that prevent federal employees from profiting from decisions they made while working for the government. But it also preserves those provisions in the Indian Self-Determination and Education Assistance Act, which have dramatically reduced the number of federal employees by encouraging their employment by the tribes that contract to provide federal services under self-governance compacts and self-determination act contracts.

I believe this bill addresses the most pressing concerns raised by states, local governments, and Indian tribes. Like all attempts at compromise, few parties will be completely satisfied. The legislation I am introducing will both please and disappoint the states as well as the tribes. Nonetheless, as Chairman of the Committee on Indian Affairs, demonstrating a willingness to serve as an honest broker will, in my opinion, do more to foster genuine and lasting reform than simply becoming an advocate for one side or one point of view. Let there be no question of my commitment to ensure that Indian gaming be operated fairly and consistently with all relevant laws, and that the goals and objectives of the IGRA are fully achieved.

As I have indicated, the Committee will address these and related issues in the coming weeks. By introducing this legislation, it is my hope that those with concerns with the regulation of Indian gaming work with me in the Committee to fully and fairly debate the issues before any actions are taken to amend the Act.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

**Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled.**

**SECTION 1. SHORT TITLE.** This Act may be cited as the “Indian Gaming Regulatory Improvement Act of 1996”.

**SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.**

The Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) is amended—

(1) by striking the first section and inserting the following new section:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ‘Indian Gaming Regulatory Act’.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Congressional findings.

Sec. 3. Purposes.

Sec. 4. Definitions.

Sec. 5. National Indian Gaming Commission.

Sec. 6. Powers and authority of the National Indian Gaming Commission.

Sec. 7. Regulatory framework.

Sec. 8. Negotiated rulemaking.

Sec. 9. Requirements for the conduct of class I and class II gaming on Indian lands.

Sec. 10. Class III gaming on Indian lands.

Sec. 11. Review of contracts.

Sec. 12. Civil penalties.

Sec. 13. Judicial review.


Sec. 15. Authorization of appropriations.

Sec. 16. Authorizing provisions of the Internal Revenue Code of 1986; access to information by States and tribal governments.

Sec. 17. Gaming described on lands acquired in trust after the date of enactment of this Act.

Sec. 18. Dissemination of information.

Sec. 19. Severability.

Sec. 20. Criminal penalties.

Sec. 21. Conforming amendment.

Sec. 22. Commission staffing.

(2) by striking sections 2 and 3 and inserting the following:

**SEC. 2. CONGRESSIONAL FINDINGS.**

The Congress finds that—

(1) Indian tribes are—

(A) engaged in the operation of gaming activities on Indian lands as a means of generating tribal governmental revenue; and

(B) licensing those activities;

(2) have a unique political and legal relationship between the United States and Indian tribes, Congress has the responsibility of protecting tribal resources and ensuring the continued viability of Indian gaming activities conducted on Indian lands;

(3) clear Federal standards and regulations for the conduct of gaming on Indian lands without creating Federal governments in assuring the integrity of gaming activities conducted on Indian lands;

(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands, if the gaming activity—

(A) is not specifically prohibited by Federal law; and

(B) is conducted within a State that does not, as a matter of public policy, prohibit that gaming activity;

(6) Congress has the authority to regulate the privilege of doing business with Indian tribes in Indian country (as defined in section 1151 of title 18, United States Code);

(7) systems for the regulation of gaming activities on Indian lands should meet or exceed federally established minimum regulatory requirements;

(8) the operation of gaming activities on Indian lands has had a significant impact on commerce with foreign nations, and among the several States, and with the Indian tribes; and

(9) the Constitution vests the Congress with the powers to regulate commerce with and among the several States, and with the Indian tribes, and this Act is enacted in the exercise of those powers.

**SEC. 3. PURPOSES.**

The purposes of this Act are—

(1) to ensure the right of Indian tribes to conduct gaming activities on Indian lands in a manner consistent with—

(A) the inherent sovereign rights of Indian tribes; and

(B) the decision of the Supreme Court in California v. Cabazon Band of Mission Indians et al. (480 U.S. 202, 107 S. Ct. 1083, 94 L. Ed. 2d 244 (1987)), involving the Cabazon and Morongo bands of the Cahuilla Indians;

(2) to provide a statutory basis for the conduct of gaming activities on Indian lands as a means of promoting tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

(3) to provide a statutory basis for the regulation of gaming activities on Indian lands by an Indian tribe that is adequate to shield those activities from organized crime and other corrupting influences, to ensure that an Indian tribal government is the primary beneficiary of the gaming activities, and to ensure that gaming is conducted fairly and honestly by both the operator and players; and

(4) to provide States with the opportunity to participate in the regulation of certain gaming activities conducted on Indian lands without compelling any action by a State with respect to the regulation of that gaming;—

(3) in section 4—

(A) by redesignating paragraphs (7) and (8) as paragraphs (5) and (6), respectively;

(B) by striking paragraphs (1) through (6) and inserting the following new paragraphs:

**APPLICANT.**—The term ‘applicant’ means any person who applies for a license pursuant to this Act, including any person who applies for a renewal of a license.

**ATTORNEY GENERAL.**—The term ‘Attorney General’ means the Attorney General of the United States.

**CLASS I GAMING.**—The term ‘class I gaming’ means social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.

(4) CLASS I GAMING.—The term ‘class I gaming’ means social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.

(8) (A) by striking paragraphs (9) and (10), and inserting the following new paragraphs:

**STATE COMMISSIONER.**—The term ‘State commissioner’ means a State official designated by a State to perform the functions of the State’s IGRA enforcement agency.

**STATE-OPERATED GAMES.**—The term ‘State-operated games’ means the traditional forms of Indian gaming described in section 1151 of title 18, United States Code.

**Tribal SELF-GOVERNANCE.**—The term ‘tribal self-governance’ means self-government provided for in this Act, the Indian Self-Determination and Education Assistance Act, and other Federal statutes.

**TRIBES.**—The term ‘tribes’ means the tribes recognized as eligible for Federal recognition under section 703 of this Act.

**UNITED STATES.**—The term ‘United States’ means the United States of America.

**WALL OF MESA.**—The term ‘Wall of Mes a’ means the Wall of Mes a, California.
"(7) COMMISSION.—The term ‘Commission’ means the National Indian Gaming Regulatory Commission established under section 5.

"(8) COMPACT.—The term ‘compact’ means an agreement relating to the operation of class III gaming on Indian lands that is entered into by an Indian tribe and a State and that is approved by the Secretary.

"(9) GAMING OPERATION.—The term ‘gaming operation’ means an entity that conducts class II or class III gaming on Indian lands.

"(10) INDIAN LANDS.—The term ‘Indian lands’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(11) INDIAN TRIBE.—The term ‘Indian tribe’ means any Indian tribe, band, nation, or other organized group or community of Indians that—

"(A) is recognized as eligible by the Secretary of the Interior for the purposes of this Act, and the United States, or another tribe in a collaborative agreement with the United States to provide any services for the tribe, has entered into a contract or cooperation agreement with such tribe to provide any services for the tribe; and

"(B) has extensive experience or expertise in tribal government and gaming-related contracts; and

"(12) MANAGEMENT CONTRACT.—The term ‘management contract’ means any contract or agreement entered into by an Indian tribe with an agent of the tribe, the United States, or another tribe in a collaborative agreement with the United States, under which the tribe agrees to provide for the management of the tribe’s gaming facilities, as provided in section 12; OR

"(13) MANAGEMENT CONTRACT.—The term ‘management contractor’ means any person entering into a management contract with an Indian tribe or an agent of the Indian tribe for the management of a gaming operation, including any person with a financial interest in that contract.

"(14) NET REVENUES.—With respect to a gaming activity, net revenues shall constitute—

"(A) the annual amount of money wagered, reduced by

"(B) any amounts paid out during the year involved for prizes awarded;

"(ii) the total operating expenses for the year involved (excluding any management fees) associated with the gaming activity; and

"(iii) an allowance for amortization of capital expenses for structures.

"(15) PERSON.—The term ‘person’ means—

"(A) an individual; or

"(B) a firm, corporation, association, organization, partnership, trust, consortium, joint venture, or other nongovernmental entity.

"(16) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

"(17) STATE.—The term ‘State’ means a State of the United States.

"(18) STATE LAW.—The term ‘State law’ means a law of any State.

"(19) TRIBAL COURT.—The term ‘tribal court’ means a court of any tribe.

"(20) TRIBAL GOVERNMENT.—The term ‘tribal government’ means—

"(A) the tribal entity that exercises governmental authority over Indian lands by tribal governments; and

"(B) a tribal entity that exercises governmental authority over Indian lands by tribal governments.

"(21) TRIBAL SELF-GOVERNMENT.—The term ‘tribal self-government’ means—

"(A) the self-government established by any Indian tribe under section 8(1), (2), or (3) of the Indian Reorganization Act; and

"(B) the exercise of governmental functions provided by the United States to Indians because of their status as Indians; and

"(22) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) any lands the title to which is held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(23) TRUST BY THE UNITED STATES FOR THE BENEFIT OF INDIANS—The term ‘trust by the United States for the benefit of Indians’ means the trust established by the United States to provide any services for an Indian tribe for the purpose of assisting the tribe in the management of trust property by contract in accordance with applicable Federal laws; and

"(24) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(25) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(26) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(27) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(28) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(29) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(30) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(31) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(32) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

"(33) TRUST PROPERTY.—The term ‘trust property’ means—

"(A) all lands within the limits of any Indian reservation; and

"(B) any land capable of being held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.
“(4) LAW ENFORCEMENT AGENCY.—For purposes of this subsection, the Commission shall be considered to be a law enforcement agency.

(e) INVESTIGATIONS AND ACTIONS.—

(1) IN GENERAL.—

(A) POSSIBLE VIOLATIONS.—The Commission may, as specifically authorized by this Act, conduct such investigations as the Commission deems necessary to determine whether any person has violated, is violating, or is conspiring to violate any provision of this Act (including any rule or regulation promulgated under this Act).

(i) bring an action in the appropriate district court of the United States or the United States District Court for the District of Columbia to enjoin that act or practice, and upon a proper showing, the court shall grant, without bond, a permanent or temporary injunction thereupon; or

(ii) transmit such evidence as may be available concerning that act or practice as may constitute a violation of any Federal criminal law to the Attorney General, who, with or without sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class III gaming conducted by the Indian tribe.

(ii) STATUTORY CONSTRUCTION.—

(i) the authority of the Commission to conduct investigations and take actions under subparagraph (A) may not be construed to affect in any way the authority of any other agency or department of the United States to carry out statutory responsibilities of that agency or department.

(ii) EFFECT OF TRANSMITTAL BY THE COMMISSION.—The transmittal by the Commission pursuant to subparagraph (A)(ii) may not be construed to constitute a condition precedent with respect to any action taken by any department or agency referred to in clause (i).

(2) WRITS, INJUNCTIONS, AND ORDERS.—

Upon application of the Commission, each district court of the United States shall have jurisdiction to issue writs of mandamus, injunctions, and orders commanding any person to comply with the provisions of this Act (including any rule or regulation promulgated under this Act).

(3) POWERS OF THE CHAIRPERSON.—The Chairperson shall have such powers as may be delegated to the Chairperson by the Commission.

SEC. 7. REGULATORY FRAMEWORK.

(a) CLASS II GAMING.—For class II gaming conducted by or on behalf of a State or any entity recognized or deemed by that State to be eligible to conduct such gaming, the State or that entity may establish and regulate internal control systems.

(b) CLASS III GAMING CONDUCTED UNDER A COMPACT.—For class III gaming conducted under a compact entered into pursuant to section 10, an Indian tribe or State, or both, as provided in a compact or by tribal ordinance or resolution, shall, in a manner that meets or exceeds minimum Federal standards described in section 6(c)(1) (that are established by the Secretary under section 8)—

(1) monitor and regulate gambling; and

(2) conduct background investigations; and

(3) establish and regulate internal control systems.

(c) VIOLATIONS OF MINIMUM FEDERAL STANDARDS.—

(1) CLASS II GAMING.—In any case in which an Indian tribe that regulates or conducts class II gaming on Indian lands substantially fails to meet minimum Federal standards for that gaming, after providing the Indian tribe notice and reasonable opportunity to cure violations and to be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class II gaming conducted by the Indian tribe; provided that the Commission may be exclusive until such time as the regulatory and internal control systems of the Indian tribe meet or exceed the minimum Federal standards concerning regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission.

(2) CLASS III GAMING.—In any case in which an Indian tribe or a State (or both) that regulates class III gaming on Indian lands fails to meet or exceed Federal standards for class III gaming, after providing notice and reasonable opportunity to cure violations and to be heard, and after the exhaustion of other authorized remedies and sanctions, the Commission shall have the authority to conduct background investigations, issue licenses, and establish and regulate internal control systems relating to class III gaming conducted by the Indian tribe. That authority of the Commission may be exclusive until such time as the regulatory or internal control systems of the Indian tribe or the State (or both) meet or exceed the minimum Federal regulatory, licensing, or internal control requirements established by the Secretary, in consultation with the Commission, for that gaming.

SEC. 8. NEGOTIATED RULEMAKING.

(a) IN GENERAL.—Subject to subsection (b), not later than 180 days after the date of enactment of the Indian Gaming Improvement Act of 1998, the Secretary shall, in cooperation with the Indian tribes, and other industry stakeholders, develop and promulgate minimum Federal standards relating to background investigations, internal control systems, and licensing standards (as described in section 6(c)).

(b) NEGOTIATED RULEMAKING COMMITTEE.—The negotiated rulemaking committee established under subchapter III of chapter 5 of title 5, United States Code, to carry out subsection (a) shall be established by the Secretary in consultation with the Attorney General and the Commission.

(c) FACTORS FOR CONSIDERATION.—While the minimum Federal standards established pursuant to this section may be developed with due regard for existing industry standards, the Secretary and the negotiated rulemaking committee established under subsection (b) in promulgating standards pursuant to this section, shall also consider—

(i) the unique nature of tribal gaming as compared to commercial gaming, other government gaming, and non-gaming; and

(ii) the broad variations in the scope and size of tribal gaming activity;

(iii) the inherent sovereign rights of Indian tribes with respect to regulating their own affairs;

(iv) the findings and purposes set forth in sections 2 and 3; and

(v) the effectiveness and efficiency of a national licensing program for vendors or management contractors; and

(vi) other matters that are not inconsistent with the purpose of this Act.

SEC. 9. REQUIREMENTS FOR THE CONDUCT OF CLASS I AND CLASS II GAMING ON INDIAN LANDS.

(a) CLASS I GAMING.—Class I gaming on Indian lands shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

(b) CLASS II GAMING.—

(1) IN GENERAL.—Any class II gaming on Indian lands shall be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this Act.

(2) LEGAL ACTIVITIES.—An Indian tribe may engage in, and license and regulate, class II gaming on Indian lands within the jurisdiction of that tribe that is not inconsistent with the law of the tribe.
purpose by any person, organization, or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law); and

(B) each Indian gaming meets or exceeds the requirements of this section and the standards described in section 6(c) (that are established by the Secretary under section 8).

(3) REQUIREMENTS FOR CLASS II GAMING OPERATIONS.

(A) IN GENERAL.—The Commission shall ensure that—

(i) a separate license is issued by the Indian tribe for each class II gaming operation on Indian lands;

(ii) the Indian tribe has or will have the sole proprietary interest and responsibility for the conduct of any class II gaming, unless the conditions of clause (ix) apply;

(iii) the net revenues from any class II gaming activity are used only—

(I) to fund tribal government operations or programs;

(II) to provide for the general welfare of the Indian tribe and the members of the Indian tribe;

(III) to promote tribal economic development;

(IV) to donate to charitable organizations;

(V) to help fund operations of local government agencies;

(VI) to comply with the provisions of section 14;

(VII) to make per capita payments to members of the Indian tribe pursuant to clause (viii);

(VIII) the Indian tribe provides to the Commission annual outside audit reports of the class II gaming operation of the Indian tribe, which may be encompassed within existing independent tribal audit systems;

(V) each contract for supplies, services, or concessions for a contract amount equal to more than $100,000 per year, other than a contract for professional legal or accounting services, relating to that gaming is subject to those independent audit reports and any audit conducted by the Commission;

(VI) the construction and maintenance of a class II gaming facility and the operation of class II gaming are conducted in a manner that adequately protects the environment and public health and safety;

(VII) there is instituted an adequate system that—

(I) ensures that—

(aa) all background investigations are conducted on primary management officials, key employees, and persons having material control, either directly or indirectly, in a licensed class II gaming operation, and gaming-related contractors associated with a licensed class II gaming operation;

(bb) oversight of those officials and the management by those officials is conducted on an ongoing basis; and

(cc) notification by the Indian tribe to the Commission of the results of that background investigation before the issuance of any such license;

(viii) net revenues from any class II gaming activity conducted or licensed by any Indian tribe for a period of not less than 3 years, including a period of not less than 1 year that begins after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998; and

(B) has otherwise complied with the provisions of this Act.

(2) ISSUANCE OF CERTIFICATE OF SELF-REGULATION.—The Commission shall issue a certificate of self-regulation under this subsection if the Commission determines, on the basis of available information, and after a hearing if requested by the Indian tribe, that the Indian tribe has—

(A) conducted its gaming activity in a manner that has—

(i) resulted in an effective and honest accounting of all revenues;

(ii) resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) been generally free of evidence of criminal activity;

(B) adopted and implemented adequate systems for—

(i) accounting for all revenues from the gaming activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement, and prosecution of violations of its gaming ordinance and regulations;

(C) conducted the operation on a fiscally and economically sound basis; and

(D) paid all fees and assessments that the Indian tribe is required to pay to the Commission under this Act.

(3) EFFECT OF CERTIFICATE OF SELF-REGULATION.—During the period in which a certificate of self-regulation issued under this subsection is in effect with respect to a gaming activity conducted by an Indian tribe—

(A) the Indian tribe shall—

(i) submit an annual independent audit report as required by subsection (b)(3)(A)(iv); and

(ii) submit to the Commission a complete resume of each employee hired and licensed by the Indian tribe during the period in which the Indian tribe is subject to Federal income taxation for individuals or programs;

(B) the Commission may not assess a fee under section 15 on gaming operated by the Indian tribe pursuant to paragraph (1) in excess of 0.25 percent of the net revenue from that class II gaming activity.

(4) RESCISSION.—The Commission may, for just cause and after a reasonable opportunity for a hearing, rescind a certificate of self-regulation issued under this subsection by majority vote of the members of the Commission.

(5) LICENSE RENOUVÉ.—If, after the issuance of any license by an Indian tribe under this section, the Indian tribe receives reliable information from the Commission indicating that a licensee does not meet any standard described in section 6(c) (that is established by the Secretary under section 8), or any other applicable regulation promulgated under this Act, the Indian tribe—

(I) shall immediately suspend that license; and

(II) pending further determination by the Commission, shall be subject to Federal income taxation for individuals or programs.

SEC. 10. CLASS III GAMING ON INDIAN LANDS.

(A) REQUIREMENTS FOR THE CONDUCT OF CLASS III GAMING ON INDIAN LANDS.

(A) IN GENERAL.—Any Indian tribe that operates, directly or with a management contract, a class II gaming activity may petition the Commission for a certificate of self-regulation if that Indian tribe—

(A) has continuously conducted that gaming activity for a period of not less than 3 years, including a period of not less than 1 year that begins after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1998;

(B) has otherwise complied with the provisions of this Act.

(2) ISSUANCE OF CERTIFICATE OF SELF-REGULATION.—The Commission shall issue a certificate of self-regulation under this subsection if the Commission determines, on the basis of available information, and after a hearing if requested by the Indian tribe, that the Indian tribe has—

(A) conducted its gaming activity in a manner that has—

(i) resulted in an effective and honest accounting of all revenues;

(ii) resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) been generally free of evidence of criminal activity;

(B) adopted and implemented adequate systems for—

(i) accounting for all revenues from the gaming activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement, and prosecution of violations of its gaming ordinance and regulations;

(C) conducted the operation on a fiscally and economically sound basis; and

(D) paid all fees and assessments that the Indian tribe is required to pay to the Commission under this Act.

(3) EFFECT OF CERTIFICATE OF SELF-REGULATION.—During the period in which a certificate of self-regulation issued under this subsection is in effect with respect to a gaming activity conducted by an Indian tribe—

(A) the Indian tribe shall—

(i) submit an annual independent audit report as required by subsection (b)(3)(A)(iv); and

(ii) submit to the Commission a complete resume of each employee hired and licensed by the Indian tribe during the period in which the Indian tribe is subject to Federal income taxation for individuals or programs;

(B) the Commission may not assess a fee under section 15 on gaming operated by the Indian tribe pursuant to paragraph (1) in excess of 0.25 percent of the net revenue from that class II gaming activity.

(4) RESCISSION.—The Commission may, for just cause and after a reasonable opportunity for a hearing, rescind a certificate of self-regulation issued under this subsection by majority vote of the members of the Commission.

(5) LICENSE RENOUVÉ.—If, after the issuance of any license by an Indian tribe under this section, the Indian tribe receives reliable information from the Commission indicating that a licensee does not meet any standard described in section 6(c) (that is established by the Secretary under section 8), or any other applicable regulation promulgated under this Act, the Indian tribe—

(I) shall immediately suspend that license; and

(II) pending further determination by the Commission, shall be subject to Federal income taxation for individuals or programs.
'(A) authorized by a compact that—

'(i) is approved pursuant to tribal law by the governing body of the Indian tribe having jurisdiction over those lands;

'(ii) is in effect for a period of at least 90 days under the regulations of this section 9(b)(3) for the conduct of class II gaming activities; and

'(iii) is approved by the Secretary;

'(B) the State permits such gaming for any purpose by any person, organization or entity; and

'(C) conducted in conformance with a compact that—

'(i) is in effect; and

'(ii) is

'(I) entered into by an Indian tribe and a State and approved by the Secretary under paragraph (2).

'(II) issued by the Secretary under paragraph (2).

'(2) COMPACT NEGOTIATIONS; APPROVAL.—

'(A) IN GENERAL.—

'(i) COMPACT NEGOTIATIONS.—Any Indian tribe having jurisdiction over the lands upon which a class III gaming activity is to be conducted may request the State in which those lands are located to enter into negotiations for the purpose of entering into a compact with that State governing the conduct of that activity.

'(ii) REQUIREMENTS FOR REQUEST FOR NEGOTIATIONS.—A request for negotiations under clause (i) shall—

'(aa) be in writing and specify each gaming activity that the Indian tribe proposes for inclusion in the compact. Not later than 30 days after receipt of that request under (i), the State shall respond to the Indian tribe.

'(bb) COMPACT NEGOTIATIONS; APPROVAL.—

'(aa) IN GENERAL.—Any Indian tribe that, within the applicable period specified in clause (ii), has failed—

'(1) to enter into negotiations under this subparagraph,

'(2) to commence mediation to conclude a compact governing the conduct of class III gaming activities

'on Indian lands upon a showing by an Indian tribe having jurisdiction over the lands that the State has not entered into negotiations with the Indian tribe.

'(bb) SELECTION OF MEDIATOR .—Not later than 20 days after an Indian tribe makes a request to the Secretary for mediation under subclause (aa), the Indian tribe shall select a mediator. The Secretary shall select a mediator, subject to subparagraphs (A) and (C), to conduct mediation under this subparagraph.

'(cc) MEDIATION.—

'(1) MEDIATION FEE.—Subject to subsection (B), the mediator shall be compensated at a rate as may be necessary to result in the mediator receiving amounts as necessary to defray the costs associated with those activities in such period.

'(2) MEDIATION PROCESSES.—

'(aa) IN GENERAL.—The mediator shall—

'(I) establish mediation procedures that conform to those described in section 6(c) (that are established by the Secretary under section 8) and the requirements of the Federal Register.

'(II) included in section 6(c) (that are established by the Secretary under section 8).

'(bb) SELECTION OF MEDIATOR .—Not later than 20 days after an Indian tribe makes a request to the Secretary for mediation under subclause (aa), the Indian tribe shall select a mediator. The Secretary shall select a mediator, subject to subparagraphs (A) and (C), to conduct mediation under this subparagraph.

'(cc) MEDIATION.—

'(1) IN GENERAL.—The Secretary shall—

'(i) make an offer to the Indian tribe that the Secretary determines is the best offer that the mediator has received in the preceding sentences.

'(ii) select a mediator, subject to subparagraph (A), to conduct mediation under this subparagraph.

'(iii) the assessment by the State of the mediator concerning the permissible scope of class III gaming on the Indian lands and any recommendations for the operation and regulation of class III gaming on the Indian lands in accordance with this Act.

'(iv) EFFECT OF DECLINING NEGOTIATIONS.—The Secretary shall make a determination concerning class III gaming described in section 6(c) (that are established by the Secretary under section 8).
“(iv) tax by the Indian tribe of that activity in amounts comparable to amounts assessed by the State for comparable activities;“

“(v) remedies for breach of compact provisions;“

“(vi) standards for the operation of that activity and maintenance of the gaming facility, in a manner consistent with the requirements of the standards described in section 8(c) (that are established by the Secretary under section 8) and section 8(d);“

“(vii) any other subject that is directly related to the operation of gaming activities.“

“(b) CONSTRUCTION WITH RESPECT TO ASSESSMENTS; PROHIBITION.—“

“(1) CONSTRUCTION.—Except for any assessments for services agreed to by an Indian tribe in compact negotiations, nothing in this section may be construed as conferring upon a State, or any political subdivision thereof, the authority to impose any tax, fee, charge, or other assessment upon an Indian tribe, an Indian gaming operation or the value generated by the gaming operation, or any person or entity authorized by an Indian tribe in a compact entered into in a class III gaming activity in conformance with this Act.“

“(2) ASSESSMENT BY STATES.—A State may assess the assessments agreed to by an Indian tribe in clause (1) in a manner consistent with that clause.“

“(4) STATUTORY CONSTRUCTION WITH RESPECT TO CERTAIN RIGHTS OF INDIAN TRIBES.—Nothing in this section shall be construed to create the right of an Indian tribe to regulate class III gaming on the Indian lands of the Indian tribe concurrently with a State and the Commission, except that such regulation is inconsistent with, or less stringent than, this Act or any laws (including regulations) made applicable by any compact entered into by the Indian tribe under this subsection that is in effect.“

“(5) EXEMPTION.—The provisions of section 2 of the Act of January 2, 1981 (commonly referred to as the ‘Gambling Devices Transportation Act’) (64 Stat. 1134, chapter 1194; 15 U.S.C. 1175) shall not apply to any class II gaming activity or any gaming activity conducted pursuant to a compact entered into after the date of enactment of this Act, but in no event shall this paragraph be construed as invalidating any exemption from the provisions of such section 2 for any compact entered into prior to the date of enactment of this Act.“

“(b) JURISDICTION OF UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA.—The United States District Court for the District of Columbia shall have jurisdiction over any action initiated by the Secretary, the Commission, a State, or an Indian tribe to enforce any provision of a compact entered into under subsection (a) or to enjoin a class III gaming activity or any gaming activity conducted pursuant to a compact entered into after the date of enactment of this Act, but in no event shall this paragraph be construed as invalidating any exemption from the provisions of such section 2 for any compact entered into prior to the date of enactment of this Act.“

“(1) Review of Contracts.—“

“(a) CONTRACTS INCLUDED.—The Commission shall, in accordance with this section, review and approve or disapprove any management contract for the operation and management of any gaming activity that an Indian tribe may engage in under this Act.“

“(b) CONTRACT ON INDIAN LANDS.—“

“(1) Conduct of Class III Gaming Activity.—“

“(A) provision of this Act or any regulation promulgated by the Commission pursuant to this Act.”

“(C) trust obligation of the United States to Indian tribe, an Indian gaming operation or a person licensed by an Indian tribe to engage in either a gaming activity or any gaming activity conducted pursuant to a compact entered into under subsection (a) that is in effect, remain lawful for the purposes of this Act, notwithstanding the Indian Gaming Regulatory Improvement Act of 1998, unless the Commission, or the Secretary under the authority of this Act, after the date on which an ordinance or resolution described in paragraph (1) that revokes authorization for that class III gaming activity is published in the Federal Register may, during the 1-year period beginning on the date on which that revocation, ordinance, or resolution is published under paragraph (2), continue to operate that activity in conjunction with the compact entered into under subsection (a) that is in effect, and “

“(2) application of the Indian Gaming Regulatory Improvement Act of 1998 to any Indian tribe that has preference over the Indian tribe, if the Commission is satisfied that the capital investment required, and the income projections for, the particular gaming activity require the additional time; and

“(2) Fee Amount.—Except as provided in paragraph (3), a fee described in paragraph (1) shall not exceed an amount equal to 30 percent of the net revenues described in that paragraph.“

“(3) Exception.—Upon the request of an Indian tribe, if the Commission is satisfied that the capital investment required, and income projections for, a tribal gaming activity exceed an amount equal to the amount specified in paragraph (2), the Commission may approve a management contract that provides for a fee described in paragraph (1) in an amount in excess of the amount specified in paragraph (2), but not to exceed 40 percent of the net revenues described in paragraph (1).“

“(4) Period for Review.—“

“(a) General.—“

“(B) any claim arising before, and any claim that is committed before, the termination of that 1-year period shall not be affected by that revocation ordinance, or resolution.”

“(5) AFFECT OF FAILURE TO ACT OR COMPACT.—If the Secretary fails to approve or disapprove a compact entered into under subsection (a) before the date that is 45 days after the date on which the compact is submitted to the Secretary for approval, the compact shall be considered approved by the Secretary, but only to the extent the compact is consistent with the provisions of this Act and the regulations promulgated by the Commission pursuant to this Act.“

“(3) EFFECT OF FAILURE TO ACT ON COMPACT ENTERED INTO AFTER THE DATE OF ENACTMENT OF THE INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1998.—Class III gaming activities that are authorized under a compact approved or issued by the Secretary under the authority of this Act and that are conducted on the date on which that revocation, ordinance, or resolution is published under paragraph (2), shall remain lawful for the purposes of this Act, notwithstanding the Indian Gaming Regulatory Improvement Act of 1998, and the amendments made by that Act or any change in State law, other than a change in State law that constitutes a change in the public policy of the State with respect to permitting or prohibiting class III gaming in the State.”

“(b) JURISDICTION OF UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA.—The United States District Court for the District of Columbia shall have jurisdiction over any action initiated by the Secretary, the Commission, a State, or an Indian tribe to enforce any provision of a compact entered into under subsection (a) or to enjoin a class III gaming activity or any gaming activity conducted pursuant to a compact entered into after the date of enactment of this Act, but in no event shall this paragraph be construed as invalidating any exemption from the provisions of such section 2 for any compact entered into prior to the date of enactment of this Act.“

“(2) Reasons for Disapproval by Secretary.—“

“(a) approved or disapprove any management contract that has been approved, under this subsection.“

“SEC. 11. REVIEW OF CONTRACTS.—“

“(a) Contracts Included.—The Commission shall, in accordance with this section, review and approve or disapprove any management contract for the operation and management of any gaming activity that an Indian tribe may engage in under this Act.“

“MANAGEMENT FEES BASED ON PERCENTAGE OF NET REVENUES.—“

“(1) Percentage Fee.—The Commission may approve a management contract that provides for a fee that is based on a percentage of the net revenues of a tribal gaming activity if the Commission determines that such percentage fee is reasonable, taking into consideration surrounding circumstances.“

“(2) Fee Amount.—Except as provided in paragraph (3), a fee described in paragraph (1) shall not exceed an amount equal to 30 percent of the net revenues described in that paragraph.“

“(3) Exception.—Upon the request of an Indian tribe, if the Commission is satisfied that the capital investment required, and income projections for, a tribal gaming activity exceed an amount equal to the amount specified in paragraph (2), the Commission may approve a management contract that provides for a fee described in paragraph (1) in an amount in excess of the amount specified in paragraph (2), but not to exceed 40 percent of the net revenues described in paragraph (1).“
(e) CONTRACT MODIFICATIONS AND VOID CONTRACTS.—The Commission, after providing notice and a hearing on the record—

(1) shall have the authority to require appropriate contract modifications to be subject to compliance with the provisions of this Act; and

(2) may declare invalid any contract regulated under this section if the Commission determines that any provision of this Act has been violated by the terms of the contract.

(6) LEASE AND REAL PROPERTY.—No contract regulated by this Act may transfer or, in any other manner, convey any interest in land or other real property, unless—

(1) the authority exists;

(2) all necessary approvals for the transfer or conveyance have been obtained; and

(3) the transfer or conveyance is clearly specified in the contract.

(g) AUTHORITY OF THE SECRETARY.—The authority of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81) shall not extend to any contract or agreement that is regulated pursuant to this Act.

(h) DISAPPROVAL OF CONTRACTS.—The Commission may not approve a management contract regulating a violation of any provision of law referred to in subsection (a), an opportunity to present evidence in support of that action by the Commission to establish that the alleged violation did not occur.

(2) PENALTY AMOUNT.—In determining the amount of a civil penalty assessed under this section, the Commission shall take into account—

(A) the nature, circumstances, extent, and gravity of the violation committed; or

(B) with respect to the person found to have committed violation, the degree of culpability, any history of prior violations, ability to pay, and the effect on ability to continue to do business; and

(C) such other matters as justice may require.

(c) TEMPORARY CLOSURE.—

(1) IN GENERAL.—The Commission may order the temporary closure of all or part of an Indian gaming operation for substantial violations of any provision of law referred to in subsection (a).

(2) HEARING ON ORDER OF TEMPORARY CLOSURE.—

(A) IN GENERAL.—Not later than 10 days after the issuance of an order of temporary closure, the Indian tribe or the individual owner of a gaming operation shall have the right to request a hearing on the record before the Commission to determine whether that order should be made permanent or dissolved.

(B) DEADLINES RELATING TO HEARING.—Not later than 30 days after a request for a hearing is made under subparagraph (A), the Commission shall conduct that hearing. Not later than 30 days after the termination of the hearing, the Commission shall render a final decision on the closure.

SEC. 13. JUDICIAL REVIEW.

A decision made by the Commission pursuant to section 6, 7, 11, or 12 shall constitute a final agency decision for purposes of appeal to the United States District Court for the District of Columbia pursuant to chapter 7 of title 5, United States Code:—

(6) by redesignating sections 18 and 19 as sections 14 and 15, respectively;

(7) in section 14, redesignate—

(A) in subsection (a)—

(i) by striking paragraphs (3) through (6); and

(ii) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5); and

(iii) by striking "(a)(1) The Commission" and inserting the following:

(2) MINIMUM FEES.—The Commission;

(iv) by inserting before paragraph (2) the following:

(a) ANNUAL FEES.—

(1) MINIMUM REGULATORY FEES.—In addition to obligations to a schedule of fees established under paragraph (2), the Commission shall require each gaming operation that conducts a class II or class III gaming activity that is regulated pursuant to this Act to pay fees to the Trust Fund under this subsection. The Secretary of the Treasury shall invest the amounts deposited under subparagraph (A) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(ii) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund, except special obligations issued exclusively to the Trust Fund, may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(iii) CREDITS TO TRUST FUND.—The interest on, and proceeds from, the sale of, or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(iv) EMPLOYEES FROM TRUST FUND.—

(A) IN GENERAL.—The Trust Fund shall be available, as provided in appropriations Acts, to the Commission for carrying out the duties of the Commission under this Act.

(B) WITHDRAWAL AND TRANSFER OF FUNDS.—Upon request of the Commission, the Secretary of the Treasury shall withdraw from the Trust Fund and transfer such amounts to the Commission for use in accordance with clause (i).
“(E) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subparagraph (D)(i)(1), the Secretary of the Treasury may not transfer or withdraw any amount deposited pursuant to paragraph (A).”

“(5) CONSEQUENCES OF FAILURE TO PAY FEES.—Failure to pay the fees imposed under the schedule established under paragraph (2) shall, for each fiscal year, result in the Commission, be grounds for revocation of the approval of the Commission of any license required under this Act for the operation of gaming activities.

“(6) CREDIT.—To the extent that revenue derived from fees imposed under the schedule established under paragraph (2) is not expended or committed at the close of any fiscal year, those surplus funds shall be credited to each gaming activity on a pro rata basis if the fees imposed under that schedule for the succeeding fiscal year.

“(7) GROSS REVENUES.—For purposes of this section, gross revenues shall constitute the annual total amount of money wagered, reduced by—

“A) any amounts paid out as prizes or paid for prizes awarded; and

“B) allowance for amortization of capital expenditures for structures;” and

“(B) by striking subsection (b) and inserting the following:

“(b) REMEMBERANCE OF COSTS.—

“(1) CONTENTS OF BUDGET.—For fiscal year 1999, and for each fiscal year thereafter, the budget of the Commission may include requests, as authorized by section 15, in an amount equal to the sum of—

“A) for fiscal year 1999, an estimate (determined by the Commission) of the amount of funds to be derived from the fees collected under subsection (a) for that fiscal year; or

“B) for fiscal years thereafter, the amount of funds derived from the fees collected under subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made; and

“B) $1,000,000.

“(2) BUDGET REQUEST OF THE DEPARTMENT OF THE INTERIOR.—Each request for appropriations made under paragraph (1) shall—

“(A) be subject to the approval of the Secretary; and

“(B) be part of a request made by the Secretary of the Interior for Indian gaming in the annual budget request submitted by the President to Congress under section 1105(a) of title 31, United States Code.”

“(8) of 1998, redesignated, by striking “section 18” each place it appears and inserting “section 14”;

“(b) by striking section 17 and inserting the following:

“(SEC. 17. GAMING PROSPECTED ON LANDS ACQUIRED IN TRUST AFTER THE DATE OF ENACTMENT OF THIS ACT.

“(a) IN GENERAL.—Except as provided in subparagraph (b), gaming regulated by this Act shall not be conducted on lands acquired by the Secretary in trust for the benefit of an Indian tribe after the date of enactment of this Act, unless—

“(1) those lands are located within or contiguous to the boundaries of the reservation of the Indian tribe on the date of enactment of this Act; or

“(2) the Indian tribe has no reservation on the date of enactment of this Act and those lands are located in the State of Oklahoma.

“(b) EXEMPTION.—Subsection (a) shall not apply to—

“(1) any lands involved in the trust petition of the St. Croix Chippewa Indians of Wisconsin that is the subject of the action filed in the United States District Court for the District of Columbia entitled St. Croix Chippewa Indians of Wisconsin v. United States, Civ. No. 88-2275; or

“(2) the interests of the Miccosukee Tribe of Indians of Florida in approximately 25 contiguous acres less than 1 mile in the intersection of State road number 27 (also known as Krome Avenue) and the Tamiami Trail; or

“(3) where the use of such lands for gaming purposes is provided for in a tribal-state compact described in section 19(a)(1)(C)(ii)(I) or a tribal-state agreement specifically providing for the use of such lands for gaming purposes.

“(b) by striking section 20; and

“(1) by redesignating sections 21 through 23 as sections 18 through 20, respectively; and

“(2) by redesigning section 24 as section 21.

“SEC. 3. LIMITATION ON LOBBYING.

Section 104 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450i) is amended by inserting after subsection (j) the following:

“(k) LOBBYING LIMITATION.—Notwithstanding subsection (j), except as otherwise provided in sections 265 and 267 of title 18, United States Code, no Federal officer or employee of the United States shall not act as an agent or attorney for, or appear on behalf of, a client in connection with any specific decision involving the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) in any matter in which the officer or employee of the United States had personal and substantial involvement while an officer of the United States.”

“SEC. 4. DEFINITION OF FINANCIAL INSTITUTIONS.

Section 331(a)(2) of title 31, United States Code, is amended—

“(1) by redesigning subparagraphs (Y) and (Z) of subsections (Y) and (AA), respectively; and

“(2) by inserting after paragraph (X) the following new subparagraph:

“(Y) A Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act that is in effect and inserting “a compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act that is in effect or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act”;

“(B) in subsection (d), by striking “a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act” and inserting “a compact approved by the Secretary of the Interior under section 10(c) of the Indian Gaming Regulatory Act or pursuant to procedures issued by the Secretary of the Interior under section 10(a)(2)(B)(iv) of such Act.”;

“(2) in section 1167, by striking “pursuant to an ordinance or resolution approved by the National Indian Gaming Commission” and inserting “pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.”; and

“(3) in section 1168, by striking “pursuant to an ordinance or resolution approved by the National Indian Gaming Commission” and inserting “pursuant to an ordinance or resolution that meets the applicable requirements under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.”.

“(c) INTERNAL REVENUE CODE OF 1986.—Section 188(h)(4)(A)(iv) of the Internal Revenue Code of 1986 is amended by striking “Indian Gaming Regulatory Act” and inserting “Indian Gaming Regulatory Act”.

“(d) Title 28.—Title 28, United States Code, is amended—

“(1) in section 3701(2)—


“(B) by striking “section 4(4) of such Act (25 U.S.C. 2704(4))” and inserting “section 4(10) of such Act”;

“(2) in section 707(b), by striking “section 4(4) of the Indian Gaming Regulatory Act” and inserting “section 4(10) of the Indian Gaming Regulatory Act.”

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 1871. A bill to provide that the exception for certain real estate investments from the treatment of stapled entities shall apply only to existing property, and for other purposes; to the Committee on Finance.
Mr. ROTH. Mr. President, Senator MOYNIHAN and I introduce a bill to limit the tax benefits of so-called "stapled" or "paired-share" Real Estate Investment Trusts ("stapled REITs"). Identical legislation is being introduced in the House of Representatives by Congressman ARCHER.

In the Deficit Reduction Act of 1984 ("1984 Act"), Congress eliminated the tax benefits of the stapled REIT structure out of concern that it could effectively result in one level of tax on active corporate business income that would otherwise be subject to two levels of tax. Congress also believed that allowing a corporate business to be stapled to a REIT was inconsistent with the policy that led Congress to create REITs.

As part of the 1984 Act provision, Congress provided grandfather relief to the case of stapled REITs that were already in existence. Since 1984, however, almost all the grandfathered stapled REITs have been acquired by new owners. Some have entered into new lines of businesses, and most of the grandfathered stapled REITs have used the stapled structure to engage in large-scale acquisitions of assets. Such unlimited relief from a general tax provision by a handful of taxpayers raises new questions not only of fairness, but of unfair competition, because these stapled REITs are in direct competition with other companies that cannot use the benefits of the stapled structure.

This legislation, which is a refinement of the proposal contained in theClinton Administration's Revenue Proposals for fiscal year 1999, takes into fair and fair approach. The legislation essentially subjects to the grandfathered stapled REITs to rules similar to the 1984 Act, but only to acquisitions of assets (including substantial improvements of existing assets) occurring after today. The legislation also provides transition relief for future acquisitions that are pursuant to a binding written contract, as well as acquisitions that already have been announced or described in a filing with the SEC.

Mr. President, I ask unanimous consent that additional material be printed in the Record.

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

S. 1871

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

SECTION 1. TERMINATION OF EXCEPTION FOR CERTAIN REAL ESTATE INVESTMENT TRUSTS TREATED AS STAPLED ENTITIES FROM THE TREATMENT OF STAPLED ENTITIES.

(a) In General.—Notwithstanding paragraph (3) of section 136(c) of the Tax Reform Act of 1986 (relating to stapled stock; stapled REITs; entities), the REIT gross income provisions shall be applied by treating the activities and gross income of members of the stapled REIT group as if such REIT or stapled entity held by or had an ownership interest in real property held by the exempt REIT or any stapled entity which is a member of such group (or treated under subsection (c) as held by such REIT or stapled entity) as the activities and gross income of the exempt REIT in the same manner as if such exempt REIT and such group were one entity.

(b) Nonqualified Real Property Interest.—For purposes of this section—

(1) In General.—The term “nonqualified real property interest” means, with respect to any exempt REIT, any interest in real property acquired after December 31, 1999, by the exempt REIT or any stapled entity.

(2) Exception for Binding Contracts, Etc.—Such term shall not include any interest in real property described in section (c) as held by such REIT or stapled entity if—

(A) the acquisition is pursuant to a written agreement to which agreement date and at all times thereafter on such REIT or stapled entity, or

(B) the acquisition is described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

(3) Improvements and Leases.—(A) In General.—Except as otherwise provided in this paragraph, the term “nonqualified real property interest” shall not include—

(i) any improvement to land owned or leased by the exempt REIT or any member of the stapled REIT group, and

(ii) any improvement of, any improvement owned or leased by the exempt REIT or any member of the stapled REIT group, if such ownership or leasehold interest is a nonqualified real property interest.

(B) Leases.—Such term shall not include any lease of a qualified real property interest.

(C) Termination Where Change in Use.—In General.—Subparagraph (A) shall not apply to any improvement placed in service after December 31, 1999, which is part of a change in the use of the property to which such improvement relates unless the cost of such improvement does not exceed 200 percent of—

(I) the cost of such property, or

(II) if such property is substituted basis property (as defined in section 7701(a)(42) of the Internal Revenue Code of 1986), the fair market value of the property at the time of acquisition.

(D) Binding Contracts.—For purposes of clause (i), an improvement shall be treated as placed in service before January 1, 2000, if such improvement is placed in service before January 1, 2004, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter.

(E) Treatment of Entitites Which Are Not Stapled, Etc. on March 26, 1998, Notwithstanding any other provision of this section, all interests in real property held by an exempt REIT or any stapled entity with respect to such exempt REIT (or treated under section (c) as held by such REIT or stapled entity) shall be treated as nonqualified real property interests unless—

(1) such stapled entity was a stapled entity with respect to such exempt REIT as of March 26, 1998, and at all times thereafter, and

(2) as of March 26, 1998, and at all times thereafter, such REIT was a real estate investment trust.

(F) Qualified Real Property Interest.—The term “qualified real property interest” means an interest in real property other than a nonqualified real property interest.

(G) Treatment of Property Held by 10-Percent Subsidiaries.—For purposes of this section—

(1) In General.—Any exempt REIT and any stapled entity shall be treated as holding their proportionate shares of each interest in real property held by any 10-percent subsidiary entity of the exempt REIT or stapled entity, as the case may be.

(2) Nonqualified Real Property Interests Treated as Nonqualified.—(A) In General.—Except as provided in subparagraph (B), any interest in real property held by any 10-percent subsidiary entity of an exempt REIT or stapled entity shall be treated as a nonqualified real property interest.

(B) Exception for Interests in Real Property Held on March 26, 1998, Etc.—In the case of an entity which was a 10-percent subsidiary entity of an exempt REIT or stapled entity on March 26, 1998, and at all times thereafter, an interest in real property held by such subsidiary entity shall be treated as a qualified real property interest if such interest would be so treated if held directly by the exempt REIT or the stapled entity.

(3) Reduction in Qualified Real Property Interests if Increase in Ownership of Subsidiary.—If, after March 26, 1998, an exempt REIT or stapled entity increases its ownership interest in a subsidiary entity to which paragraph (2)(B) applies above its ownership interest in such subsidiary entity on such date, the additional portion of each interest in real property which is treated as held by the exempt REIT or stapled entity by reason of such increased ownership interest shall be treated as a nonqualified real property interest.

(4) Special Rules for Determining Ownership.—For purposes of this subsection—

(a) Treatment of Property Secured by Mortgage Held by Exempt REIT or Member of Stapled REIT Group.—(1) In General.—In the case of any nonqualified obligation held by an exempt REIT or member of the stapled REIT group, the REIT gross income provisions shall be applied by treating the exempt REIT as having impermissible tenant service income equal to—

(A) the interest income from such obligation which is properly allocable to the property described in paragraph (2), and

(B) the income of any member of the stapled REIT group from services described in paragraph (2) with respect to such property.

If the income referred to in subparagraph (A) or (B) is of a 10-percent subsidiary entity, only the portion of such income which is allocated to the exempt REIT’s or the stapled entity’s interest in the subsidiary entity shall be taken into account.

(2) Nonqualified Obligation.—Except as otherwise provided in this subsection, the term “nonqualified obligation” means any obligation secured by a mortgage on an interest in real property or the interest of any member of the stapled REIT group from services described in paragraph (2) with respect to such property, if the income referred to in subparagraph (A) or (B) is of a 10-percent subsidiary entity, only the portion of such income which is allocated to the exempt REIT’s or the stapled entity’s interest in the subsidiary entity shall be taken into account.

(Sec. 105) REDUCTION OF COMMISSION EXPENSES.

SEC. 105. EXEMPTION FOR CERTAIN MARKET RATE OBLIGATIONS.—Such term shall not include any obligation—
(A) payments under which would be treated as interest if received by a REIT, and
(B) the rate of interest on which does not exceed an arm's-length rate.

(4) TREATMENT FOR EXISTING OBLIGATIONS.—Such term shall not include any obligation—
(A) which is secured on March 26, 1998, by an interest in real property, and
(B) which is secured on such date by the exempt REIT or any entity which is a member of the stapled REIT group on such date and at all times thereafter.

(5) TREATMENT OF ENTITIES WHICH ARE NOT STAPLED, ETC., ON MARCH 26, 1998.—A rule similar to the rule of subsection (b)(4) shall apply for purposes of this subsection.

(6) INCREASE IN AMOUNT OF NONQUALIFIED OBLIGATIONS IF INCREASE IN OWNERSHIP OF SUBSIDIARY.—If an interest in the ownership of any 10-percent-or-greater interest in a REIT or by a stapled entity, or a subsidiary or partnership in which a 10-percent-or-greater interest is owned by the existing stapled REIT or by a member of the REIT group after March 26, 1998, would, but for this subparagraph, be treated as a non-qualified expansion, that interest would be so treated if such corporation is a member of the REIT group under the rules described below.

(7) COORDINATION WITH SUBSECTION (a).—This subsection shall not apply to the portion of any interest in real property that the exempt REIT or stapled entity holds or is treated as holding under this section without regard to subsection (a).

(e) Definitions.—For purposes of this section—

(1) REIT GROSS INCOME PROVISIONS.—The term ‘‘REIT gross income provisions’’ means—

(A) paragraphs (2), (3), and (6) of section 861(c) of the Internal Revenue Code of 1986, and

(B) section 857(b)(5) of such Code.

(2) EXEMPT REIT.—The term ‘‘exempt REIT’’ means a real estate investment trust (‘‘REIT’’) which is held on such date by the exempt REIT or any entity which is a member of the stapled REIT group on such date and at all times thereafter.

(3) STAPLED REIT GROUP.—The term ‘‘stapled REIT group’’ means, with respect to an exempt REIT, an entity consisting—

(A) all entities which are stapled entities with respect to the exempt REIT, and

(B) all entities which are 10-percent-or-greater-interest holding entities of the exempt REIT or any such stapled entity.

(4) 10-PERCENT SUBSIDIARY ENTITY.—

(A) IN GENERAL.—The term ‘‘10-percent subsidiary entity’’ means, with respect to any exempt REIT or stapled entity, any entity in which the exempt REIT or stapled entity (as the case may be) directly or indirectly holds at least a 10-percent interest.

(B) EXCEPTION FOR CERTAIN C CORPORATION SUBSIDIARIES OF REITS.—A corporation which would, but for this subparagraph, be treated as a 10-percent subsidiary entity shall not be so treated if such corporation is taxable under section 11 of the Internal Revenue Code of 1986.

(C) 10-PERCENT INTEREST.—The term ‘‘10-percent interest’’ means—

(i) in the case of a 10-percent interest in a corporation, ownership of 10 percent (by vote or value) of the stock in such corporation,

(ii) in the case of an interest in a partnership, ownership of 10 percent of the assets or net profits interest in the partnership, and

(iii) in any other case, ownership of 10 percent of the beneficial interests in the entity.

(5) OTHER DEFINITIONS.—Terms used in this section which are used in section 269B or section 453 or in any other section of this title shall have the respective meanings given such terms by such section.

(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to carry out the purposes of this section, including guidance to prevent the avoidance of the impact of this section, and to prevent the double counting of income.

(g) EFFECTIVE DATE.—This section shall apply to taxable years ending after March 26, 1998.

TECHNICAL EXPLANATION

The tax benefits of the stapled real estate investment trust (‘‘REIT’’) structure were curtailed for almost all taxpayers by section 269B. In order to return to the intent of the Deficit Reduction Act of 1984 (‘‘1984 Act’’). The bill limits the tax benefits of a few stapled REITs that continue to qualify under the 1984 Act’s grandfather rules

A REIT is an entity that receives most of its income from passive real-estate related investments and that essentially receives no passive income from sources and not engage in any active trade or business. In a stapled REIT structure, both the shares of a REIT and a C corporation may be traded, and in most cases publicly traded, but are subject to a provision that they may not be sold separately. Thus, the REIT and the C corporation have identical ownership at all times.

OVERVIEW

Under the bill, rules similar to the rules of certain provisions of the REIT rules that depend on the REIT’s gross income, including the requirement that 95 percent of a REIT’s gross income be from passive sources (the ‘‘95-percent test’’), a like requirement that 75 percent of a REIT’s gross income be from real estate sources (the ‘‘75-percent test’’). Thus, for example, a stapled REIT group would be treated as a non-grandfathered real property held by a member of the REIT group, such gross income would be treated as income of the REIT, with the result that the 75-percent or 95-percent test might not be met and REIT status might be lost.

If a REIT or stapled entity owns, directly or indirectly, a 10-percent-or-greater interest in a subsidiary or partnership that holds a real property interest, the above rules would apply with respect to a proportionate part of the subsidiary’s or partnership’s gross income and gross income activities. These rules would have the effect of reducing the gross income activities that would result in a type of income that is not treated as counting toward the 75-percent and 95-percent tests if the gross income activities are outside the scope of the definition of personal service income.

MORTGAGE RULES

Special rules would apply where a member of the REIT group holds a mortgage (that is not an existing obligation under the rules described below) that is secured by an interest in real property, where a member of the REIT group engages in certain activities with respect to that property. The activities that would have the effect of reducing the REIT group’s gross income from the mortgage and all gross income received by a member of the REIT group.
A provision of the IRC would avoid the purposes of the provision.

An exception to the above rules would be provided for mortgages the interest on which does not exceed an arm’s-length rate and which would be treated as interest for purposes of the REIT rules (e.g., the 75-percent and 95-percent tests, above). An exception also would be made for certain interests in mortgages that are held on March 26, 1998, by an entity that is a member of the REIT group.

The entire mortgage debt would cease to apply if the mortgage is refinanced and the principal amount is increased in such refinancing.

**OTHER RULES**

For a corporate subsidiary owned by a stapled entity, the 10-percent ownership test would be met if a stapled entity owns, directly or indirectly, 10 percent or more of the corporation’s stock, by either vote or value. (The bill would not apply to stapled REIT’s ownership of a corporate subsidiary, although a stapled REIT would be subject to the normal restrictions on a REIT’s ownership of stock in a corporation.) For interests in partnerships and other pass-through entities, the test would be met if either the REIT or a stapled entity owns, directly or indirectly, a 10 percent or greater interest.

The Secretary of the Treasury would be given authority to prescribe such guidance as may be necessary or appropriate to carry out the purposes of the provision, including guidance to prevent the double counting of income and to prevent transactions that would avoid the purposes of the provision.

**By Mr. NICKLES.**

S. 1782. A bill to prohibit new welfare for politicians; to the Committee on Commerce, Science, and Transportation.

**THE NEW WELFARE FOR POLITICIANS**

**PROHIBITION ACT**

Mr. NICKLES. Mr. President, I rise today to introduce legislation that would prohibit the Federal Communications Commission (FCC) from establishing regulations that would compel broadcasters to offer free or reduced-cost air time to political candidates. It is clear that this type of regulation would result in drastic change to current communications and campaign finance law and thus, exceed the regulatory authority of this agency. Absent a legislative directive from Congress, the FCC lacks the authority to require broadcasters to offer free or reduced-cost air time to political candidates.

While in many areas of broadcast regulation, the FCC does possess broad authority to change its regulation to reflect what is within the public interest, that authority has always been specifically granted by an act of Congress. The authority does not extend to the regulation of political broadcasting.

The Communications Act clearly mandates, with respect to candidate appearances for broadcast station time, certain specific requirements for FCC to enforce on broadcasters for political candidates. The law requires broadcasters to provide candidates with equal opportunities, ensure that there is no censorship of political messages, and provide “reasonable access” to federal candidates. As for media rates, the Act specifically states that when candidates pay for their air time, they will be accorded a stations’ “lowest unit charge” for the same class and amount of time. It seems quite clear that Congress’ inclusion of these specific provisions indicates that in the area of political broadcasting, especially for rates charged for advertising, the FCC does not have the authority to rewrite the Communications Act and impose a free political broadcasting requirement which is inconsistent with Congress’ specific statement on this issue.

Any attempt to affect campaign finance reform through overreaching FCC regulations rather than through the legislative process, regardless of good intentions, is wrong. Any changes or revisions to the campaign finance or communication laws should be made by the people through their elected representatives and not by non-elected federal bureaucrats. New regulations from the FCC would further involve the government in protected political speech areas and create a patchwork of agency regulations without any consistent overall reform.

Mr. President, during the 105th Congress this body has thoroughly debated campaign reform and free air time for political candidates. Clearly there is not enough support in this body to pass legislation that includes the free air time provisions. This legislative defeat does not give the FCC Chairman the authority, even with direction from the President, to issue regulations giving candidates free time and mandate or bribe the nation’s broadcasters to abide by these regulations. Again, if this type of reform is to be implemented, it requires legislative action by Congress. It is not appropriate for a federal agency to mandate this comprehensive reform by regulatory action.

The Constitution is clear. Article I, Section 1 of the Constitution vests in Congress all power to “make laws which shall be used necessary and proper for carrying into Execution the foregoing Powers * * *.” Nowhere in the Constitution is the Executive Branch vested with the power to make the law. The framers of the Constitution understood the threat to our free society which an all-powerful executive branch is. This principle is as valid today as it was when they drafted the Constitution. Any proposed regulations by the FCC which would require broadcasters to give free or reduced-cost air time to federal political candidates raises serious constitutional concerns.

This is not the first time that the Clinton administration has tried to bypass Congress and legislate by executive order. They have attempted to do this on several occasions. And I think they have done so knowing full well they could not get their desired objective through the legislative process.

Let me remind the FCC, that if this type of regulatory action is taken by this agency, I will lead the effort in the Senate to defeat the regulation. The Congressional Review Act, gives Congress the ability to disapprove regulations, when a simple majority believes that the regulation is inappropriate.

Every member of this body, Democrats and Republicans, should reject this approach. We should uphold and protect this institution, the legislative branch, and the constitution.

And so, Mr. President, I have warned the White House that I am willing to use any appropriate tools at our disposal to stop this egregious abuse of power. I will do what I can to stop the proposed FCC regulations on air time for political candidates. And I will do what I can to block any other attempts by this administration to legislate by executive action. It is my intention to use everything in my power to protect this institution. I am hopeful that my colleagues will join me in this effort.

**ADDITIONAL COSPONSORS**

S. 460

At the request of Mr. BOND, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 460, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for business meals and entertainment of self-employed individuals, to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home, to clarify the standards used for determining that certain individuals are not employees, and for other purposes.

S. 1002

At the request of Mr. ABRAHAM, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1002, a bill to require Federal agencies to assess the impact of policies on families, and for other purposes.

S. 1133

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 1133, a bill to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses and to increase the maximum annual amount of contributions to such accounts.

S. 1251

At the request of Mr. D’AMATO, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Virginia [Mr. Warner] were added as cosponsors of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1252

At the request of Mr. D’AMATO, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1252, a bill to amend the
At the request of Mr. COATS, the name of the Senator from Maine [Ms. COLLINS] was added as a cosponsor of S. 1255, a bill to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to achieve economic self-sufficiency.

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1263, a bill to award Congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred to collectively as the “Little Rock Nine” on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

At the request of Mr. SMITH, the name of the Senator from Wisconsin [Mr. FLEINIGOLD] was added as a cosponsor of S. 1406, a bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Select Reserve.

At the request of Mr. LUGAR, the name of the Senator from Louisiana [Mr. GRAMM] was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

At the request of Mr. SHELBY, the name of the Senator from Georgia [Mr. COVERDILL] was added as a cosponsor of S. 1580, a bill to amend the Balanced Budget Act of 1997 to place an 18-month moratorium on the prohibition of payment under the Medicare program for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under such program with respect to such services.

At the request of Mr. GRAMS, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 1621, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

At the request of Mr. ABRAHAM, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 1723, a bill to amend the Immigration and Nationality Act to assist the United States in remaining competitive by increasing the access of the United States firms and institutions of higher education to skilled personnel and by expanding educational and training opportunities for American students and workers.

At the request of Mr. BURNS, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1725, a bill to terminate the Office of the Surgeon General of the Public Health Service.

At the request of Mr. HELMS, the names of the Senator from Washington [Ms. GRAMM], the Senator from Idaho [Mr. KEMP THORNE], the Senator from Connecticut [Ms. KENNEDY], the Senator from Louisiana [Ms. LANDRIEU], the Senator from Mississippi [Mr. CCRAN], the Senator from Kansas [Ms. BROWNBACK], and the Senator from New Hampshire [Mr. GREIG] were added as cosponsors of Senate Resolution 175, a bill to designate the week of May 3, 1998 as “National Correctional Officers and Employees Week.”

At the request of Mr. ROBB, the names of the Senator from Texas [Mr. GRAMM], the Senator from Idaho [Mr. KEMP THORNE], the Senator from Connecticut [Ms. KENNEDY], the Senator from Louisiana [Ms. LANDRIEU], the Senator from Mississippi [Mr. CCRAN], the Senator from Kansas [Ms. BROWNBACK], and the Senator from New Hampshire [Mr. GREIG] were added as cosponsors of Senate Resolution 175, a bill to designate the week of March 3, 1998 as “National Correctional Officers and Employees Week.”

At the request of Mr. MOTEHAN, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 188, a resolution expressing the sense of the Senate regarding Israeli membership in a United Nations regional group.

At the request of Mr. INOUYE, submitted the following resolution; which was considered and agreed to:

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes; Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry; Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Resolved, That the Senate—

(1) designates March 26, 1998, as “National Maritime Arbitration Day”; and

requests the President to issue a proclamation designating March 26, 1998, as “National Maritime Arbitration Day” and calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED

1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR RECOVERY FROM NATURAL DISASTERS, AND FOR OVERSEAS PEACEKEEPING EFFORTS

McCain AMENDMENT NO. 2136

Mr. STEVENS (for Mr. McCaIN) proposed an amendment to the bill (S. 1768) making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, and for other purposes; as follows:

At the appropriate place in Title II, insert the following:

SEC. 100. ELIGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104-208; 110 Stat. 3009-171) is amended—

(1) in subsection (a)—

(A) by striking “For purposes” and inserting “Notwithstanding any other provision of law, for purposes”;

(B) by striking “fiscal year 1997” and inserting “fiscal years 1998 and 1999”; and

(2) by amending subsection (b) to read as follows:

“(b) ALIENS COVERED.—

“(1) IN GENERAL.—An alien described in this subsection is—

“(A) is a son or daughter of a qualified national;

“(B) is 21 years of age or older; and

“(C) was unmarried as of the date of acceptance of the alien’s parent for resettlement under the Orderly Departure Program.

“(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term ‘qualified national’ means a national of Vietnam who—

“(A) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

“(B) accepted by the United States for admission as a refugee under the Orderly Departure Program.”

STEVENS (AND MURKOWSKI) AMENDMENTS NOS. 2137–2138

Mr. STEVENS (for himself and Mr. MURKOWSKI) proposed two amendments to the bill, S. 1768, supra, as follows:

AMENDMENT NO. 2137

On page 38, following line 18, insert the following new section:

SEC. 200. PROVISION OF CERTAIN HEALTH CARE SERVICES FOR ALASKA NATIVES.

Section 300(c) of the Alaska Indian Land Claims Settlement Act (Public Law 106-143, 111 Stat. 2666) is amended—
(1) by inserting “other than community based alcohol services,” after “Ketchikan Gateway Borough,”; and
(2) by inserting at the end the following new sentence: “Notwithstanding any other provision of law, such contract or compact shall provide services to all Indian and Alaska Native beneficiaries of the Indian Health Service or the Ketchikan Gateway Borough without the need for resolutions of support from any Indian tribe as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450(b))."

**AMENDMENT NO. 2138**

On page 38, following line 18, insert the following new section:

SEC. 326(a) of the Act making Appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1998 and for other purposes (Public Law 105-69, 111 Stat. 1943) is amended—

by striking “with any Alaska Native village or Alaska Native village corporation and inserting “in, but not offered pursuant to, subsection (b)(1),”

as follows:

Mr. STEVENS (for Mr. BOND, for himself, Mr. CONRAD, Mr. DORGAN, and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 15, after line 21, add the following: Sec. 295. In addition to the amounts provided in Public Law 105-69, $272,500,000 is appropriated under the heading “Air Craft Procurement, Navy”.

**AMENDMENT NO. 2139**

Mr. STEVENS (for Mr. BOND, for himself, Mr. CONRAD, Mr. DORGAN, and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 16, beginning on line 10, strike “in, but not offered pursuant to, subsection (b)(1),”

**CHAFFEE AMENDMENT NO. 2140**

Mr. STEVENS (for Mr. CHAFFEE) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 17, beginning on line 10, strike “to be conducted at full Federal expense”.

**WYDEN AMENDMENT NO. 2141**

Mr. STEVENS (for Mr. WYDEN) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place in the bill in Title II, insert the following new section:

SEC. ELIMINATION OF SECRECY IN INTERNATIONAL TRADE ORGANIZATIONS. The President shall instruct the United States Trade Representative to the World Trade Organization to seek the adoption of procedures that will ensure broader application of the principles of transparency and openness in the meetings of the organization, including by urging the World Trade Organization General Council to—

(1) permit appropriate meetings of the Council of Representatives, dispute settlement panels, and the Appellate Body to be made open to the public; and

(2) provide for timely public summaries of the matters discussed and decisions made in any closed meeting of the Conference or Council.

**BOND AMENDMENT NO. 2142**

Mr. STEVENS (for Mr. BOND) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 46, after line 25, insert:

**GENERAL PROVISION**

Sec. 1001. Section 206 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Pub. L. 105-65; October 27, 1997) is amended by inserting the following before the period; “, and for loans and grants for economic development in and around 18th and Vine”.

**CRAIG AMENDMENT NO. 2143**

Mr. STEVENS (for Mr. CRAIG) proposed an amendment to the bill, S. 1768, supra; as follows:

Beginning on line 10 on page 35, strike all through line 18 on page 36 and insert in lieu thereof the following new section:

**SEC. 405. TRANSPORTATION SYSTEM MORATORIUM.**

(a)(1) The Chief of the Forest Service, Department of Agriculture, in his sole discretion, may offer any timber sales that were previously scheduled for sale in fiscal year 1998 or fiscal year 1999 even if such sales would have been delayed or halted as a result of, any moratorium on construction of roads in roadless areas within the National Forest System adopted as policy or by regulation that would otherwise be applicable to such sales.

(b) Any sales authorized pursuant to subsection (a)(1) shall—

(A) comply with all applicable laws and regulations and be consistent with applicable land and resource management plans, except any regulations or plan amendments which establish or implement the moratorium referred to in subsection (a)(1); and

(B) be subject to administrative appeals pursuant to Part 215 of title 36 of the Code of Federal Regulations and to judicial review.

**COCHRAN (AND BUMPERS) AMENDMENT NO. 2144**

Mr. STEVENS (for Mr. COCHRAN, for himself and Mr. BUMPERS) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 5, line 10, strike “that had been produced but not marketed”.

**WELLSTONE (AND OTHERS) AMENDMENT NO. 2145**

Mr. STEVENS (for Mr. WELLSTONE, for himself, Mr. CONRAD, Mr. DORGAN, and Mr. DASCHEL) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3, line 6, beginning with “emerge”–, strike all down through and including “insured,” on line 7 and insert “direct and guaranteed”.

On page 3, line 11, following “disaster” insert: “as follows: operating loans, $8,600,000, of which $5,400,000 shall be for subsidized guaranteed loans; emergency insured loans”.

On page 3, line 14, strike “$21,000,000” and insert in lieu thereof the following: “$29,600,000”.

**JEFFORDS (AND LEAHY) AMENDMENT NO. 2146**

Mr. STEVENS (for Mr. JEFFORDS, and Mr. LEAHY) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 18, between lines 5 and 6, insert the following: An additional amount for emergency construction to repair the Mackville Dam in Hardwick, Vermont: $500,000, to remain
available until expended: Provided, That the Secretary of the Army may obligate and expend the funds appropriated for repair of the Mackville Dam if the Secretary of the Army certifies that the repair is necessary to provide flood control benefits: Provided further, That the Corps of Engineers shall not be responsible for the future costs of operation, repair, replacement, or rehabilitation of the project: Provided further, That the entire amount shall be available only to the extent that an official budget request of $500,000 that includes designation of the entire amount of the request as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to Congress: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

LOTT AMENDMENT NO. 2147
Mr. STEVENS (for Mr. LOTT) proposed an amendment to the bill, S. 1768, supra; as follows:
On page 1, line 18 of amendment 2100 after the word "automobile," insert the following: "shipbuilding."

DASCHLE AMENDMENT NO. 2148
Mr. STEVENS (for Mr. DASCHLE) proposed an amendment to the bill, S. 1768, supra; as follows:
At the appropriate place in Title II, insert the following:
''Provided, That in addition to the amounts provided in Public Law 105-60, $35,000,000 is appropriated and shall be available for deposit in the International Trust Fund of the Republic of Slovenia for Demining, Mine Clearance, Assistance to Mine Victims in Bosnia and Herzegovina: Provided, That such amount may be deposited in that Fund only if the President determines that such amount could be used effectively and for objectives consistent with on-going multilateral efforts to remove landmines in Bosnia and Herzegovina: Provided further, That such amount may be deposited in that Fund only to the extent of deposits of matching amounts in that Fund by other government, entities, or persons: Provided further, That the amount of such amount deposited by the United States in that Fund may be expended by the Republic of Slovenia only in consultation with the United States Government: Provided further, That the entire amount shall be available only to the extent an official budget request, for a specific dollar amount, that includes a designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 is transmitted to Congress by the President: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

GREGG AMENDMENT NO. 2149
Mr. STEVENS (for Mr. GREGG) proposed an amendment to the bill, S. 1768, supra; as follows:
On page 51, line 8, strike the word "design," and on line 13, strike the words "federal construction."
Mr. STEVENS (for Mr. TORRICELLI, for himself and Mr. LAUTENBERG) proposed an amendment to the bill, S. 1768, supra; as follows:

SEC. 4. STRATEGIC PETROLEUM RESERVE.

(a) Notwithstanding any other provision of law, with respect to the amount allocated for fiscal year 1998, and the amounts that would otherwise be allocated for fiscal year 1999 or any succeeding fiscal year, to the City of Philadelphia, Pennsylvania on behalf of the Philadelphia, PA–NJ Primary Metropolitan Statistical Area (in this section referred to as the 'new Sophie area'), under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development shall adjust such amount to the proportion of the metropolitan area's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area that is located in New Jersey.

(b) The State of New Jersey shall use amounts allocated to the State under this section to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan area that is located in New Jersey.

Mr. MURkowski (for Mr. BINGAMAN) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 26, after line 11, insert the following:

SEC. 3. STRATEGIC PETROLEUM RESERVE.

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $207,500,000, to remain available until expended, and the sale of oil from the Strategic Petroleum Reserve required by Public Law 105–43 shall be prohibited.

Provided, That the entire amount shall be available and the oil sold prohibited only to the extent that an official budget request for $300,500,000, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency require

CLEGAN (AND OTHERS) AMENDMENT NO. 2158

Mr. CLEGAN (for himself, Mr. COVERDELL, Mr. HARKIN, Mr. KERRY, and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

SEC. 4. DISASTER MITIGATION PILOT PROGRAM.

(a) In General.—Section 7(b)(1) of the Small Business Act (15 U.S.C. 636(b)(1)) is amended—

(i) by striking '(A)' and inserting 'and';

(ii) by striking subparagraphs '(B), (C), (D), and (E)';

(iii) by striking 'as described in subparagraphs (A), (B), (C), (D), and (E)';

(iv) by striking paragraph (F); and

(v) by inserting the following sub-subparagraphs:

``(1) $15,000,000 for fiscal year 1999.

(2) $15,000,000 for fiscal year 2000.

(3) $15,000,000 for fiscal year 2001.

(4) $15,000,000 for fiscal year 2002.

(5) $15,000,000 for fiscal year 2003.

(6) $15,000,000 for fiscal year 2004.''

(b) Authorization of Appropriations.—Section 20 of the Small Business Act (15 U.S.C. 632 note) is amended by adding at the end the following:

``(d) Disaster Mitigation Pilot Program.—The following program levels are authorized for loans under section 7(b)(1)(C):

(1) $15,000,000 for fiscal year 1999.

(2) $15,000,000 for fiscal year 2000.

(3) $15,000,000 for fiscal year 2001.

(4) $15,000,000 for fiscal year 2002.

(5) $15,000,000 for fiscal year 2003.''

BYRD AMENDMENT NO. 2159

Mr. STEVENS (for Mr. BYRD) proposed an amendment to the bill, S. 1768, supra; as follows:

At the end of the bill add the following General Provisions:

``SEC. 5. Notwithstanding any other provision of law, permanent employees of county committees employed during fiscal year 1998 pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(h)) shall be considered as having Federal Civil Service status only for the purpose of applying for USDA Civil Service vacancies.

BINGAMAN (AND HOLLINGS) AMENDMENT NO. 2160

Mr. BINGAMAN (for himself and Mr. HOLLINGS) proposed an amendment to the bill, S. 1768, supra; as follows:

At the appropriate place insert the following:

SECTION 1. SCHOOL SECURITY.

(a) SHORT TITLE.—This section may be cited as the "Safe Schools Security Act of 1998.''

(b) PURPOSE.—The purpose of this section is to provide for school security training and technology, and for local school security programs.

(c) SCHOOL SECURITY TECHNOLOGY CENTER.—

(1) ESTABLISHMENT.—The Attorney General, the Secretary of Education, and the Secretary of Energy shall enter into an agreement for the establishment at the Sandia National Laboratory in New Mexico in partnership with the National Law Enforcement and Corrections Technology Center—Southwest a center to be known as the "School Security Technology Center-—Local School Security Technology Center shall be administered by the Attorney General.

(2) FUNCTIONS.—The School Security Technology Center shall have the following responsibilities:

(a) To make grants to local educational agencies for school security assessments, technology development, technology availability and implementation, and technical assistance relating to improving school security.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $2,250,000 for each of the fiscal years 1999, 2000, and 2001.

(4) LOCAL SCHOOL SECURITY PROGRAMS.—Subpart 1 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 711 et seq.) is amended by adding at the end the following:

``SEC. 4119. LOCAL SCHOOL SECURITY PROGRAMS.

"(a) Purpose.—From amounts appropriated under subsection (c), the Secretary of Education shall award grants to local educational agencies to enable the agencies to acquire security technology, or carry out activities related to improving school security at the middle and high schools served by the agencies, including obtaining school security assessments, and technical assistance for the development of a comprehensive school security plan from the School Security Technology Center.

(b) APPlicability.—The provisions of this subsection shall not apply to this section.''

Cochran Amendment No. 2161

Mr. COCHRAN proposed an amendment to the bill, S. 1768, supra; as follows:

On page 3 line 7 of amendment 2100, change to word "requirement" to "requiring".

BAUCUS (AND OTHERS) AMENDMENT NO. 2162

Mr. BAUCUS (for himself, Mr. BURNS, Mr. DASCHLE, Mr. DORGAN, Mr. HARKIN, Mr. CONRAD, Mr. JOHNSON, and Mr. BUMPERs) proposed an amendment to the bill, S. 1768, supra; as follows:

On page 59, between lines 7 and 8, insert the following:

SEC. 3. EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Development Act (7 U.S.C. 723) is amended by striking subsection (c) and inserting the following:

"(c) The Administrator shall make loans to eligible applicants for the purpose of carrying out the activities described in subsection (b) for an amount that in no event shall exceed 90 percent of the total cost of the activity described in subsection (b) in each year in which a loan is made under this subsection."
Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 26, 1998, to conduct a hearing on the implications of the recent Supreme Court decision concerning credit union membership.

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to continue markup of S. 8, the Superfund Cleanup Acceleration Act of 1997, Thursday, March 26, 9:30 a.m., Hearing Room (SD-406).

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, Subcommittee on Children and Families, be authorized to meet for a hearing on Head Start during the session of the Senate on Thursday, March 26, 1998, at 10 a.m., in room 226 of the Senate Dirksen office building.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

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

THE VETERANS BURIAL RIGHTS ACT OF 1998

Mrs. MURRAY. Mr. President, I am pleased to announce the introduction of the Veterans Burial Rights Act of 1998. I want to personally thank Senator Frank Murkowski, my colleague on the Veterans’ Affairs Committee and the former chairman of the committee, and Senator Paul Sarbanes for joining me in introducing this legislation.

I also want to thank the veterans service organizations that worked with us to draft this very important legislation. I particularly want to thank the veterans of my state who first brought the issue to my attention, who have been true partners in this effort.

I introduced this legislation for a very simple reason: every day, veterans are being buried across this nation without full military honors—honors earned through service to us all. And that is not right.

The Veterans Burial Rights Act of 1998 is a common sense piece of legislation of great importance to the veterans of our country. Our bill requires the Department of Defense to provide honor guard services upon request at the funerals of our veterans. Our bill is the right thing to do.

Our country has asked a lot of our veterans. I believe we have a responsibility to tell each and every veteran that we remember and we honor their service to our country. The Veterans Burial Rights Act of 1998 gives meaning to the words “on behalf of a grateful nation,” that accompanies the presentation of the flag to the family at a funeral.

I can speak personally to the importance of this legislation. I lost my own father last year, a World War II veteran and proud member of the Disabled American Veterans. My family was lucky. We were able to arrange for an honor guard at his service. Having the honor guard there for my family made a big difference and a lasting impression. We were all—and particularly my mother—filled with pride at a very difficult moment for our family, as Dad’s service was recognized one final time. It should be this way for every family who lays a veteran to rest.

With a downsized military, installations are no longer able to provide trained personnel to perform military honors for every veteran. Veterans service organizations have stepped in and tried to provide the color guard services for deceased fellow veterans. And by most accounts, they do a pretty good job. But VSO’s cannot meet the demand. In their own admission they often lack the crispness and the precision of trained military personnel.

Mr. STEVENS. Mr. President, I ask unanimous consent that the subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet on Thursday, March 26, 1998, at 2 p.m., to receive testimony on the Department of Defense Domestic Emergency Response Program and support to the interagency preparedness efforts, including the Federal response subcommittee on Strategic Forces, in review of the Defense authorization request for fiscal year 1999 and the future years Defense program.

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

ADDITIONAL STATEMENTS

THE VETERANS BURIAL RIGHTS ACT OF 1998

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The Veterans Burial Rights Act of 1998 is a common sense piece of legislation of great importance to the veterans of our country. Our bill requires the Department of Defense to provide honor guard services upon request at the funerals of our veterans. Our bill is the right thing to do.

Our country has asked a lot of our veterans. I believe we have a responsibility to tell each and every veteran that we remember and we honor their service to our country. The Veterans Burial Rights Act of 1998 gives meaning to the words “on behalf of a grateful nation,” that accompanies the presentation of the flag to the family at a funeral.

I can speak personally to the importance of this legislation. I lost my own father last year, a World War II veteran and proud member of the Disabled American Veterans. My family was lucky. We were able to arrange for an honor guard at his service. Having the honor guard there for my family made a big difference and a lasting impression. We were all—and particularly my mother—filled with pride at a very difficult moment for our family, as Dad’s service was recognized one final time. It should be this way for every family who lays a veteran to rest.

With a downsized military, installations are no longer able to provide trained personnel to perform military honors for every veteran. Veterans service organizations have stepped in and tried to provide the color guard services for deceased fellow veterans. And by most accounts, they do a pretty good job. But VSO’s cannot meet the demand. In their own admission they often lack the crispness and the precision of trained military personnel.
Our veterans’ population is getting older. More than 36,000 World War II veterans are dying each month. In my own state, close to 5,000 veterans are being laid to rest each month. We cannot expect a group of older veterans to provide the same level of guard service as they did in years past to support our military personnel. We are simply asking too much of a generation that has already given so much.

I believe we have a responsibility to act. This bill will ensure that every veteran receives a funeral worthy of the patriotic service to our country. By passing the Veterans Burial Rights Act of 1998, the Congress will send a powerful message to veterans that their service to us all will never be forgotten. I encourage all Members of the Senate to join in this effort.

Mr. MURKOWSKI. Mr. President, on March 24, 1998, I joined Senators SARBANES and MURRAY in a bipartisan effort to correct a policy that is a disservice to veterans. The issue we are addressing is the failure of the military to provide appropriate representation at a veteran’s funeral in a military cemetery. To remedy this failure, we have introduced the “Veterans Burial Rites Act of 1998” that corrects this failure.

Currently, the Department of Defense allows commanders in the field to decide what level of military representation there will be at the funeral of a veteran. It is becoming a common practice for the military to send a single representative to provide the mourning family with the American flag along with a tape recording of Taps.

Mr. President, I find it astounding that families mourning the loss of a veteran would be expected to bring a boom box to a funeral in order that a tape of Taps can be played. Is this the way the military thinks it is appropriate to honor the memory of a serviceman or woman who has served their country honorably? For the sacrifice that veterans have made, DoD can only respond with a single person and a tape recording. This is a slap in the face of the honor of all who have served.

Mr. President, because I believe veterans deserve more, I have worked with my colleagues Senator MURRAY and Senator SARBANES to set a minimum level of effort by the military for veteran funerals.

As the former Chairman and member of the Senate Veterans Affairs Committee, I know that it is impossible to completely repay our debt to our veterans. However, I believe Congress can find ways to show our gratitude and respect.

On Tuesday, we introduced legislation that requires at least a five person honor guard for veteran burials upon request. DoD, if it chooses, can send a larger contingent, but the five person honor guard will be minimum representation. And the legislation requires that one of the five representatives plays Taps—not a tape recording!

This legislation will also allow National Guard and Reserves to perform this duty, thus increasing the resources available to DoD for this duty. Serving in the honor guard will not count as a period of drill or training. I believe, is it necessary to reserve the readiness of the Guard and Reserves, who are playing a larger role in our downsized military.

Mr. President, I know when I have seen funerals with a military honor guard. I walk away humbled. When we pay our respects for those who have served, it is the little things that make the difference. Five men or women participating in the service not only gives a final honor to the veteran but also recognizes the sacrifice the veteran and the family have made.

I hope that my colleagues will join us in cosponsoring the “Veterans Burial Rights Act of 1998.” A veteran should be remembered for their service and sacrifice. There is no better way to recognize the sacrifice and service of America’s armed forces. I am pleased to join with my colleagues, Senators SARBANES, MURRAY, and MURKOWSKI, as an original co-sponsor of S.1825, The Veterans’ Burial Rites Act of 1998. The purpose of this legislation is to ensure the continued availability of military burial honors to our veterans.

Mr. SARBANES. Mr. President, I am pleased to join with my colleagues, Senators MURRAY and MURKOWSKI, as an original co-sponsor of S.1825, The Veterans’ Burial Rites Act of 1998. The purpose of this legislation is to ensure the continued availability of military burial honors to our veterans.

Mr. MURKOWSKI. Mr. President, I am pleased to join with my colleagues, Senators MURRAY and MURKOWSKI, as an original co-sponsor of S.1825, The Veterans’ Burial Rites Act of 1998. The purpose of this legislation is to ensure the continued availability of military burial honors to our veterans.

More and more families across the country are discovering that, due to budgetary cutbacks, full military burial honors are not available for their relatives who have served in the armed forces. In many cases that have been brought to my attention, families are now being told that the best they can expect for these loved ones—who clearly deserve a funeral with full military honors—is a taped rendition of “taps” and a lone representative from the armed forces. It is becoming a common practice for the military to send a single person and a tape recording of Taps.

In my view, a society is not only judged by the way it treats its aging, its children and its least fortunate, but also by how it dignifies and honors its deceased. Knowing of the commitment and sacrifice of the armed forces and how important military honors are to those who serve and to their families, it would seem that maintaining these rites would be a high priority for the Department of Defense. It is very difficult for military families to withstand any degradation or lapse in this regard.

When I first learned of this growing problem, in late 1997, I wrote to the Secretary of Defense, urging him to personally review this matter and identify the means to reinstate traditional military honors for those who have served. I have now joined forces with Senators MURRAY and MURKOWSKI in introducing this legislation in an effort to ensure that full burials will always be available to all nation’s veterans. Simply, this legislation would ensure that the sufficient manpower and funding is available for requested burial details to consist of at least five members of the armed services, National Guardsmen, or Reservists—including a bugler, a firing party, and a flag bearer.

In my view, the issue is clear and our commitment should be unwavering to veterans to pay them the honors this country is in need. Rightfully, they have come to expect certain commitments in return which ensure them the dignity they deserve—in life and in death. In my view, it is our obligation to these men and women to provide them with full honors without hesitation and without degradation. I urge my colleagues to support this measure.

TRIBUTE TO GEORGETOWN COLLEGE: 1998 N.A.I.A. BASKETBALL CHAMPIONS

Mr. MCCONNELL. Mr. President: I rise today to recognize basketball excellence. As you may know, basketball is a way of life in Kentucky. While people are most familiar with Kentucky’s two Division IA schools, our state also has its share of small schools that do not always receive the recognition they are due. It is one of those schools that I want to recognize today: the 1998 NAIA Tournament of Champions Basketball Champions: the Tigers of Georgetown College, located in the town of Georgetown, Kentucky.

On March 23, led by NAIA first team All-America sophomore center Will Nazarene College 83–69 in Tulsa, Oklahoma. After a roller coaster first half that included a thirteen point deficit, Georgetown took a one point lead into the locker room at halftime. Midway through the second half, the Tigers exploded for 17–2 run fueled by Carlton and teammate Barry Bowman, who combined for 15 of those 17 points. During the penultimate run, the offense of Carlton and Bowman was supported by solid defense that held Southern Nazarene to only two free throws in the six and a half minutes.

This national title is the first in Georgetown College basketball history. Having lost in the finals on two previous occasions—1961 and 1996—these Tigers, led by coach Happy Osborne finished their dream season with a record of 36–3. They steadily improved their play throughout the tournament, symbolized by their cutting their turnovers from 30 in the first round to only nine in the final.

While this National Championship was the result of a total team effort, it is worth noting that Carlton, a sophomore, and Bowman, a junior, were joined by senior David Shee on the all-tournament team. After averaging nearly 22 points and 12 rebounds in the tournament, Carlton received the Chuck Taylor Most Valuable Player Award for the tournament.

Mr. President, I congratulate Coach Osborne and his team on a marvelous season culminating in this NAIA National Championship, their version of March Madness. And with most of
TRIBUTE TO LEONARD STERN
- Mr. TORRICELLI. Mr. President, I rise today to recognize Leonard Stern for receiving the 25th Anniversary Recognition Award from the Meadowlands Regional Chamber of Commerce.

Mr. Stern has been a pioneer in New Jersey’s real estate industry and has been crucial to the state’s resurgent real estate market. From investing in the New Jersey Meadowlands to Jersey City’s waterfront, Mr. Stern’s ventures have greatly improved both the health of the economy and the environment in northern New Jersey. By providing jobs and improving infrastructure, Mr. Stern’s commercial property has improved the general welfare of the region and has helped prepare it for the challenges of the approaching century.

For over forty years, Mr. Stern has worked to enhance our premier educational institutions. In 1961, he founded the Albert Einstein School of Medicine at Yeshiva University. He established the Max Stern Scholarship Program at New York University to provide scholarships for qualifying students of all races and creeds. In addition, he has provided invaluable assistance to New York University’s School of Business, the Max Stern Regional College, the Max Stern Athletic Center at Yeshiva University and the Manhattan Day School. Mr. Stern’s many awards and citations are a testament to his activism within these academic communities.

Leonard Stern’s exemplary record of service sets a certain standard for which all Americans should strive. I applaud his efforts and encourage all Americans to follow his example.

TRIBUTE TO VINCENT R. MAJCZIER
- Mr. DODD. Mr. President, I rise today to pay tribute to one of the best friends that Connecticut’s farmers have ever known: Vincent R. Majchier of Franklin, Connecticut.

Mr. Majchier held a number of important posts throughout his life. He was the Connecticut Executive Director of the United States Agency of Agriculture, the Deputy Commissioner of Agriculture in Connecticut for a decade, as well as acting Agriculture Commissioner. Vinny Majchier was uniquely qualified to serve in these positions. He grew up on a farm near Franklin and worked the same land his entire life. He was known throughout the state as the farmer’s farmer. Whenever a Connecticut farmer had a problem, they would go to Mr. Majchier and he would do everything in his power to help them. And no problem was too small. I can’t remember how many times I came into my Connecticut office to speak on someone else’s behalf. It didn’t matter if someone’s cornfields had flooded, a frost had ruined some crops, or a friend was having problems with the price of pumpkins. Their problem was his problem, and he would do whatever he could to lend a hand.

Mr. Majchier also distinguished himself away from his farm and in the town of Franklin, where he lived his entire life. He served as Chairman of the Franklin Police Advisory Commission. He was a member of the Franklin Board of Education, the Franklin Board of Assessors, the Franklin Board of Tax Review and on the Planning and Zoning board.

He also served as a charter member of the Franklin Lions Club, a trustee of St. Francis of Assisi Church in Lebanon, and a member of the Auxiliary State Police.

While he always had a new activity occupying his time, Vinny Majchier’s first priority was always his family and his farm. These two true loves will both serve as his living legacy now that he has passed on. He was survived by his wife Pauline; his four sons; two sisters; and nine grandchildren. I offer my heartfelt condolences to them all.

NATIONAL MARITIME ARBITRATION DAY
Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 200, introduced earlier today by Senator INOUYE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 200) designating March 26, 1998, as "National Maritime Arbitration Day."

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

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

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD as if read at the appropriate place.

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

The resolution (S. Res. 200) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 200

Whereas Congress recognizes the integral role arbitration plays in expeditiously settling maritime disputes;

Whereas the Society of Maritime Arbitrators is a nonprofit, United States based organization providing arbitration and other Alternative Dispute Resolution (ADR) services to the international maritime industry;

Whereas the Society of Maritime Arbitrators has successfully facilitated the resolution of over 3,400 international commercial and maritime disputes since its inception in 1963; and

Whereas the Society of Maritime Arbitrators celebrates its 50th anniversary on March 26, 1998; Now, therefore, be it

Resolved, That the Senate—
(1) designates March 26, 1998, as "National Maritime Arbitration Day"; and
(2) requests the President to issue a proclamation designating March 26, 1998, as "National Maritime Arbitration Day" and calling upon the President of the United States to observe the day with appropriate ceremonies and activities.

ORDERS FOR FRIDAY, MARCH 27, 1998
Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Friday, March 27, 1998, and immediately following the prayer, the routine requests through the morning hour be granted.

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

Mr. LOTT. As in executive session, Mr. President, I ask unanimous consent that tomorrow, immediately following the routine requests, the Senate proceed to executive session and immediately vote on the confirmation of the nomination of Executive Calendar No. 525, the nomination of Margaret McKeown of Washington, to be U.S. circuit judge for the ninth circuit.

I further ask unanimous consent that immediately following the vote, Executive Calendar No. 594 be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate’s action, and the Senate then return to legislative session.

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

Mr. LOTT. Mr. President, I now ask unanimous consent that it be in order at this time to ask for the yeas and nays on Executive Calendar No. 525.

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

Mr. LOTT. I therefore ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that following the vote at 9, Senators GORTON and MURRAY be recognized for up to 20 minutes each for discussion regarding the Washington State judicial nominations.

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

PROGRAM
Mr. LOTT. Mr. President, for the information of all Senators—I think they already know this Select—this last vote was the final vote of the morning. A rollcall vote now will occur at 9 a.m. tomorrow morning on a judicial nomination. We are having it at that early
hour so that we can accommodate some Senators who have commitments, and also so that we can turn relatively quickly tomorrow to the opening debate on the budget resolution. Senator DOMENICI and Senator LAUTENBERG, the managers of the legislation, will be available, and they will begin the debate. And we hope to use at least 6 hours of that time tomorrow.

Following that vote at 9 o’clock on Friday morning, the Senate will begin the budget resolution, which has 50 hours for floor debate. We will return to further debate on it on Monday and have a considerable amount of time for debate then.

I think by the close of business tomorrow we will have had a productive week. I thought we could finish things earlier. It took about 3 days longer than I thought on the supplemental, but we have gotten the supplemental down to final action by the Senate. And we could not pass it with the final vote anyway until the House acts. So some time Tuesday, then, assuming the House acts, we would expect to complete the final action on the supplemental appropriations bill.

We have, I think, made progress on the COVEREDU educational savings account bill. And we will get that issue resolved as to how we take it up one way or the other by or before Tuesday morning. In addition to that, we will have taken up some nominations, and we will have had about 6 hours of time on the budget resolution, as well as the vote on Mexico decertification.

Now, there still remains an awful lot to do to get through the budget resolution. It is quite an experience. We hope to have a more orderly process this time so that we can avoid the final night “vote-rama” where we have 10, 20, 30 votes or more in a row. But that will take a lot of cooperation from Senators. And certainly it will take direction from the managers of the bill.

It appears at this time, because of the amount of effort that has been worked out on the budget resolution, that we will not have a recorded vote on Monday at 5:30 as had been earlier anticipated. I want to check further with both sides of the aisle to make sure that that is agreed to and is acceptable. I think it is important we tell Members as early as possible, but it will give us then more uninterrupted time to work on the budget resolution.

Again, as a reminder to all Members, the next vote will occur tomorrow at 9 a.m.

ADJOURNMENT UNTIL 9 A.M.

TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:08 p.m., adjourned until Friday, March 27, 1998, at 9 a.m.
THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 7, 1997:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

NIMALKA WIJESOORIYA, OF CONNECTICUT

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE DECEMBER 24, 1995:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

CHRISTOPHER W. RUNCKEL, OF WASHINGTON

THE FOLLOWING-NAMED CAREER MEMBER OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, EFFECTIVE NOVEMBER 28, 1993:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

MORTON J. HOLBROOK, III OF KENTUCKY
HONORING THE 37TH ANNUAL HUMANITARIAN AWARD WINNERS

HON. HAROLD E. FORD, J.R. OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. FORD. Mr. Speaker, I rise today to honor the winners of the 37th annual Humanitarian Awards. These men and women have fought hard to ensure improved lives for others. They have each shown a tremendous dedication to reducing bigotry and injustice in the Memphis community. This year's award winners are: Rabbi Harry Danziger of Temple Israel; Retired Criminal Court Judge H.T. Lockard; Bishop J. Terry Steib of the Catholic Diocese of Memphis; and Dr. Jane Walters, state education commissioner.

These awards, as presented by the National Conference of Christians and Jews (Memphis Region), recognize the leaders in our community who have gone beyond their call to ensure a better, more equitable future for all of us.

Rabbi Danziger is a lifetime board member of NCCI as well as a member of the boards of the Metropolitan Inter-Faith Association and the Memphis Jewish Federation. Danziger is a long time leader in Memphis' Jewish Community.

Judge Lockard served for 19 years on the bench before retiring in 1994. As an attorney, he was involved in numerous cases that helped end the bitter segregation in education, and in public facilities. Judge Lockhardt will always be remembered as the first African-American elected to old Shelby County (TN) Court.

In addition to his important work with the Catholic Diocese in Memphis, Bishop Steib is a board member of the National Civil Rights Museum and the African-American Bishops' Committee. Bishop Steib, through his service to these organizations, has worked tirelessly to bring together people from all backgrounds, classes and races.

Another deserving winner of the NCIC Humanitarian Award is Dr. Jane Walters. As an educator, Dr. Walters has devoted her career to improving the lives of others. She has touched the lives of countless young Tennesseans, first as teacher, as Principal of Craigmont High School in Memphis and now as Governor Sundquist’s Commissioner of Education in the State of Tennessee.

Under her leadership as Principal of Craigmont, the school was designated by the Department of Education as a Blue Ribbon School. Today, as Commissioner of Education, Tennessee is well ahead of the nation in connecting all of the state’s schools to the Internet. The Horatio Alger Association named her National Educator of the Year in 1991. We are all grateful to Dr. Walters for her contributions in the field of education.

These men and women can not be praised enough for their contributions. With a tremendous amount of hard work and foresight, these individuals are determined to eliminate bias, bigotry and racism in our community. Honoring these heroes is a perfect way to celebrate the 70th anniversary of the NCCI.

Mr. Speaker, I ask my colleagues to join me in honoring the 37th annual Humanitarian Award Winners.

CAMPAIGN FINANCE REFORM

HON. RON KIND
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. KIND. Mr. Speaker, today was to be the day that the House of Representatives finally debated campaign finance reform. After over a year of lobbying by a majority of the members of the House to consider some form of campaign finance reform legislation, the leadership had finally relented and were to allow this day to be dedicated to this very important issue.

Unfortunately the leadership of this House designed a bill that was destined to fail, and the majority of the House rejected that approach. So here we stand, with no bill to debate and no assurances of when we will finally have our chance.

The solution is simple: allow an open rule on campaign finance reform. It is time we end the political games and give members an opportunity to clearly state, on the record, where they stand on our campaign finance system. We have waited too long. It is time to stop the delay and allow a vote on campaign finance reform. The people of my district will not accept “no” for an answer.

THE MEDICARE SOCIAL WORK EQUITY ACT OF 1998

HON. FORTNEY PETE STARK
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. STARK. Mr. Speaker, I am pleased to introduce The Medicare Social Work Equity Act of 1998.

The Balanced Budget Act of 1997 includes a provision that will discourage nursing homes from utilizing social workers. This unintended consequence occurs because the legislation requires social workers’ services to be included in the consolidated billing of the nursing home while psychologist and psychiatrist services remain outside of the consolidated billing.

Under this construction, if a nursing home utilizes social workers’ services, those dollars come out of the nursing home payment. Psychologist and psychiatrist payments do not. The effect of such a policy will be to encourage nursing homes to avoid social workers and instead rely on the more expensive services of psychologists and psychiatrists.

Several firms that provide mental health services to nursing homes across the country have already informed me that they will cease hiring social workers and replace them with psychiatrists and psychologists beginning July 1, 1998.

Clinical social workers are the primary providers of mental health services to residents of nursing homes, particularly in underserved urban and rural areas. Without correcting legislation, mental health services to nursing home residents will be reduced and Medicare costs for these services will most likely increase.

I do not believe that Congress intentionally created this problem. The Medicare Social Work Equity Act of 1998 seeks to address these concerns by excluding clinical social workers from the consolidated billing provisions of the Balanced Budget Act of 1997 and treating them identically to other mental health providers.

This bill has been endorsed by the National Association of Social Workers, the Clinical Social Work Federation, the American Health Care Association and the National Citizens’ Coalition for Nursing Home Reform. Several firms that provide mental health services to nursing homes across the country have also pledged their support. I am attaching a letter I received from one such firm, MHM/Bay Colony Counseling Services.

I urge my fellow Members of Congress to join with me in passing this crucial piece of legislation. Together, we can ensure that social workers continue to provide essential mental health services to nursing home residents.

MHM/BAY COLONY COUNSELING SERVICES,

Representative FORTNEY “PETE” STARK,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE STARK: I am contacting you to extend my enthusiastic support for your efforts in pursuing the Medicare Social Work Equity Act of 1998 which excludes social workers from the new consolidated billing requirement in skilled nursing facilities.

I am the Clinical Director at MHM/Bay Colony Extended Care Service. We provide comprehensive mental health services to the residents of about 325 nursing home facilities in the state of Massachusetts, and we employ about 100 professional clinicians, 60% of which are licensed social workers.

The social workers we employ are trained, and exceptionally skilled psychotherapists who have made a purposeful professional career choice to provide psychotherapeutic services to the medically and psychiatrically frail and compromised older population. In doing so, they also provide consultation and support to the nursing home staff who are extremely challenged in providing front line care to this needy population.

If this consolidated billing requirement for skilled nursing facilities by Medicare includes social workers, the impact will have an enormously destructive effect on systems and services; i.e.,:

Our services to these residents will be decimated in terms of available and acceptable trained professionals.
60% of our case load of frail aging nursing home residents, most in their last years of life will lose services. (This is the population who are most intensely affected by severe emotional distress, progressive dementia and in need of management consultation intervention).

60 to 70 social workers will be unemployed from our program, (it calculate about 200 to 400 additionally from other services in Massachusetts).

The assumption for this Medicare consolidated billing requirement, I believe, is that it is a cost saving device. In all actuality, in terms of mental health services, the costs will ultimately increase for Medicare. Programs, like ours, will be forced to employ only doctorate level psychologists who are exempt from this consolidated billing. Medicare reimburses psychologists at a higher rate than social workers for the same billing code.

In closing, I need to emphasize that our services are essential for the fundamental well-being of this population and that our social workers are the foundation of our services.

My staff and I thank you for your leadership in expending this so rapidly. I am available for contact if further efforts are needed.

Sincerely, 

MUERI ELLMAN, 
Clinical Director, Extended Care Service.

GREEK INDEPENDENCE DAY: A NATIONAL DAY OF CELEBRATION

SPEECH OF 
HON. STEPHEN HORN 
OF CALIFORNIA 
IN THE HOUSE OF REPRESENTATIVES 
Wednesday, March 25, 1998

Mr. HORN. Mr. Speaker, I want to join with my colleagues tonight to pay special recognition to this anniversary of the independence of Greece. This year, we join together again to honor the hard won independence of a land that will forever hold a special place in American culture. Also, I want to take this opportunity to recognize the outstanding efforts of the U.S. Embassy to the Maloney for their efforts to organize the House's celebration of this event tonight.

Mr. Speaker, more than 2,500 years ago the people of Greece began to formulate the ideas that now serve as the foundation for our system of government, science, philosophy, law, literature, and art. The gift of Greek culture to the world, and the special debt this nation owes to Greece, is priceless. The Greek tradition that began in the mists of time with Homer led to the Golden Age and later to the intellectual and aesthetic enrichment of the Roman Republic and Empire, the European Renaissance, and our own nation's founding principles.

We also share with Greece the triumphant experience of fighting for and winning independence. In 1821, after nearly 2,000 years of foreign rule, the people of Greece rose up and declared their independence from the Ottoman Empire. After nearly a decade of struggle, the Greek people won their freedom. Their cause was celebrated throughout the democratic world at the time, and continues to inspire us today.

Greece has contributed to this nation in other ways. It is difficult to find areas of this country where Greek-Americans have not contributed to the betterment of their communities.

In my own area of Southern California, the vibrant Greek-American community has enriched all our lives. Recently, I was honored to take part in the annual celebration of the Hellenic-American Council of Southern California. Through this and many other excellent organizations, the Greek-American community has made important contributions to the United States.

In the Second World War, Greeks fought with Americans to turn back Nazi and Fascist aggression. After that war, Greece remained on the side of freedom and democracy, serving as a bulwark against the spread of communist totalitarianism. The assistance provided to Greece beginning under the Truman Doctrine and later continued within the NATO alliance continued the strong link between our nations. This cooperation continues today, as both nations face the instability in the Balkans and other threats to peace in the region.

Again, Mr. Speaker, I want to extend my sincere good wishes to the people of Greece and those of Greek heritage on this happy occasion.

COPYRIGHT TERM EXTENSION ACT 

SPEECH OF 
HON. SHEILA JACKSON-LEE 
OF TEXAS 
IN THE HOUSE OF REPRESENTATIVES 
Wednesday, March 25, 1998

The House in Committee of the Whole on the State of the Union had under consideration the bill (H.R. 2589), the “Copyright Term Extension Act of 1997” and of the Senzenbrenner amendment. H.R. 2589 will extend existing U.S. copyrights for another 20 years. It will also align U.S. copyright laws with those in many European nations and in so doing prevent American creations from falling into the public domain while the works of authors in other countries are still being protected.

H.R. 2589 will benefit our nation’s authors, songwriters, and other copyright holders who would enjoy 20 or more years of ownership rights and profits from their works. It is important that we recognize the contributions of our artistic community in this way. Artists who are talented or fortunate enough to see their work released to the public are entitled to retain and those artists whose work brings great profits to the copyright holders.

I also urge support for the Senzenbrenner amendment which will protect small businesses from the “double dipping” that would occur if small businesses had to pay fees already paid by radio and television stations. This amendment will allow small businesses from fees for playing compact discs or other recorded music. This amendment will protect our small—and often minority—businesses from the crushing burden of payment of these fees.

A TRIBUTE TO JERRY O. RAINER 

HON. HAROLD ROGERS 
OF KENTUCKY 
IN THE HOUSE OF REPRESENTATIVES 
Thursday, March 26, 1998

Mr. ROGERS. Mr. Speaker, April 3, 1998 marks the conclusion of a remarkable term of service to Kentucky and our country. After a 34-year career, Jerry O. Rainer will retire from the U.S. Army Corps of Engineers as the Deputy District Engineer for Project Management of the Nashville District.

During his tenure and under his leadership, the country has witnessed the construction of some of its largest public works, all bearing Jerry’s combination of engineering skill, a drive to accomplish complex projects, a dedication to serving the customer, and an admirable public reserve.

The constituents of Kentucky’s Fifth Congressional District will remain in debt to Jerry for his stewardship of the massive flood control works now nearly complete along the Upper Cumberland River. Thousands of citizens now live and work without fear of being washed out of their homes and businesses, owing their newfound security to these projects and the people who prosecuted them under Jerry’s day to day leadership.

Kentucky’s most revered statesman, Henry Clay, is remembered among other things for emerging early in his U.S. Senate career as a spokesman for a system of federally funded improvements to our Nation’s infrastructure. Clay’s American System was an ambitious program of roads and canals needed to nurture our young union into an economically self-reliant nation.

The work that Clay championed is not unlike that which Jerry has been critical in implementing during his career with the Corps of Engineers: the massive Tennessee-Tombigbee Waterway, the rehabilitation of Wilson Lock, the Piney Grove Recreation Area, the Upper Cumberland Flood Prevention Project, and the new lock at Kentucky Dam. These and many other works are proof positive of the dedication and experience which Jerry has applied to the benefit of thousands of citizens living within communities served by the Nashville Corps District.

In recognition of his performance, Jerry is the recipient of no less than 21 service awards, including the Meritorious Civilian Service Award for outstanding leadership and management skills. And though a native of Mississippi and a life long Tennessean, we in Kentucky are proud to claim Jerry as one of our own.

The citizens of Kentucky and the House of Representatives thank and congratulate Jerry
Mr. Davis of Virginia. Mr. Speaker, I rise today to pay tribute to the 1997 Prince William Regional Chamber of Commerce Valor Award winners. The Valor Awards honor public service officers who have demonstrated extreme self-sacrifice, personal bravery and ingenuity in the performance of duty. There are five categories: The gold Medal, the Silver Medal, the Bronze Medal, the Certificate of Valor, and the Lifesaving Award.

The Silver Medal Award Winners are Lieutenant Steve Barr, Technician I Richard Scott, and Technician I Channing Furr. Lieutenant Barr, Technician I Scott, and Technician I Furr showed outstanding judgement and initiative after a car crashed into the rear of a restaurant. Beneath the car, a natural gas line severed by the crash created an explosion hazard, with the driver, suffering from severe traumatic injuries, trapped inside. Acting quickly and effectively, the team members were able to mitigate the gas leak and attend to the patient, by demonstrating outstanding initiative and judgement.

The Bronze Medal Award Winners are Officer Bryan E. Sutton and Officer J.S. Dillon. Officer Sutton received a complaint whose husband was threatening suicide. The husband appeared before the wife and Officer Sutton brandishing a knife. Officer Sutton placed the wife out of harm’s way and calmly talked the husband into surrendering, thereby bringing a potentially volatile situation to a safe conclusion.

Officer Dillon responded to a burglary in progress where shots had been fired. He arrived to find that suspect had taken an occupant hostage at gunpoint. Officer Dillon negotiated with the hostage, successfully diffusing a potentially life-threatening situation with no injuries or loss of life.

The Certificate of Valor Award Winners are HM3 Robert R. Robinson II and Police Administrative Specialist Donna Lisa Belcher.

Petty Officer Robinson, while on vacation, heard about a severe accident on his CB radio. He proceeded to the scene where he located and assisted victims until medical help could arrive. Petty Officer Robinson’s expertise, dedication to duty, and professionalism were a tremendous asset to the arriving rescue personnel.

Police Administrative Specialist Belcher assisted in the apprehension of a suspect who had been wanted for murder for several months. Due to her persistence and ingenuity, she was able to locate an address for an out-of-state relative where the suspect was found and arrested.

The Lifesaving Award Winner is Telecommunicator Alma Boteler. Telecommunicator Boteler received an emergency 9-1-1 call from a man whose pregnant wife was about to give birth to her baby in a toilet. Because of Telecommunicator Boteler’s ability to effectively communicate life-saving procedures under difficult circumstances, the husband was able to remove the baby from the toilet and give it mouth to mouth resuscitation, saving the baby’s life.

Mr. Speaker, I know my colleagues join me in congratulating these fine heroes, who every day, unselﬁshly devote themselves to aiding those in need. I have the highest appreciation for their untiring dedication and outstanding service.

Thank you, Mr. Speaker.
this spring after 33 years of honorable service to his state and nation.

His steady leadership and hard work earned First Sergeant Parker the respect of his peers and his subordinates throughout the Mississippi National Guard. He is credited with raising the strength level of his unit by more than 50 percent after it was reorganized. His technical, administrative, and leadership skills have been key factors in the company’s consistently high performance ratings over the years. First Sergeant Parker has also led by example. In each of the last 14 Army physical fitness tests he has scored more than 300 point maximum.

His commanding officer said there is no better soldier anywhere in the Mississippi National Guard, citing his positive attitude and willingness to go beyond the call of duty in support of his fellow Guardsmen and their mission.

Mr. Speaker, I ask my colleagues join me in saluting First Sergeant Charles Parker for a job well done.

IN HONOR OF COMDR. DONNA M. LOONEY FOR HER APPOINTMENT TO THE COMMAND OF THE U.S.S. PLATT

HON. NANCY L. JOHNSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is with great pride and appreciation that I rise today to express my congratulations to CDR Donna Looney for her appointment to the command of the U.S.S. Platt by the United States Navy tomorrow evening.

CDR Looney, originally from Simsbury, Connecticut, recently graduated from the U.S. Naval War College, in Newport, R.I., and is a few female pioneers to command a Naval War College, in Newport, R.I., and is the command of the U.S.S. Platt.

As one of the few female pioneers to command a Naval War College, in Newport, R.I., and is being honored with the command of a U.S. Naval fleet oiler, the U.S.S. Platt. As one of the few female pioneers to command a Naval War College, in Newport, R.I., and is being honored with the command of a U.S. Naval fleet oiler, the U.S.S. Platt. As one of the few female pioneers to command a Naval War College, in Newport, R.I., and is being honored with the command of a U.S. Naval fleet oiler, the U.S.S. Platt. As one of the few female pioneers to command a Naval War College, in Newport, R.I., and is being honored with the command of a U.S. Naval fleet oiler, the U.S.S. Platt.

For her leadership and tremendous achievements in the United States Navy, CDR Looney deserves our praise and recognition.

Today, I congratulate CDR Donna Looney for her appointment as commander of the U.S.S. Platt and commend her for the hard work and sacrifices which were instrumental in attaining this meritorious position in the United States Navy.

IN HONOR OF SUNIL AGHI, AN ADVOCATE FOR THE INDO-AMERICAN COMMUNITY

HON. LORETTA SANCHEZ
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Ms. SANCHEZ of California. Mr. Speaker, I rise today to honor an advocate of the Indo-American community, Mr. Sunil Aghi. Mr. Aghi is founder and President of the Indo-American Political Foundation, an organization dedicated to bringing Indo-Americans into the mainstream political process. Through this Foundation, Mr. Aghi hopes to bring full equality and participation of minorities and other ethnic groups into the political process. Mr. Aghi has also worked hard to ensure that Indo-Americans are fully represented in political and elected offices. He understands that Indo-Americans should have their own voices in all levels of government to ensure that the needs of the Indo-American community are met by our elected officials.

Mr. Aghi looks forward to joining forces with other organizations which represent diverse ethnic groups to form coalitions that will give an even stronger voice to new citizens who are eager to learn more and become involved in American politics.

But the most important work that Mr. Aghi does, in his work as founder of Thank You America. Thank You America is an organization dedicated to providing food and clothing to the homeless of Orange County on Thanksgiving Day. Each year this group assists over 500 homeless individuals and families with warm meals and clothing during the holidays. Mr. Aghi is planning to expand Thank You America’s services to help needy families year round.

Mr. Aghi truly understands the meaning of thanks. His tireless efforts are a model for all to follow. Mr. Aghi gives thanks everyday to America through his unselfish work, and I thank Mr. Aghi for his vital role in our communities.

IN HONOR OF WOMEN OF GREAT ESTEEM

HON. NYDIA M. VELAZQUEZ
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Ms. VELAZQUEZ of New York. Mr. Speaker, I rise today to pay tribute to Women of Great Esteem, an organization that supports the advancement of women in a multi-cultural environment. This worthy group assists the homeless, works to combat violence in the community, provides educational training, and conducts AIDS outreach. Each year, Women of Great Esteem honors women who embody these goals of service to others. This week, seven women who have dedicated their lives to the community will be honored at the Second Annual Women of Great Esteem Awards.

The Honorable Una S. Clarke, Dr. Rosalind Jeffries, Dr. Karen McCarthy Brown, Rev. Barbara Pennant, Ms. Waveney Joseph, Ms. Alourdes C. Lovinski and Ms. Ivonne Mercado-Ford each deserve our sincerest thanks for their commitment to bettering the lives of women everywhere. They have challenged the community to recognize the appreciate diversity and affirm the gifts, talents and dignity of all women.

It is a great pleasure to congratulate these women for their achievement, and I too express my gratitude to Women of Great Esteem for their valuable service.
for the Advancement of Knowledge, Learning, and Research in Education, earlier this year. For his service to the community, Dr. Iatridis received the Hank Jacobsen Award from the Gary Rotary Club, in 1985; the Edgar L. Mills Community Service Award from the Post-Tribune, in 1995; and the Medal of St. Paul from the Archdiocese of the Greek Orthodox Church of North and South America.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending Dr. Panayotis Iatridis on the occasion of his 23rd year as Assistant Dean and Director of the Northwest Center for Medical Education. His wife, Catherine, their two daughters, Yanna and Mary, and their two granddaughters, Katerina and Anastasia, should be proud of his achievements. Indeed, Dr. Iatridis’ efforts have made an indelible mark on the advancement of medical education, as well as an improvement in the quality of life for everyone in Northwest Indiana.

TRIBUTE TO DR. FRANK L. SELKIRK

HON. KAREN McCARTHY
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Ms. McCarthy of Missouri. Mr. Speaker, I am honored to rise today on behalf of the Zion Grove Missionary Baptist Church and its congregation. This Sunday, March 29, Dr. Frank L. Selkirk III, a respected leader and friend in Kansas City, Missouri will be installed as the Senior Pastor.

The history of Rev. Selkirk and Zion Grove are very much intertwined. At the age of eight, Rev. Selkirk became a member of Zion Grove, and at the age of twelve, preached his first trial sermon there. He was fondly referred to as the “Boy Wonder” by ministers in our community. Rev. Selkirk has more than the name of his father and grandfather, he continues to follow the Selkirk tradition by becoming a third generation preacher in his family.

After graduating from the University of Kansas, he received his Master of Divinity at Central Baptist Theological Seminary, and his M.A. and Ph.D. at Harvard University. He has traveled extensively to sixty countries serving as a minister in several of them. Rev. Selkirk has established an outstanding reputation among his peers and is known for his down home preaching. Rev. Selkirk has served as senior pastor in California and as an area minister for the American Baptist Churches where he served ninety churches as “pastor to pastors.”

Under his direction as Pastor, the Zion Grove Missionary Baptist Church raised one hundred thousand dollars in ninety days to pay off the Church mortgage. In celebration of this, many guests from our area in January for a “Burning the Past—Blazing on Toward the Future” mortgage Burning Service whose theme was “Renewal.”

In recognition of his many accomplishments in various business and youth organizations in Perris, I commend John Harrison for his contributions and dedicated service to his community. I encourage Mr. Harrison to continue with his involvement and wish him much success and happiness in his future endeavors.

TRIBUTE TO THE POLISH FALCONS, NEST 725

HON. GERALD D. KLECZKA
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. KLECZKA. Mr. Speaker, I rise today to pay tribute to the Milwaukee-based Nest 725 of the Polish Falcons of America, as they celebrate their 82nd anniversary with a banquet dedicated to the Mystical Rose, Our Lady of Czestochowa, on Sunday, April 19, 1998.

A nationwide fraternal organization, the Polish Falcons are dedicated to the physical fitness of youth. By offering classes in tumbling, dance (traditional Polish, modern, and tap), aerobics, track and field, basketball, volleyball, and soccer, the Polish Falcons provide a varied program for all skill levels and ages. The group believes in a strong mind and a strong body.

Organized in Milwaukee of December 10, 1916, Nest 725 members have participated in numerous national and district athletic competitions, gaining the National All Around Championships in 1984, 1988 and 1992. Furthermore, Nest 725 was crowned National Gymnastics Champions in 1984 and the Adult Dance Class achieved the National Championship in both 1986 and 1994.

To the adult leaders of the Polish Falcons, Nest 725, I commend you on your fine example of providing structured athletic guidance for today’s youth, while maintaining an all-important tie to our proud Polish history and traditions. And to all the members, best wishes for the future and Sto Lat!

TRIBUTE TO JOHN R. HARRISON

HON. KEN CALVERT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. CALVERT. Mr. Speaker, one of the things that makes America great is that in towns and cities across our nation there are citizens who are willing to step forward to dedicate their talent and energy to make life better for their friends and neighbors. The city of Perris, California has been fortunate to have many citizens who have given so freely of themselves in their dedication to the future of the youngest members of our district. Mr. John R. Harrison is one of these outstanding individuals.

Mr. Harrison has been an instrumental part of Perris Valley area business and youth programs for many years. After graduating from college, he became a partner in Dan’s Feed & Seed, a business which supplies the Perris Valley and surrounding areas with animal feed, seed, veterinary supplies, hardware and plumbing items. He has since become a 100% shareholder in Dan’s Feed & Seed and expanded his operation to include stores in Perris, Hemet, and Temecula. He also owns a grain handling facility in Blythe. As a result of his dedication to the business community, Mr. Harris is active in various civic groups in Perris. He is the past president and only remaining charter member of the Perris Rotary Club, past president of the Chamber of Commerce, past president of the Perris Farm Bureau, and the current president of the Perris Alumni Association. In 1994, Mr. Harrison received the Award of Honor from the Riverside County Farm Bureau.

In 1953, he started the Perris Panthers 4-H club and was its leader until the mid-1960’s. His continued involvement in the organization has produced one of the strongest 4-H clubs in Riverside County. Mr. Harrison has also been instrumental in the original organization of Perris Little League. Mr. Harrison has been a member and past president of the Farmers Fair Board and has served as chairman of the Farmers Fair Livestock Auction for 30 years. Due to his dedication, this auction is one of the most prosperous in the fair system, successfully raising money for the 4-H club and Future Farmers of America member’s college tuition.

HONORING MAJOR ROBERT A. PORTZ, NORTH MIAMI POLICE DEPARTMENT

HON. CARRIE P. MEEK
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mrs. MEEK of Florida. Mr. Speaker, on Thursday, March 26, 1998, Major Robert “Bob” Portz will bid farewell to his duties with the North Miami Police Department and retire to the Texas wilderness. He has received numerous commendations during his 22 years of service and is highly regarded by his peers.

Major Portz was then the youngest member of the North Miami force when he assumed his duties at the age of 20 on December 29, 1975. Over the years, he has demonstrated his talents in the patrol division, detective bureau, traffic unit, and tactical unit. He was promoted to Major on July 7, 1992, and made a lasting impression on the department by introducing the community policing concept to North Miami.

Major Portz assumed command of the Patrol Division in October 1994, where he still oversees operations.
A graduate of the Federal Bureau of Investigation's prestigious National Academy, Major Portz has been recognized by his peers three times as Office of the Month for his outstanding police work.

The husband of Linda and father of Jennifer, Major Portz has been a shining example of honor and professionalism throughout his career. As he enters the next stage of his life, I congratulate him and wish him continued happiness.

INTRODUCTION OF LEGISLATION

HON. BILL ARCHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. ARCHER. Mr. Speaker, today, I introduce H.R. 3558, a bill to limit the tax benefits of so-called "stapled" or "paired-share" Real Estate Investment Trusts ("stapled REITs"). Identical legislation is being introduced in the Senate by Senator Roth.

In the Deficit Reduction Act of 1984, Congress eliminated the tax benefits of the stapled REIT structure out of concern that it could effectively result in a lower level of tax, the loss of a corporate business income that would otherwise be subject to two levels of tax. Congress also believed that allowing a corporate business to be stapled to a REIT was inconsistent with the policy that led Congress to create REITs.

As part of the 1984 Act provision, Congress provided grandfather relief to the small number of stapled REITs that were already in existence. Since 1984, however, almost all of the grandfathered stapled REITs have been acquired by new owners. Some have entered into new lines of businesses, and most of the grandfathered REITs have used the stapled structure to engage in large scale acquisitions of assets. Such unlimited relief from a general tax provision by a handful of taxpayers raises new questions not only of fairness, but of unfair competition because the stapled REITs are in direct competition with other companies that cannot use the benefits of the stapled structure.

This legislation, which is a refinement of the proposal contained in the Clinton Administration's Revenue Proposals for fiscal year 1999, takes a moderate and fair approach. The legislation essentially subjects the grandfathered stapled REITs to rules similar to the 1984 Act, but only to acquisitions of assets (or substantial improvements of existing assets) occurring after today. The legislation also provides transition relief for future acquisitions that are pursuant to a binding written contract, as well as acquisitions that have already been announced (or described in a filing with the SEC).

A technical explanation of the legislation is provided below.

TECHNICAL EXPLANATION

The tax benefits of the stapled real estate investment trust ("REIT") structure were curtailed for almost all taxpayers by section 269B, which was enacted by the Deficit Reduction Act of 1984 ("1984 Act"). The bill limits the tax benefits of a few stapled REITs that continue to qualify under the 1984 Act's grandfather rule.

A REIT is an entity that receives most of its income from passive real-estate related investments and that essentially receives pass-through treatment for income that is distributed to shareholders. In general, a REIT must derive its income from passive sources and must not engage in trade or business. In a stapled REIT structure, both the shares of a REIT and a C corporation may be traded, and in most cases publicly traded. Grandfather relief would be subject to two levels of tax, the loss of a corporate business income that may not be sold separately. Thus, the REIT and the C corporation have identical ownership at all times.

Overview

Under the bill, rules similar to the rules of present law treating a REIT and all stapled entities as a single entity for purposes of determining REIT status (sec. 856) would apply to real estate interests acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest was acquired after March 26, 1998, by the REIT group.

Under the bill, rules similar to the rules of present law treating a REIT and all stapled entities as a single entity for purposes of determining REIT status (sec. 856) would apply to real estate interests acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest was acquired after March 26, 1998, by the existing stapled REIT, or by a stapled entity, or a subsidiary or partnership in which a 10-percent or greater interest was acquired after March 26, 1998, by the REIT group.

General rules

The bill treats certain activities and gross income of a REIT group with respect to real estate acquired after March 26, 1998, by a member of the REIT group (and not grandfathered under the rules described below) as activities and income of the REIT for certain purposes. This treatment would apply for purposes of determining whether a member of the REIT group would be treated as grandfathered under the REIT rules that depend on the REIT's gross income, including the requirement that 95 percent of a REIT's gross income be from real estate (the "95-percent test") and the requirement that 75 percent of a REIT's gross income be from real estate sources (the "75-percent test"). Thus, for example, if a member of the REIT group acquires a property before January 1, 2000, pursuant to a binding contract in effect on December 31, 1999, and at all times thereafter, no properties of any member of the REIT group would be treated as grandfathered properties, and thus the general provisions of the bill described above would apply to all properties held by the group.

Mortgage rules

Special rules would apply where a member of the REIT group holds a mortgage (that is, not resulting from obligations as described below) that is secured by the property and is grandfathered under the REIT group rules described above. A REIT or stapled entity, or a subsidiary or partnership, or (2) an improvement of an otherwise grandfathered property or (3) an improvement of a non-grandfathered property. A non-qualified expansion is made to an otherwise grandfathered property to the extent that a grandfathered property or (2) an improvement of an otherwise grandfathered property placed in service after December 31, 1999, which changes the use of the property and is greater than 10 percent of (a) the undepreciated cost of the property (prior to the improvement) or (b) in the case of property acquired where there is a substantial change in the character of the property on the date that the property was acquired by the stapled entity or the REIT. The bill, therefore, equates property expansion (i.e., certain expansion of a grandfathered property under the bill to the extent that a non-qualified expansion is made to an otherwise grandfathered property. A non-qualified expansion is either (i) an expansion beyond the boundaries of the land of the otherwise grandfathered property or (ii) an improvement of an otherwise grandfathered property placed in service after December 31, 1999, which changes the use of the property and is greater than 10 percent of (a) the undepreciated cost of the property (prior to the improvement) or (b) in the case of property acquired where there is a substantial change in the character of the property on the date that the property was acquired by the stapled entity or the REIT.

Grandfathered properties

Under the bill, there is an exception to the treatment of gross income of a stapled entity as activities and gross income of the REIT for certain grandfathered properties. Grandfathered properties generally are those properties that had been acquired by a member of the REIT group on or before March 26, 1998. In addition, grandfathered properties would include certain properties that would have been treated as real estate income of a grandfathered entity that is a member of the REIT group.

The exception for existing mortgages would provide for mortgage the interest on which does not exceed an arm's-length rate and which would be treated as grandfathered under the rules of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost. In the case of a 10-percent or greater, a REIT group would be treated as income of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost. In the case of a 10-percent or greater, a REIT group would be treated as income of the REIT that does not count toward the 75-percent or 95-percent tests, with the result that REIT status might be lost.
cease to apply if the mortgage is refinanced and the principal amount is increased in such refinancing.

Other rules

For a corporate subsidiary owned by a stapled entity, the 10-percent ownership test would be met if a stapled entity owns, directly or indirectly, 10 percent or more of the corporation's stock, by either vote or value. (The bill would not apply to a stapled REIT's ownership of a corporate subsidiary, although a stapled REIT would be subject to the normal restrictions on a REIT's ownership of stock in a corporation.) For interests in partnerships and other pass-through entities, the ownership test would be met if either the REIT or a stapled entity owns, directly or indirectly, a 10-percent or greater interest.

The Secretary of the Treasury would be given authority to prescribe such guidance as may be necessary or appropriate to carry out the purposes of the provision, including guidance to prevent the double counting of income and to prevent transactions that would avoid the purposes of the provision.

HONORING SOUTH FLORIDA WOMEN IN COMMUNITY SERVICE

HON. ILEANA ROS-LEHTINEN
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today in recognition of women who have served as a wonderful example to the nation of true commitment and service to their community. “In the Company of Women” was begun in 1989 when a need was identified to recognize outstanding local women for their service to the South Florida community.

This year, 13 women leaders will be recognized for their contributions to the Miami-Dade County community at the 10th annual “In the Company of Women” celebration. The honorees will be Marleine Bastien, Laura Bethel, Mona Bethel Jackson, Kathy Gomez, Daniella Levine Cava, Diana Montes de Oca Lopez, Mary Lynzquez, Robin Riether-Garagalli and Meredith Pleasant Sparks. The women honored as pioneers are Sheba Major Martin, Ruth Wolkowsky Greenfield, and Mary Stanley-Low Machado.

The Cuban patriot Jose Marti once said: “Action is the dignity of greatness.” These women have personified the true meaning of community action in giving of themselves and utilizing their God-given talents to help others. The women honored at this month’s ceremony, which culminates Women’s History Month, have been key players in advancing the quality of life in South Florida. They have managed to balance family and career while caring for those in our community who are in most need.

THE 1998 PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

HON. ROBERT A. BORSKI
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. BORSKI. Mr. Speaker, I rise today to congratulate and honor a young Pennsylvania student from my district who has achieved national recognition for exemplary volunteer service in her community. Kelly Shelinsky of Philadelphia has just been named one of my state’s top honorees in The 1998 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Ms. Shelinsky is being recognized for establishing Kelly’s Books for Bedsides, a campaign to collect new and gently used children’s books which are then donated to the local hospital. Kelly believes in the power of books to energize the imagination, especially for those children recovering from an illness in a hospital bed. After spending many nights in Children’s Hospital recovering from a chronic illness, Kelly realized that the children’s playroom had many toys and games, but only a handful of books. She began to solicit donations through local newspapers, church bulletins, and word-of-mouth, and has collected more than 3,700 books. Thanks to Kelly’s efforts, Children’s Hospital has initiated a program called Reach Out and Read, for which books are being placed in the homes of families who have them. She plans to expand Kelly’s Books for Bedsides further to help improve literacy among inner city children.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it is vital that we encourage and support the kind of selfless contribution this young citizen has made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Shelinsky are inspiriting examples to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. In only three years, the program has become the nation’s largest youth recognition effort based solely on community service, with more than 30,000 youngsters participating.

Ms. Shelinsky should be extremely proud to have been singled out from such a large group of dedicated volunteers. I heartily applaud Ms. Shelinsky for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. She has demonstrated a level of commitment and accomplishment that is truly extraordinary in today’s world, and deserves our sincere admiration and respect. Her actions show that young Americans can—and do—play important roles in our communities, and that America’s community spirit continues to hold tremendous promise for the future.

TRIBUTE TO THE HON. FLOYD R. GIBSON
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to Floyd R. Gibson, Senior Judge, U.S. Court of Appeals for the Eighth Circuit who will be celebrating his recent birthday this Sunday with his friends. Judge Gibson has dedicated his professional career to public service. From his graduation from the University of Missouri-Columbia in 1933 where he earned both his law degree and bachelor’s degree, through his 32 years on the Eighth Circuit, Floyd R. Gibson has enriched our community.

Floyd and his loving wife, Gertrude have raised three successful children, Charles, John, and Catherine. His family accomplishments occurred while demonstrating a distinguished career in public policy and the law. Judge Gibson entered private practice in the Kansas City area upon his graduation where he rose to become a named partner in three firms. While in private practice, Judge Gibson was elected County Counselor for Jackson County.

He later turned his efforts to state government where he served 21 years in both the House and Senate of the Missouri General Assembly. The Judge distinguished himself in the Senate as a member of the Judiciary Committee, Majority Floor Leader, and in his final term as President Pro Term of the Senate. His success did not go unnoticed—in 1960 the “St. Louis Globe Democrat” newspaper named Floyd Gibson the Most Valuable Member of the Legislature.

With such credentials, President John F. Kennedy nominated him in 1961 to become a U.S. District Judge for the Western District of Missouri. Judge Gibson was named to the position of Chief Judge one year to the day of his September 1961 appointment. In June of 1985 President Ronald Reagan appointed Judge Gibson to the U.S. Court of Appeals for the Eighth Circuit. He served as the Eighth Circuit Chief Judge from 1974 to 1980 when he assumed senior status.

The Judge has received numerous awards and honors, as well as having been published on many occasions. A member of the Missouri Senate Republican Judiciary Committee, Majority Floor Leader, and in his final term as President Pro Term of the Senate. His success did not go unnoticed—in 1960 the “St. Louis Globe Democrat” newspaper named Floyd Gibson the Most Valuable Member of the Legislature.

A Kansas Citian for more than 80 years, Senior Judge Floyd Gibson is a critical part of our community’s fabric and history. Through his decisions he has invoked a sense of equity and fairness that have benefitted our citizens. His work in codifying the probate statutes have improved the system significantly.

Mr. Speaker, it is my honor to salute a great friend and legal scholar of the bar, Floyd R. Gibson, Senior Judge for the U.S. Court of Appeals Eighth Circuit.
Mr. BILIRAKIS. Mr. Speaker, on March 25, 1998, during the War of 1812, the Battle of Tippecanoe took place. Although the Americans were defeated, it was a turning point in the war. One of the American leaders who stood out during this battle was James Madison. He later became the fourth President of the United States, serving from 1809 to 1817. Madison's leadership and strategic decisions played a crucial role in the nation's defense and future prosperity.

Mr. PAPPAS. Mr. Speaker, this Sunday, March 29, 1998, The Friends of Monmouth Battlefield will host their annual Molly Pitcher Awards Reception. The recipient of this year's Molly Pitcher Award is Judith Hurley Stanley, a lifelong resident of Monmouth County, New Jersey who has selflessly served her community in so many ways. Ms. Stanley has been active in issues and causes at a local, county and state level for as long as I can remember. She has been involved in the health care profession and has held numerous positions in the Visiting Nurse Association of Central Jersey of which she currently serves as chairman. The Monmouth Medical Center and the Mid-Atlantic Health Group have also been blessed with Judy's involvement. The Governor recognized Judy's expertise in this area when she was appointed to the Statewide Health Coordinating Council.

Judy is also the founder and president of the Monmouth County Conservation Foundation. Generations of New Jersey residents will reap the benefits of Judy's efforts to preserve countless acres of beautiful open space in the Garden State through her activity in this organization and through her service on the Governor's Council on New Jersey Outdoors.

Beyond the preservation of open space, Judy has helped preserve the history of Monmouth County through her association with the Monmouth County Historical Association. And it is noteworthy that beyond the efforts to preserve space and facts, Judy's numerous associations in the area of education have illustrated her desire to share the facts, ideas, and knowledge that she has sought to maintain.

Mr. Speaker, Molly Pitcher's fame stemmed from her heroic service to our nation's troops during the Revolutionary War. During the War, Molly tirelessly refreshed the troops with pitchers of water. Judy Stanley truly exemplifies the true spirit of Molly Pitcher through her countless efforts to replenish and maintain Monmouth County and the state of New Jersey.

I would like to add my name to the extensive list of organizations, associations, and clubs that have recognized Judy's outstanding service and extend my congratulations to her on this award.

Mr. Calvert. Mr. Speaker, the 43rd Congressional District has been fortunate to participate in the writing of United States military history. I take the floor today to praise and honor a military installation that is an important part of Riverside, California. For the past 80 years, March Air Reserve Base, as it is now called, has contributed to the defense of our country and made a lasting impression in the lives of many service men and women. The March community is currently celebrating a milestone—the 80th anniversary of the installation and the 50th anniversary of the Air Force Reserve.

As March Air Force Base, it witnessed many advances in aircraft technology, from the JN-40 “Jenny” which landed there in 1917, to the KC-10 which was housed at the base in the 1980's. On March 20, 1918, March Field was officially named in honor of Second Lieutenant Peyton C. March, who had been recently killed in a flying accident. From there, Captain William Carruthers took over as the field's first commander. Following World War I, March Field was forced to close its doors due to budget cuts. With the creation of the Army Air Corps in 1926, March Field soon reopened as a pilot training field, training such luminaries as Hoyt Vandenberg, Nathan Twining, Thomas Power and Curtis LeMay. March Field became an operational base in 1931 and in 1949 became a part of the relatively new Strategic Air Command. From 1949 through 1993, March Air Force Base served as an integral part of the Strategic Air Command and America’s nuclear deterrent force, a logistical springboard for supplies and equipment during the conflict in Southeast Asia and an effective support for the United States' defensive posture. March Air Force Base received its first Reserve unit in 1960.

In 1993, March Air Force Base was selected for realignment. Knowing how important the base has been historically and realizing its significance for the future, I fought vigorously to defend it. From its inception as a dirt air strip to today, the base has been a key element in the advancement of aviation and the growth of the modern Air Force. The impact of March Air Reserve Base's contributions to the community and the nation will be appreciated for many years to come. As March Air Reserve Base restructuring, I want to offer them my full support, encourage them to look to their future as a large and important Air Force Reserve Base and look forward to their continued contributions to the defense of the United States.

Mr. Speaker, on March 26, 1998, I had the privilege of introducing a close friend of mine, Wayne Hitchcock, to the members of the House and Senate Committees on Veteran’s Affairs. Wayne is the National Commander of the American Ex-Prisoners of War and was appearing to present his organization’s legislative priorities to the Committees.

Throughout the history of the United States, in six major wars spanning 221 years, more than 500,000 Americans have been taken prisoner. Each of these courageous men and women has experienced horrors unimaginable and undefinable in the annals of civilized existence. Most endured long-term deprivation of freedom and the loss of human dignity. Wayne was among those 500,000 Americans, and I wanted to take a moment to share his story with my colleagues.

Wayne was reared on a farm in Indiana and entered the military in 1942. He was assigned to the Army Air Corps and sent to Aerial Gunnery School at Buckingham Air Base. He remained there as an instructor and later joined a combat crew and trained for overseas duty in B-24s.

Upon arriving in Foggia, Italy, his crew was assigned to B-17s. Wayne, flying as tail gunner, was shot down on his 14th mission over Hungary. After a few infamous box car rides, he spent 13 months in Stalag 17B in Krems, Austria.

The camp was evacuated on April 8, 1945. The prisoners were marched across Austria and liberated on May 3, 1945 by Patton's Third Army.

Wayne was awarded, among others, the Air Medal with one Oak Leaf, the European Campaign Medal with four stars and the Prisoner of War Medal.

Upon returning home, Wayne became a homebuilder, land developer and real estate broker. He later returned to government service and retired after 30 years, including 23 years as postmaster.

Upon his retirement, he and his wife, Jo, moved to Florida. Since then, they have donated their time to the American Ex-Prisoner of War. Wayne has held office and served on essential committees at the department and national level since 1982. He was also instrumental in obtaining funds for the National Prisoner of War Museum at Andersonville, Georgia.

This past year, he served as Senior Vice Commander for the American Ex-POWs and as their National Legislative Chairman and Legislative Reporter. He was elected and installed as National Commander of the American Ex-Prisoners of War on September 27, 1997, at the 50th National Convention held in Tacoma, Washington.

Wayne is also a life member of the VFW, the American Legion and the DAV. His service to the community goes beyond his work for our nation’s veterans. He also served as a Boy Scout master for 20 years and is a 40 year member of Lions International.

I have known Wayne and Jo since I became a member of Congress. Without question, they are among the finest people that I know.

Over the years, Wayne has served as a member of my veteran’s advisory council. As a member of the House Committee on Veteran’s Affairs, I have always valued his advice and support. He is a good friend and a great American.
against communism and, in more recent times, the abridgement of human rights in the Balkans and elsewhere throughout the world. Throughout all of these obstacles, Greece’s dedication to democratic principles has remained steadfast and proud.

Mr. Speaker, as a member of the Hellenic Caucus and on behalf of the citizens of California’s Twelfth Congressional District, I am proud to commemorate the 177th anniversary of Greek Independence Day.

IN HONOR OF THE 100TH BIRTHDAY OF THE MARIA JEFFERSON CHAPTER OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

HON. TILLIE K. FOWLER OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mrs. FOWLER. Mr. Speaker, I am pleased today to offer my congratulations to the Maria Jefferson Chapter of the Daughters of the American Revolution on celebrating 100 years of service to northeast Florida.

The National Society of the Daughters of the American Revolution was founded in Washington, DC in October of 1890 with Caroline Scott Harrison, the wife of U.S. President Benjamin Harrison, as its first president. Just eight years later, on March 26, 1898, Saint Augustine, Florida became home to the Maria Jefferson Chapter of the DAR, named for the daughter of President Thomas Jefferson. I am proud to represent Saint Augustine, the nation’s oldest city of European extraction, and proud to call many of the Chapter’s members my constituents and friends. The Florida State Society of the DAR boasts 106 chapters with over 8,000 members.

Members of the Daughters of the American Revolution are descendants of those who aided in achieving American Independence. The National Society accepts service, with some exceptions, for the period between April 19, 1775 (Battle of Lexington) and November 26, 1783 (Treaty of Paris). Among those ancestors with accepted service are signers of the Declaration of Independence, those with military service and those whose ancestors gave patriotic service in the Continental Congress, State Conventions and Assemblies, committees made necessary by the war, members of the Boston Tea Party, doctors and nurses and other rendering aid to the wounded and prisoners of war or refugees from occupying forces.

Those of us who have been to the DAR Constitution Hall, here in Washington, DC, have enjoyed the building’s beauty and grandeur, and have been grateful for the dedicated service of the DAR. However, because of the selfless way in which the members perform their community service, most of us have never heard what the DAR usually does on a daily basis. Members of the Daughters of the American Revolution are dedicated to the lofty goals of honoring our nation’s historic forebearers, preserving our nation’s heritage and promoting education.

The members of the DAR not only honor their ancestors who have served our country, they themselves serve its citizens by visiting disabled veterans at their homes, in hospitals and in nursing homes. They sold recreational activities for patients such as carnivals and picnics and participate in special programs for homeless veterans such as medical and social screening and providing buddy bags. Some chapters give special support to needy, individual women veterans and participate in special women’s health care programs. This year, five chapters in Florida are raising special funds towards the purchase of a van to transport veterans between medical appointments. The DAR works with schools to help instill historical awareness and pride in our country by presenting medals and college scholarships and providing boarding schools for underprivileged children. DAR members also present American flags to schools and other public institutions and sponsor historic plaques.

I am thrilled to be able to use this opportunity to call attention to the work of the National Society of the Daughters of the American Revolution, Saint Augustine’s Maria Jefferson Chapter and the Chapter’s regent Jane Rhea Douglas for their selfless and important work on behalf of our nation’s veterans both past and present.

Congratulations Maria Jefferson Chapter on your 100th birthday. I send to you my sincere wishes that the new millennium may hold in store many more years of commendable service to our community.

CURBING UNAPPROVED UNION SPENDING

HON. RON PACKARD OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PACKARD. Mr. Speaker, last week the AFL-CIO announced that it would launch a campaign against California Proposition 226, the June 2 referendum that suspends labor unions’ incessant practice of contributing portions of dues to political campaigns that their members may oppose. This initiative and others like it in states across the country require union members to receive consent from their fellow members before contributing dues money to political entities.

Labor organizations feel that their role in the political arena would suffer if they were forced to tell the truth about union dues. Mr. Speaker, the issue here pertains to individuals’ hard-earned wages, not the unions’ ability to influence government. Working Americans must be assured of their right to decide where to spend their paychecks. The overbearing role that the forced-membership labor groups have played in the lives of dedicated men and women is appalling. I find it unbelievable that, in a nation that guarantees liberty and justice for all, unions can force members to fund political campaigns that they do not support. Proposition 226 and similar initiatives in 30 other states would put an end to this injustice.

Mr. Speaker, we must do our part in this fight against these labor unions and the obtrusive role that they have played in the lives of so many Americans. Curbing unsolicited political donations from union members is a good place to start.
EXTENDING THE VISA WAIVER PILOT PROGRAM

SPEECH OF
HON. DANNY K. DAVIS OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 25, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2578) to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and to provide for the collection of data with respect to the number of nonimmigrants who remain in the United States after the expiration of the period of stay authorized by the Attorney General:

Mr. DAVIS of Illinois. Mr. Chairman, I rise today in support of HR 2578, a bill to extend the visa waiver pilot program till the year 2000. The current law is a good measure and is expected to red line this April 30, 1998.

I think it is important to allow tourists and business travelers from many Western European countries as well as Australia and Japan to come here for business and for pleasure. It boosts the economy and it allows people to see our great country first-hand. However, I also believe that the visa waiver program should be extended to other countries, such as; Greece, Portugal, and South Korea. Thus, I support the Pombo-Frank-Kennedy-Pappas amendment.

Furthermore, this amendment supports an increase in the visa refusal rate from 2% to 3% in order to support other countries taking part in the tourist visa waiver program. However, I would like to mention that the refusal rate process is in need of new measures in deciding who receives a visa waiver.

I cannot tell you how many letters I write every single day to U.S. Embassies abroad, asking them to reconsider their visa denials of my constituents. In many cases, there is no solid basis for the denial, rather it is a class issue. They want to make sure that those individuals traveling abroad are leaving behind property, bank accounts, jobs, etc. If not, often times their visas are denied. Are these people not coming here to visit family and friends? Are these people planning to visit our country and spend money—will this not boost the economy? We cannot deny visas to those individuals wanting to come to this country at face value. What substantive basis does this derive from?

Mr. Speaker, for the aforementioned reasons, I rise in support of the bill coupled with the Pombo-Frank-Kennedy-Pappas Amendment.

RECOGNIZING PAUL SAUERLAND
HON. MICHAEL PAPPAS OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, on Friday, March 27, 1998 the Hunterdon County YMCA will recognize Paul C. Sauerland, Jr. as its Man of the Year with its 1998 Lend-A-Hand-To-Your-Award.

Paul's long time and wide ranging service to the community, county and state have earned him this well deserved recognition.

Since 1991, Paul has served as a Freeholder in Hunterdon County, New Jersey. His service to the county though began a long time before his first election to the Freeholder Board. He has been actively involved in numerous county boards, councils, and committees ranging in issues from transportation, housing, planning, human services, to health care.

Beyond the service that Paul has given to his local and county government, he has also served his state and country through his service of over thirty years as a member of National Guard.

Mr. Speaker, Paul has also been dedicated to serving the youth of his area. Through the many roles and positions that he has held in the local chapters of the Boy and Girl Scouts, he has helped to educate the youth of his community and instill in them a sense of community service and awareness. He has given of his time and knowledge so that young people have a greater opportunity of learning the values and skills that are needed to succeed.

The participants of these programs represent a variety of future leadership of this community, state, and country. Paul should be commended for his valuable contribution to our future.

I would like to congratulate Paul on this award. His service to the community is one that we are able to share in.

IN HONOR OF THE STRONGSVILLE RECREATION AND SENIOR COMPLEX
HON. DENNIS J. KUCINICH OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. KUCINICH. Mr. Speaker, I rise today to announce the opening of the Strongsville Recreation and Senior Center, a state-of-the-art facility with something for everyone in Strongsville, Ohio.

After nearly a decade of planning and construction, the 157,000 square foot facility provides a wide variety of health, fitness, leisure, and cultural activities to everyone in the community. The residents of Strongsville expressed their collective need for such a complex when they approved a one-half percent increase in the city income tax in 1993 to fund construction. Now, they no longer have to leave their community to participate in fitness classes, senior programs, or special events, facilities and services that encourage health, fitness, relaxation, enjoyment, and cultural enrichment, as well as providing opportunities for community involvement.

As Mayor Walter F. Ehrnfelt points out, the center is family-oriented and offers something for everyone.

“This recreation and senior complex is designed to satisfy the needs of seniors, of young people and of everyone else so that we can all enjoy a greater quality of life within the City of Strongsville,” the mayor said, adding: “We do not have to leave our home (community) for physical fitness classes, senior programs, health care services and even a movie program. This facility has the spectrum for all generations in Strongsville now and in the future.”

Planning for the center actually started back in 1989 when a committee of various individuals in the community studied and identified the recreational needs of the city. Committee members and city officials worked with numerous architects and engineering firms with extensive experience in building recreation centers and sports complexes to determine what was needed to make a great recreation/senior facility. The project moved closer to reality in 1993 when the city’s voters approved a one-half percent increase in the city income tax.

“City Council financed the complex out of the general fund with money generated from the additional income tax which was provided by businesses through jobs within the city,” the mayor said.

“We now have the finest recreation/senior facility in the State of Ohio and perhaps in the country for a reasonable charge.”

Membership packages are available at special rates for city residents and for anyone who works full time for a business located in the city.

Mayor Ehrnfelt said the city is asking for nominal membership fees to offset the cost of operating the facility, which is estimated at $1.8 million per year.

In a letter of invitation to the community, the mayor said, “The completion of the new Strongsville Recreation and Senior Complex brings our residents a facility that compares to no other in the State of Ohio. This facility is another great step for Strongsville’s future and continues in providing the very best for all citizens.”

“Please take the time to visit and become a member and use the facility to the maximun to improve and maintain your health and quality of life. Remember to use the facility. . . . Just for the ‘Fun of it.’”

RECREATION CENTER
Central attraction in the recreation area is the Aquatics Center which features an eight-lane, 25-yard-long competition pool with three diving boards and a bleacher seating area for approximately 50 spectators.

Another highlight of the center is the activity pool with zero depth entry, a circular water slide and even a pirate’s ship with a water cannon. The waters area also has steam and sauna rooms and an 18-person whirlpool.
The four-lane indoor track circles the upper level of the recreation area. Thirteen laps are the equivalent of one mile. The main gymnasium has two high school regulation basketball courts and a volleyball area. The auxiliary gym is a utility gymnasium which can be used as one high school regulation basketball court, volleyball, indoor soccer, and a gymnastics area.

The cardio conditioning area on the upper level is equipped with treadmills, stair steppers, bikes, ski machines, rowing machines, gravitron and AB trainers.

The strength training center on the complex’s lowest level offers Nautilus ZST Gravitron and AB trainers. The cardio conditioning area on the upper level is equipped with Nautilus ZST Gravitron and AB trainers.

A popular spot for teens will be the game area on the main level which is equipped with billiard tables, air hockey and foosball machines, video arcade games and snack, soft drink and juice/water vending machines.

The Recreation Center also features two wood floor aerobics and activity studios (1,400 square-foot each) for dance, yoga, and aerobics. The center, which has ten full-time employees and 75 part-time employees, will be open from 6 a.m. to 10 p.m. Monday through Friday and for discounted lunches on Saturdays.

The main gymnasium includes two sets of lockers, a fitness center and a weight room. The center, which has ten full-time employees and 75 part-time employees, will be open from 6 a.m. to 10 p.m. Monday through Friday for discounted lunches on Saturdays.

The spacious Senior Center located at the west end of the complex is designed to promote the physical, emotional, social and intellectual well-being of all seniors in the community.

A major attraction is the Community Room which has a casual and comfortable atmosphere where people can relax, read a book, watch TV, visit and hold meetings.

The back porch off the Community Room is equipped with benches where guests can relax and enjoy the view of the city park.

The center also has a woodworking room which will be used for classes and open shop time; a craft room for quilting, knitting, sewing, and other projects; a meeting room for seminars, lectures and club meetings; an art room for all types of projects, and a wellness clinic which will be operated in partnership with community health care providers.

A wide variety of activities will be offered for seniors and in all centers.

More information on the senior programs can be obtained by calling the center at 238-7111.

**CULTURAL CENTER**

The Cultural Center on the complex’s main floor is a common area which will be shared by users of both the recreation and senior centers. It seats 400 at tables and chairs and has an area of entertainment.

The center will be open to the public for breaks from 6 a.m. to 10 a.m. Monday through Friday and for discounted lunches for seniors each weekday at noon.

The dining area and many of the other facilities in the recreation/senior center will be available for rental by the public for nominal fees.

**GRAND OPENING**

Everyone in Strongsville is invited to come and join in the fun and excitement during the Community Open House Monday, March 16, through Saturday, March 28, and for the Ribbon Cutting Ceremonies on Sunday, March 29.

The Strongsville Chamber of Commerce joins with Mayor Walter F. Ehrnfelt and other city officials in welcoming the opening of this state-of-the-art facility and encourages everyone to join the Strongsville Recreation and Senior Complex . . . just for the “fun of it.”

**TRIBUTE TO GERALDINE CLAWSON**

**HON. JOHN M. SPRATT, JR.**

**OF SOUTH CAROLINA**

_**IN THE HOUSE OF REPRESENTATIVES**_

_**Thursday, March 26, 1998**_

Mr. SPRATT. Mr. Speaker, I rise today to honor one of my constituents, Geraldine Clawson, of Chester, South Carolina.

Geraldine Clawson, a former nurse, has spent countless hours as a volunteer in her community, working to help those struggling with homelessness, spousal abuse, alcoholism, and drug dependency. The organization she founded, The Turning Point, offers counseling, an emergency food bank, a 30-day treatment program for drugs and alcohol, a women’s shelter, and a program for abused or homeless women.

Because of her selfless dedication to those in need, Geraldine Clawson received the Jefferson Pilot Award for Public Service in 1993 and the Delta Sigma Phi Sorority Community Service Award in 1994.

Mr. Speaker, it gives me great pleasure to recognize the outstanding volunteer work of Geraldine Clawson.

**TRIBUTE TO THE U.S. VIETNAM VETERANS OF SOUTHERN CALIFORNIA IN RECOGNITION OF THE 25TH ANNIVERSARY OF THE END OF HOSTILITIES IN THE VIETNAM CONFLICT**

**HON. ESTEBAN EDWARD TORRES**

**OF CALIFORNIA**

_**IN THE HOUSE OF REPRESENTATIVES**_

_**Thursday, March 26, 1998**_

Mr. TORRES. Mr. Speaker, I rise to pay tribute to the men and women who faithfully served our nation during the Vietnam Conflict, 1954-1973, on the occasion of the 25th anniversary of the end of hostilities in the Vietnam Conflict.

On Sunday, March 29, 1998, the U.S. Vietnam Veterans of Southern California, Montebello Veterans of Foreign Wars Post 2317, and the City of Montebello will host a special ceremony at the Montebello City Memorial Park in observance of the patriotic service of our Vietnam veterans. At this special ceremony, local veteran’s organizations, including the Montebello VFW Post 2317, Brother’s of Vietnam, Vietnam Veterans Association, Disabled American veterans, Hispanic Airborne Association, and the American Legion Post 323, will come together with the community and local elected and military officials to commemorate the 25th anniversary of the end of hostilities in the Vietnam Conflict.

I commend the members of the U.S. Vietnam Veterans of Southern California for bringing together this patriotic salute to the brave men and women who answered our nation’s call during the Vietnam Conflict. I proudly salute the membership of the local chapter of the U.S. Vietnam Veterans of Southern California: President Michael Delgado (USMC), Vice President Gale Hulett (USAF), Secretary Gila

**E93**
employee of the U.S. Forest Service, and held such important posts as Assistant Secretary and director of the Bureau of Land Management.

He was also a highly acclaimed conservationist, one of our nation’s most effective environmentalists, spending a year as President of the Wilderness Society.

I have attached Mr. Stoddard’s obituary from the Minneapolis Star Tribune for my colleagues’ review. It highlights his courage in bringing to the public’s attention a matter that was crucial to their health and the health of their children in Minnesota and was repeated many times. The values and integrity that guided his decision and work reflect well upon the purpose of public service and the impact a good man can make.

I applaud Mr. Stoddard and present his model of courage yesterday as a benchmark for the environmentalists and policy-making for citizens today and tomorrow.

[From the Star Tribune, Dec. 30, 1997]

CHARLES STODDARD DIES; HE PLAYED KEY ROLE IN RESERVE MINING CASE

A CONTROVERSIAL 1968 INTERIOR DEPARTMENT STUDY HE HEADED SAID TACONITE TAILINGS WERE POLLUTING LAKE SUPERIOR.

(By Dean Rebuffoni)

Charles Hatch Stoddard was a besieged man 29 years ago.

As a top regional official of the U.S. Interior Department, Stoddard, who died Thursday at 85, had coordinated a major federal study on the taconite wastes that Reserve Mining Co. of Silver Bay, Minn., was dumping into Lake Superior.

Although the study had just been completed, it hadn’t been released to the public.

However, Stoddard had provided copies to Reserve, which quickly went over his head to Interior Secretary Stewart Udall.

The company urged Udall not to release the study, arguing that it was riddled with errors. Some critics suggested that Stoddard, a Republican with strong political ties to Reserve, was about to be inaugurated as president.

So Stoddard decided to release the study without Udall’s approval.

On Jan. 16, 1969, the biggest headline on the front page of the Minneapolis Tribune read: “U.S. Study Finds Taconite Tailings Pollute Superior.”

The study, which quickly became known as “the Stoddard Report,” made him a hero among conservationists.

Udall, however, told Congress that the study was “a preliminary staff report,” a statement that Reserve repeatedly cited in its effort to discredit it.

The study also was attacked by U.S. Rep. John Blatnik, a Duluth Democrat who called it a preliminary report with no official status.

Ultimately, Stoddard was vindicated by the federal courts, which ruled that Reserve was polluting Lake Superior with potentially cancer-causing asbestos-type fibers.

Reserve was fined more than $1 million and shifted its taconite wastes to an onland disposal site.

Udall eventually retracted his statement, telling the New York Times that the study was an official Interior Department report.

He said his original discrediting of it was prompted by concerns raised by Blatnik, who in 1969 was a powerful politician whose support on many issues was needed by the Interior Department. Blatnik died in 1991.

Udall’s recanting also was vindication for Stoddard, who died Thursday at a nursing home in Spooner, Wis. He had suffered from Parkinson’s disease for several years.

“Chuck Stoddard was a fearless public servant,” said Grant Merritt, a Minnesota conservationist who played a key role in the campaign to end Reserve’s discharge into Lake Superior.

“Chuck did his job regardless of the heat he had to take,” Merritt said. “The Stoddard Report gave us the scientific basis we needed to seek on-land disposal of Reserve’s tailings.”

Stoddard was born in Milwaukee in 1912 and earned bachelor’s and master’s degrees in forestry from the University of Michigan in the 1930s. He later did graduate studies at the University of Wisconsin and at Princeton.

He was a Naval Reserve officer during World War II, and while serving in the South Pacific, he discovered a species of tropical tree that later was named after him: Mastiodendron stoddardii.

He had several stints as a federal employee specializing in conservation issues, including work as a U.S. Forest Service economist in the 1930s.

During the late 1940s and early 1950s, he was a private forestry consultant in Minnesota and Wisconsin and was active in several conservation groups.

From 1955 to 1961, he worked for Resources for the Future, a nonprofit conservation research organization based in Washington, D.C.

Stoddard also was involved in Democratic Party politics, and during the 1960 presidential campaign, he worked first for candidate Hubert Humphrey, then as an adviser to John F. Kennedy on conservation issues.

After Kennedy was elected, Stoddard was named an assistant secretary of the Interior Department and, later, was appointed director of the Bureau of Land Management.

After retiring from federal employment, he served for a year as president of the Wilderness Society.

He wrote numerous reports on environmental issues, often focusing on land-use matters, and was the author or coauthor of three books on forestry and conservation practices.

Shortly after the lawsuit, United States v. Reserve Mining Co., went to trial in 1973, Stoddard encountered the trial judge, Miles Lord, in a hall of the federal courthouse in Minneapolis.

“Do you know me, Judge Lord?” he asked.

When Lord said he didn’t, Stoddard explained: “I’m the guy who got you into this.”

Stoddard is survived by his former wife, Patricia Couler Stoddard of Duluth; a daughter, Abby Marrier of Milaca, Minn.; four sons, Charles Jr., and Paul, both of St. Paul, and Glenn and Jeff, who live in Wisconsin, and five grandchildren.

A private memorial service will be held at Wolf Springs Forest, the Stoddard family’s nature preserve near Minong, Wis. The family has contributed to the Sigmund Olson Institute for Environmental Studies at Northland College in Ashland, Wis.
Mr. SMITH of New Jersey. Mr. Speaker, I urge my colleagues to join me in restoring home health care equity by co-sponsoring this important legislation.

PERSONAL EXPLANATION

HON. GERALD D. KLECZKA
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. KLECZKA. Mr. Speaker, on Wednesday, March 25, 1998, I was granted an Official Leave of Absence to attend a family funeral. As an elected Representative of Wisconsin’s Fourth Congressional District, I have responsibility to my constituents to inform them of the votes from yesterday and to apprise them of how I would have voted. The following indicates how I would have voted on Roll Call Votes Nos. 68, 70 and 71.

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<tr>
<th>Rollcall No.</th>
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<td>68</td>
<td>H.R. 2589 (McCullom Amdt.)</td>
<td>No</td>
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<tr>
<td>70</td>
<td>H.R. 2578 (Pombo Amdt.)</td>
<td>Yes</td>
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<td>71</td>
<td>H.R. 2578</td>
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The outcome would have been no different on any of these votes if I had been present.

RESTORE FAIRNESS TO MEDICAL HOME HEALTH CARE SYSTEM

HON. CHRISTOPHER H. SMITH
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. SMITH of New Jersey. Mr. Speaker, today I am joining with my good friend and colleague, Rep. Mike Pappas, in introducing legislation to restore fairness and equity to the Health Care Finance Administration’s (HCFA’s) new Medicare reimbursement program for home health care.

This new Medicare reimbursement program, known as the “Interim Payment System” (IPS), is based on an incomplete and inequitable funding formula which directly jeopardizes home health care agencies and the elderly they serve in my state. The value of home health care is obvious. All of us intuitively know that enabling our seniors to receive quality, skilled nursing care in their own homes is preferable to other, more costly, sometimes isolated, settings. Senior citizens receive the peace of mind of familiar setting and their loved ones close at hand. And the cost savings to Medicare from proper use of home health care are considerable.

The legislation we have introduced today corrects several flaws contained in the IPS formula and assures fair and reasonable Medicare reimbursement for quality home health care. This bill is a good complement to another legislative effort (H.R. 3108) I am supporting with fellow New Jersey Representative Jim Saxton. The Pappas-Smith bill is more targeted and limited in scope, focusing on equity issues between home health care agencies, while H.R. 3108 is broader in application and primarily deals with providing more resources to all home health agencies. One thing that both bills address, however, is the need to reform the IPS. If left unchanged, the IPS will cut Medicare reimbursement for home health care in New Jersey by $25 million in fiscal year 1998 alone. Several agencies in New Jersey could lose $2 million or more in anticipated reimbursement for homebound Medicare patients.

One of the most unfair aspects of the IPS is that it seeks to treat efficient and inefficient home health agencies alike, despite the fact that average utilization rates in New Jersey’s agencies—43 visits per beneficiary served in 1996—are far lower than the national average of 74 visits that year.

Because the IPS reimbursement rates for each home health care agency are linked to earlier utilization rates and costs, agencies that are not significantly different will find themselves struggling to squeeze another 12 to 15 percent reduction in aggregate reimbursement rates from already lean operations—a very tall order indeed. Meanwhile, agencies in other parts of the country with abnormally high home health costs and utilization rates are permitted to use base year utilization rates that were badly inflated in the first place. Thus, they will continue to receive high reimbursement rates because they had inflated costs in the past. The IPS, therefore, effectively punishes efficient operations and does not comprehensively address the problem in areas with inordinately high home health utilization statistics.

For example, home health agencies serving senior citizens in NJ will only receive enough funding to provide as few as 30 to 35 visits per patient. Meanwhile, agencies in other parts of the country—such as Tennessee and Louisiana—may continue providing their patients with almost triple that number of visits at twice the cost per visit. Disparities of this magnitude are inherently unreasonable and unfair, and must be corrected.

There is no reason whatsoever why the senior citizens of New Jersey should receive less quality care than senior citizens of any other state. While I understand that special circumstances in other states and counties will always generate some variation in home health care usage, the disparities that are enshrined in the IPS are simply absurd. Are Louisianans and Tennesseans that much sicker or that much more frail that they need to receive 100 or more visits per person? And how can the cost of treating these patients in other states be significantly higher than New Jersey? The wage rates and cost of living indexes in many of these high utilization states are among the lowest in the entire nation. Senator John Breaux stated that in Louisiana, there are more home health care agencies than there are McDonalds restaurants. Clearly, something is amiss.

In response, our bill—which we have strived to craft in a budget neutral manner—restores fairness and equity to the Interim Payment System in the following ways:

First, our bill will protect efficient home health agencies from drastic cuts in Medicare home health reimbursement through the IPS. Under our legislation, we provide relief from the Interim Payment System for those home health care agencies whose average cost per patient served, as well as their average number of visits per patient, are below the national average. In this manner, agencies that have been doing a good job in keeping their cost structures under control will not be punished for their own best efforts.

The second provision contained in our bill restores the per visit cost limits for home health agencies to their September 1997 levels. The reason for this change is based on an assessment that unless this change is made, it will be virtually impossible for home health agencies to reduce their average number of visits per patient, and still live within their cost limits.

The provision is a matter of basic math: if an agency is to reduce its average number of visits per patient—as HCFA demands—it must do more with each visit. However, if an agency fits more activities and services into each visit, then by definition its costs per visit are going to increase significantly. The number of visits per patient will fall, its costs per patient will rise to some extent, because more services are being performed in an attempt to make the most out of each home health visit. Under our bill, home health agencies will reduce their visits per patient and still operate within realistic per visit cost limits. HCFA’s per visit cost targets, upon close examination, are unrealistic and will not allow home health agencies to accomplish the goal of more efficient home care.

Lastly, our legislation will give the Secretary of Health and Human Services the flexibility to make special exceptions for home health agencies treating unusually expensive patients. Among the problems with the IPS is that it does not comprehensively address the problem in areas with inordinately high home health utilization statistics. For example, home health agencies serving senior citizens in NJ will only receive enough funding to provide as few as 30 to 35 visits per patient. Meanwhile, agencies in other parts of the country—such as Tennessee and Louisiana—may continue providing their patients with almost triple that number of visits at twice the cost per visit. Disparities of this magnitude are inherently unreasonable and unfair, and must be corrected.

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The Jewish Herald-Voice has a rich tradition of serving and reflecting the pride of the steadily growing Jewish communities in the Greater Houston and Gulf Coast areas. Published weekly, plus two annual holiday magazines for Passover and Rosh Hashanah, this award-winning publication is read by almost every Jewish household in the Hermann Park area covering national and international news and events from over 90 local Jewish organizations, the Herald publishes monthly specialty pages for the Greater Southwest Houston Chamber of Commerce, seniors, parents of young children, party planners, plus weekly specialty pages devoted to business, medical issues, singles, food, arts, and entertainment.

Three families have been responsible for this exceptional continuity: founder, Edgar Goldberg—1908–1937; David H. White—1937–1973; and Joe and Jeanne Samuels—1973–present. Not only is this the 90th anniversary of the paper, but also Joe and Jeanne Samuels’ 25th Anniversary as owners and publishers of The Jewish Herald-Voice.

Ninety years ago, Edgar Goldberg envisioned what would reach everyone in Houston’s diverse Jewish community, crossing denominations, transcending organizational boundaries and providing a platform for every Jewish citizen regardless of affiliation. Goldberg started with a circulator in the Houston Jewish Bulletin in 1907; then in 1908, the first edition of The Jewish Herald began publication.

In 1914, appealing to Jewish communities statewide, Goldberg created an advertising slogan—“The News for Texas Jews” —and changed the paper’s title to The Texas Jewish Herald. Throughout the prosperous years of the 1920s, The Texas Jewish Herald grew in circulation and content. The Great Depression struck the Herald hard and Goldberg was forced to scale the paper back to four pages from its usual eight. The paper was his livelihood and as long as the U.S. Postal Service would cooperate, he was determined to carry on. In 1933 Goldberg grew weary at fighting the battle to keep the paper afloat. While deciding to put the paper up for sale, Goldberg was diagnosed with cancer. Sadly, he died in 1937, 29 years after his first edition of the Herald went to press. Goldberg’s wife, Esther, maintained control of the paper for several years but she, too, grew weary from the effort and agreed to sell.

The chain of weekly Jewish Heralds continued unbroken when David H. White, publisher of the recently established Jewish Voice in Houston, purchased The Texas Jewish Herald. Preserving the name of both publications, White continued Goldberg’s legacy, renaming the paper The Texas Jewish Herald-Voice. Throughout the 1940s the Herald-Voice continued to grow as White instituted additional columns and special holiday editions, creating a reflection of the times.

In 1972 when David White died, his wife, Ida Schwartz, continued the Herald-Voice, who worked by his side throughout the years, stepped up to edit and publish the Jewish Herald-Voice during the remainder of the year. Shortly thereafter, she sold the highly successful D.H. White Company printing plant and began to search for a successor to continue publishing the Jewish Herald-Voice.

A casual conversation with a neighbor prompted Joseph W. Samuels to telephone Murray White, David White’s youngest brother and part owner of the Jewish Herald-Voice. In April of 1973, Joe and his wife Jeanne F. Samuels purchased the 65-year-old paper. It was a dream come true for Joe, whose father, Morris Samuels, a printer in Dallas, had planned to begin his own Jewish newspaper. What Joe Samuels and Jeanne purchased 25 years ago was the successful publication of a 65-year-old weekly newspaper, a mailing list of less than 3,000 subscribers, its payables and receivables, together with archives, a typewriter, two desks, two chairs and two filing cabinets. Over the past 25 years, they have nurtured the paper, more than doubling the number of subscribers and increasing its size from 8–12 pages to 36–80 pages.

Since 1994, when The Jewish Herald-Voice entered its first newspaper competition, it has received various awards each year. The Herald-Voice has received award recognition from the Texas Press Association, Gulf Coast Press Association, and the American Jewish Press Association, as well as honors from local Jewish agencies and organizations. Most recently, in 1997, the Herald received two awards from the American Jewish Press Association: first place for Excellence in Special Sections covering “Educational Alternatives: Where Do They Go From Here?” and second place for Excellence in Overall Graphic Design.

The Herald-Voice continues to grow and constantly endeavors to broaden its scope and appeal for readers and advertisers, alike. It is comforting to know, that the next generation, the Samuels’ daughter, Vicki Samuels Levy, who has headed the advertising department for many years and knows the operation of the paper, is destined to take the reins one day as owner and publisher of the Jewish Herald-Voice.

Mr. Speaker, I congratulate the Jewish Herald-Voice on 90 continuous years of excellence in journalism and the current owners and publishers, Joe and Jeanne Samuels, who have successfully continued the founder’s dream. Ever since it was established in 1908 by Edgar Goldberg, the Herald has upheld the promise of remaining the voice of the Jewish community of Greater Houston and the Texas Gulf Coast.

TOWN OF ONONDAGA CELEBRATES BICENTENNIAL

HON. JAMES T. WALSH
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. WALSH. Mr. Speaker, as a newly born of the American Dream come true. He grew up on his parents farm in Franklin Township in Hunterdon County, New Jersey, and co-chair; Ken Pierkowsk; Gwinn Morey; Beatrice Malittano; Mr. and Mrs. Willie Royal; Bonnie Romano; Gary and Karen Livent; Suzanne Belle; Mary Ryan; Charles Petrie; Donald Hamilton; Dave Schmitz; Lee Kelly; Margaret Chesbro; Jeanne Tanner; and Dan Willis.

On a related note, I am very proud to be one of these Onondaga residents in town history to have represented Central New York in Congress. The others included my father, William F. Walsh, and one of the first settlers, James Geddes, who also served as Town Supervisor in 1779.

I am pleased also to mark this memorable time for us in the CONGRESSIONAL RECORD, in addition to presenting a United States flag to town leaders in a ceremony April 2.

Together, these people named today, joined by our fellow residents, thank God for our freedom, our country and our homes—just as we pray that we will impress on the next generation the importance of what our ancestors accomplished and the magnitude of the task. Only from history will we learn.

RECOGNIZING AUGUST KNISPEL

HON. MICHAEL PAPPAS
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1998

Mr. PAPPAS. Mr. Speaker, on Saturday, March 21, 1998, residents from Franklin Township in Hunterdon County, New Jersey, will honor one of the area’s political legends at a testimonial dinner. For 31 years August Knispel has served the residents of Franklin Township as their Mayor and as a member of the Township Committee.

Mr. Knispel, the son of German born parents that immigrated to America, is a living example of the American Dream come true. He grew up on his parents farm in Franklin Township raising and selling ducks to make extra money during the depression at the age of seven. It was not too long thereafter that August became an active hand in the family farm which itself has become an area landmark.

In 1963, Mr. Knispel made his first run for Township Committee. The election ended in a tie that ultimately was decided in favor of his opponent. Not one to be discouraged. Mr. Knispel entered the race a year later and was successful. His election to the Township Committee that year began the first of 11 more victories. During his years of service, Mayor Knispel has been a leader in agricultural and open space issues.

Mr. Speaker, I would like to join the residents of Franklin Township and Hunterdon County in thanking August Knispel for dedicated service to his community. For almost a generation Mr. Knispel has dedicated a tremendous amount of his time and effort to serving the needs and addressing the concerns of Franklin Township. Saturday night’s dinner is just a token of the well deserved recognition that is appropriate in thanking him for his service.
CONGRESSIONAL RECORD — Extensions of Remarks

March 26, 1998

THE COMMUNITY MOBILIZATION CONFERENCE AND TRAINING ON GANGS, VIOLENCE AND DRUGS

HON. BOB FILNER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 26, 1998

Mr. FILNER. Mr. Speaker and colleagues, I rise today to recognize the Annual Community Mobilization Conference and Training on Gangs, Violence and Drugs which will take place in my hometown of San Diego, California April 1–3, 1998.

This will be the ninth annual conference convened by Nu-Way Youth and Social Services, a local community-based organization. The conference will be a national, collaborative event that will bring together parents, educators, law enforcement officers, prosecutors, health and social service providers, together with civic, political and spiritual leaders to discuss the latest technologies and strategies for combating juvenile crime in our communities.

I would also like to give recognition to the National Crime Prevention Council (NCPC) and the Bureau of Justice Assistance (BJA) of the U.S. Department of Justice for their support and co-sponsorship of Nu-Way’s 9th Annual National Conference. The NCPC and the BJA will add programmatic support and technical assistance. By doing so they are providing Nu-Way access to greater numbers of nationally recognized trainers, and broader participation. Conference participants will come from throughout the United States and Canada.

This support will further strengthen the Educating, Motivating, Organizing and Mobilizing (E.M.O.M.) process and demonstrate the effectiveness of the partnership between community and government.

This conference is a true collaborative project. And by its very nature, will reinforce the proverb that “it takes a whole village to raise a child”—and will challenge all of our citizens to accept the responsibility and join in our struggle to keep our youth free from the influence of gangs and drugs.

Mr. Speaker, I am proud that Nu-Way, a valuable resource in the fight against gangs, drug abuse and violence, is based in my Congressional district, and I applaud the efforts of Nu-Way and the Community Mobilization Conference for their important role in our fight against juvenile crime.
HIGHLIGHTS

The House agreed to the conference report on H.R. 1757, Foreign Affairs Reform and Restructuring Act and

Senate

Chamber Action

Routine Proceedings, pages S2587-S2692

Measures Introduced: Nine bills and one resolution were introduced, as follows: S. 1864-1872, and S. Res. 200. Page S2660

Measures Reported: Reports were made as follows:
H.R. 927, to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General, with an amendment in the nature of a substitute. Page S2660

Measure Passed:

Measure Rejected:
Mexico Drug Decertification: Committee on Foreign Relations was discharged from further consideration of S.J. Res. 42, to disapprove the certification of the President under section 490(b) of the Foreign Assistance Act of 1961 regarding foreign assistance for Mexico during the fiscal year 1998 and, by 45 yeas to 54 nays (Vote No. 47), the resolution was rejected: Pages S2636-57

Emergency Supplemental Appropriations: Senate concluded consideration of S. 1768, making emergency supplemental appropriations for recovery from natural disasters, and for overseas peacekeeping efforts, for the fiscal year ending September 30, 1998, after taking action on amendments proposed thereto, as follows: Pages S2587-S2631

Adopted:
Enzi Amendment No. 2133, to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities. Pages S2588-94

Stevens (for McCain) Amendment No. 2136, to clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program. Pages S2594-96

Stevens (for Murkowski/Stevens) Amendment No. 2137, to make technical corrections to the Michigan Indian Lands Claims Settlement Act to provide certain health care services for Alaska natives. Pages S2594-96

Stevens (for Murkowski/Stevens) Amendment No. 2138, to make technical corrections to the Fiscal Year 1998 Department of Interior Appropriations Act (P.L. 105-83). Pages S2594-96

Stevens (for Bond/Stevens) Amendment No. 2139, to make emergency funds available for the purchase of F/A-18 aircraft. Pages S2594-96

Stevens (for Chafee) Amendment No. 2140, to modify the Energy and Water Development section of the bill. Pages S2594-96

Stevens (for Wyden) Amendment No. 2141, to eliminate secrecy in international financial and trade organizations. Pages S2594-96

Stevens (for Bond) Amendment No. 2142, to make technical corrections to Economic Development Grant program funded in 1992 as part of the Empowerment Zone Act. Pages S2594-96

Stevens (for Craig) Amendment No. 2143, to make technical corrections to Section 405 of the bill regarding Forest Service transportation system moratorium. Pages S2594-96
By unanimous consent, Amendment No. 2062, to establish an emergency commission to study the trade deficit, agreed to on March 23, 1998, was modified.

Stevens (for Cochran/Bumpers) Amendment No. 2144, to make a technical correction in the language of the Livestock Disaster Assistance Program.

Stevens (for Wellstone/Conrad/Dorgan) Amendment No. 2145, to subsidize the cost of additional farm operating and emergency loans.

Stevens (for Jeffords/Leahy) Amendment No. 2146, to make funds available for emergency construction to repair the Mackville Dam, Hardwick, Vermont.

Stevens (for Lott) Amendment No. 2147 (to Amendment No. 2100), to make a technical correction.

Stevens (for Daschle) Amendment No. 2148, to provide funds for humanitarian demining activities in Bosnia and Herzegovina.

Stevens (for Gregg) Amendment No. 2149, to make a technical correction to the Patent and Trademark section of the bill.

Stevens (for Levin) Amendment No. 2150 (to Amendment No. 2100), dealing with the consultation by the Secretary of the Treasury with the Office of the U.S. Trade Representative regarding prospective IMF borrower countries.

Stevens (for Grassley/Stevens) Amendment No. 2151, to make funds available for construction of a P3-AEW hangar in Corpus Christie, Texas.

Stevens (for Hutchison) Amendment No. 2152, to provide funds to rectify damages caused by windstorms in Texas.

Stevens (for Boxer) Amendment No. 2153, to provide additional funds for construction programs of the Department of the Interior to repair damage caused by floods and other natural disasters.

Stevens (for Dorgan) Amendment No. 2154, to provide emergency Polychlorinated biphenyls (PCB’s) remediation in schools and other facilities at the Standing Rock Sioux Reservation.

Robb Amendment No. 2135, to reform agricultural credit programs of the Department of Agriculture.

By 84 yeas to 16 nays (Vote No. 44), McConnell Modified Amendment No. 2100, to provide supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998.

Stevens (for Lautenberg) Amendment No. 2156, to allocate certain funds to the State of New Jersey to carry out housing opportunities for persons with AIDS.

Murkowski Amendment No. 2157, to cancel the sale of oil from the Strategic Petroleum Reserve.

Stevens (for Byrd) Amendment No. 2159, to provide assistance to employees of the Farm Service Agency of the Department of Agriculture.

Bingaman/Hollings Amendment No. 2160, to provide for school security training and technology, and for local school security programs.

Cochran Amendment No. 2161, to make certain technical corrections.

Stevens (for D’Amato) Amendment No. 2163, relating to the use of Floyd Bennett Field in New York City by the New York City Police Department.

Stevens (for Nickles) Amendment No. 2162, to strike certain funding for the Health Care Financing Administration.

Rejected:

Kennedy Amendment No. 2164 (to the language proposed to be stricken by Amendment No. 2120), in the nature of a substitute. (By 51 yeas to 49 nays (Vote No. 45), Senate tabled the amendment.)

Withdrawn:

Bumpers Amendment No. 2134, to express the sense of the Senate that of the rescissions, if any, which Congress makes to offset appropriations made for emergency items in the Fiscal Year 1998 supplemental appropriations bill, defense spending should be rescinded to offset increases in spending for defense programs.

Torricelli/Lautenberg Amendment No. 2155, to express the sense of the Senate that the Attorney General should not accept a settlement in proceedings to recover costs incurred in the cleanup of the Wayne Interim Storage Site, Wayne, New Jersey, unless the settlement recaptures a substantial portion of the costs incurred by the taxpayer.

Cleland Amendment No. 2158, to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration.

Baucus/Burns Amendment No. 2162, to authorize the Secretary of Agriculture to extend the term of a marketing assistance loan made to producers on a farm for any loan commodity until September 30, 1998.

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, all after the enacting clause be
stricken and the text of S. 1768, as amended, be substituted in lieu thereof and, after passage, the Senate insist on its amendment and request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate.

Also, a further consent agreement was reached providing that when the Senate receives the House companion measure making supplemental appropriations for the International Monetary Fund for the fiscal year ending September 30, 1998, that all after the enacting clause be stricken and the text of the IMF Title of S. 1768 be substituted in lieu thereof and, after passage, the Senate insist on its amendment and request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate.

Subsequently, S. 1728 was returned to the Senate Calendar.

Education Savings Act for Public and Private Schools—Cloture Vote: By 58 yeas to 42 nays (Vote No. 46), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to close further debate on H.R. 2646, to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, and to increase the maximum annual amount of contributions to such accounts.

A fifth motion was entered to close further debate on the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion would occur on Monday, March 30, 1998.

Nomination—Agreement: A unanimous-consent agreement was reached providing for the consideration of the nomination of M. Margaret McKeeown, of Washington, to be United States Circuit Judge for the Ninth Circuit, on Friday, March 27, 1998, with a vote to occur thereon.

Nominations Received: Senate received the following nominations:
1 Air Force nomination in the rank of general.
1 Marine Corps nomination in the rank of general.
Routine lists in the Foreign Service.

Messages From the House:

Measures Referred:
Communications:
Petitions:
Executive Reports of Committees:
Statements on Introduced Bills:

Additional Cosponsors: Pages S2683–84
Amendments Submitted: Pages S2684–88
Notices of Hearings: Page S2688
Authority for Committees: Page S2688
Additional Statements: Pages S2688–90

Record Votes: Four record votes were taken today. (Total—47) Pages S2606–07, S2629, S2636, S2657
Adjournment: Senate convened at 9:30 a.m., and adjourned at 8:08 p.m., until 9 a.m., on Friday, March 27, 1998. (For Senate's program, see the remarks of the Majority Leader in today's Record, on pages S2690–91.)

Committee Meetings

APPROPRIATIONS—BUREAU OF RECLAMATION/CORPS OF ENGINEERS
Committee on Appropriations: Subcommittee on Energy and Water Development concluded hearings on proposed budget estimates for fiscal year 1999, after receiving testimony in behalf of funds for the Bureau of Reclamation from Patricia J. Beneke, Assistant Secretary for Water and Science, and Eluid L. Martinez, Commissioner, Bureau of Reclamation, both of the Department of the Interior; and in behalf of funds for the Army Corps of Engineers from John H. Zirschky, Acting Assistant Secretary of the Army (Civil Works); Lt. Gen. Joe N. Ballard, Chief of Engineers, Army Corps of Engineers; and Maj. Gen. Russell L. Fuhrman, Director of Civil Works, United States Army.

APPROPRIATIONS—NATIONAL DRUG CONTROL POLICY
Committee on Appropriations: Subcommittee on the Interior and Related Agencies held hearings on proposed budget estimates for fiscal year 1999, receiving testimony in behalf of funds for their respective activities from Kathryn O'Leary Higgins, Acting Chairman, and Scott Shanklin-Peterson, Senior Deputy Chairman, both of the National Endowment for the Arts; and Bill Ferris, Chairman, National Endowment for the Humanities.

Subcommittee will meet again on Wednesday, April 1.

APPROPRIATIONS—NATIONAL ENDOWMENT FOR THE ARTS/HUMANITIES
Committee on Appropriations: Subcommittee on the Interior and Related Agencies held hearings on proposed budget estimates for fiscal year 1999, receiving testimony in behalf of funds for their respective activities from Kathryn O'Leary Higgins, Acting Chairman, and Scott Shanklin-Peterson, Senior Deputy Chairman, both of the National Endowment for the Arts; and Bill Ferris, Chairman, National Endowment for the Humanities.

Subcommittee will meet again on Wednesday, April 1.
the Office of National Drug Control Policy, receiving testimony from Barry R. McCaffrey, Director, Office of National Drug Control Policy.

Subcommittee recessed subject to call.

**AUTHORIZATION—DEFENSE**

Committee on Armed Services: Committee resumed hearings on proposed legislation authorizing funds for fiscal year 1999 for national defense and the future years defense program, focusing on Department of Energy atomic energy defense activities, receiving testimony from Federico F. Peña, Secretary of Energy.

Subcommittee recessed subject to call.

**AUTHORIZATION—DEFENSE**

Committee on Armed Services: Subcommittee on Strategic Forces resumed hearings on proposed legislation authorizing funds for fiscal year 1999 for the Department of Defense and the future years defense program, focusing on the domestic emergency response program and support to the interagency preparedness efforts, including the federal response plan and the city training program, receiving testimony from H. Allen Holmes, Assistant Secretary of Defense for Special Operations and Low Intensity Conflict; Maj. Gen. Edward Soriano, USA, Director, Military Support Headquarters, and Maj. Gen. George E. Friel, USA, Commander, Chemical and Biological Defense Command, both of the Department of the Army; and Lisa Gordon-Hagerty, Director, Office of Emergency Response, Department of Energy.

Subcommittee will meet again on Tuesday, March 31.

**CREDIT UNION MEMBERSHIP**

Committee on Banking, Housing, and Urban Affairs: Committee held hearings to examine the implications of the recent Supreme Court decision concerning credit union membership, and proposed legislation to amend the Federal Credit Union Act to clarify existing law and ratify the longstanding policy of the National Credit Union Administration Board with regard to field of membership of Federal credit unions, receiving testimony from John D. Hawke, Jr., Under Secretary for Domestic Finance, and Richard S. Carnell, Assistant Secretary for Financial Institutions, both of the Department of the Treasury; Norman E. D’Amours, Chairman, and Yolanda Townsend Wheat and Dennis Dollar, both Board Members, all of the National Credit Union Administration; and Bruce O. Jolly, Jr., Shook, Hardy & Bacon, Washington, D.C.

Hearings continue on Thursday, April 2.

**AMERICAN FISHERIES ACT**

Committee on Commerce, Science, and Transportation: Subcommittee on Oceans and Fisheries concluded hearings on S. 1221, to amend title 46 of the United States Code to prevent foreign ownership and control of United States flag vessels employed in the fisheries in the navigable waters and exclusive economic zone of the United States, and to prevent the issuance of fishery endorsements to certain vessels, after receiving testimony from Senator Murkowski; David Evans, Deputy Assistant Administrator, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce; Rear Adm. Robert C. North, Assistant Commandant for Marine Safety and Environmental Protection, United States Coast Guard, Department of Commerce; Daniel J. Whittle, Environmental Defense Fund, Raleigh, North Carolina; Niaz Dorry, Greenpeace, and Alfred G. King, Jr., King Sons, Inc., both of Gloucester, Massachusetts; Jim Kendall, New Bedford Seafood Coalition, New Bedford, Massachusetts; Michael Love, Atlantic Star, North Yarmouth, Maine; Charles H. Bundrant, Trident Seafoods Corporation, Cary Swanson, Aleutian Spray Fisheries, Alec Brindle, Alyeska Seafoods Inc., and Paul MacGregor, At-Sea Processors Association, all of Seattle, Washington; Frank Bohannon, United Catcher Boats, Sun River, Oregon; and Jeff Hendricks, Alaska Ocean Seafood Limited Partnership, Anacortes, Washington.

**AUTHORIZATION—SUPERFUND**

Committee on Environment and Public Works: Committee ordered favorably reported S. 8, authorizing funds for programs of the Comprehensive Environmental Response, Liability, and Compensation Act (Superfund), with an amendment in the nature of a substitute.

**BUSINESS MEETING**

Committee on the Judiciary: Committee ordered favorably reported the following business items:

H.R. 927, to amend title 28, United States Code, to provide for appointment of United States marshals by the Attorney General, with an amendment in the nature of a substitute; and

The nominations of Kermit Lopez, of Maine, to be United States Circuit Judge for the First Circuit, Robert T. Dawson, to be United States District Judge for the Western District of Arkansas, Garr M. King, to be United States District Judge for the District of Oregon, Johnnie B. Rawlinson, to be United States District Judge for the District of Nevada, and Gregory Moneta Sleet, to be United States District Judge for the District of Delaware.
INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee will meet again on Wednesday, April 1.

House of Representatives

Chamber Action

Bills Introduced: 13 public bills, H.R. 3558-3570; and 5 resolutions, H. Con. Res. 251-253, and H. Res. 398-399, were introduced. Pages H1642-43

Reports Filed: Reports were filed as follows:

H.R. 2786, to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran (H. Rept. 105-468 Part 1). Page H1642

Personal Privilege: Representative Shuster rose to a point of personal privilege and was recognized for 1 hour. Pages H1553-56

Small Business Paperwork Reduction Act: The House passed H.R. 3310, to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses by a recorded vote of 267 ayes to 140 noes, Roll No. 74. Agreed to amend the title. Pages H1562-81

Agreed to the McIntosh amendment that requires the States, in the enforcement of a Federal program, to comply with provisions that allow the suspension of a civil fine for a first-time violation of a paperwork requirement by a small business (agreed to by a recorded vote of 224 ayes to 179 noes, Roll No. 73). Pages H1578, H1579-80

Rejected the Kucinich amendment that sought to establish a policy or program for eliminating, delaying, and reducing civil fines for first-time violations by small entities (rejected by a recorded vote of 183 ayes to 221 noes, Roll No. 72). Pages H1572-78, H1578-79

Earlier, agreed to H. Res. 396, the rule that provided for consideration of the bill by a voice vote. Pages H1559-62

Foreign Affairs Reform and Restructuring Act: The House agreed to the conference report on H.R. 1757, to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, to ensure that the enlargement of the North Atlantic Treaty Organization (NATO) proceeds in a manner consistent with United States interests, to strengthen relations between the United States and Russia, and to preserve the prerogatives of the Congress with respect to certain arms control agreements. Page H1600

Earlier, agreed to H. Res. 385, the rule that waived points of order against the conference report bill by a yea and nay vote of 234 yeas to 172 nays, Roll No. 75. Pages H1581-88

Fairness for Small Business and Employees Act: The House passed H.R. 3246, to assist small businesses and labor organizations in defending themselves against government bureaucracy; to ensure that employees entitled to reinstatement get their jobs back quickly; to protect the right of employers to have a hearing to present their case in certain representation cases; and to prevent the use of the National Labor Relations Act for the purpose of disrupting or inflicting economic harm on employers by a recorded vote of 202 ayes to 200 noes, Roll No. 78. Pages H1609-22

Agreed to the Goodling amendment that clarifies that a bona fide employee has all of the rights provided by the National Labor Relations Act including the right to form, join, or assist labor organizations, to bargain collectively through representatives, and to engage in other activities for the purpose of collective bargaining or mutual aid (agreed to by a recorded vote of 398 ayes with none voting "no", Roll No. 77). Pages H1619-22

Earlier, the agreed to H. Res. 393, the rule that provided for consideration of the bill by a yea and nay vote of 220 yeas to 185 nays, Roll No. 76. Pages H1600-09

Forest Recovery and Protection Act: Agreed by unanimous consent that H. Res. 394, be considered as adopted and that during consideration of H.R. 2515, in the Committee of the Whole pursuant to that resolution, that the amendment in the nature of
a substitute made in order as original text be considered as read; and after general debate the bill be considered for amendment under the five-minute rule for a period not to extend beyond 1:30 p.m. on Friday, March 27, 1998.

Late Reports: The Committee on Appropriations received permission to have until midnight on Friday, March 27, 1998 to file two privileged reports on bills making Emergency Supplemental Appropriations for Fiscal Year 1998 and making Supplemental Appropriations for Fiscal Year 1998.

Authority to Add Cosponsors: Agreed that Representative Capps be authorized to sign and submit requests to add cosponsors to H.R. 2009, Amyotrophic Lateral Sclerosis (ALS) Research, Treatment, and Assistance Act of 1997.

Senate Messages: Message received from the Senate today appears on page H1553.

Amendments: Amendments ordered printed pursuant to the rule appear on pages H1644-47.

Quorum Calls—Votes: Two yea and nay votes and five recorded votes developed during the proceedings of the House today and appear on pages H1578-79, H1579-80, H1580-81, H1588, H1608-09, H1622, and H1622-23. There were no quorum calls.

Adjournment: Met at 10:00 a.m. and adjourned at 11:17 p.m.

Committee Meetings

USDA'S FEDERAL MILK MARKETING ORDER REFORM
Committee on Agriculture Subcommittee on Livestock, Dairy, and Poultry held a hearing to review the USDA's Federal Milk Marketing Order Reform. Testimony was heard from Enrique E. Figueroa, Administrator, Agricultural Marketing Service, USDA; Ben Brancel, Secretary of Agriculture, Trade and Consumer Protection, State of Wisconsin; and public witnesses.

COMMERCE, JUSTICE, STATE, AND JUDICIARY APPROPRIATIONS
Committee on Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary held a hearing on State and Local Law Enforcement. Testimony was heard from the following officials of the Department of Justice: Joe Brann, Director, Cops Program; Laurie Robinson, Assistant Attorney General, Office of Justice Programs; and Shay Bilchik, Administrator, Office of Juvenile Justice and Delinquency Prevention.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS
Committee on Appropriations Subcommittee on Energy and Water Development held a hearing on the Appalachian Regional Commission. Testimony was heard from Jesse L. White, Jr., Federal Co-Chair, Appalachian Regional Commission; and Cecil H. Underwood, Governor, State of West Virginia.

INTERIOR APPROPRIATIONS
Committee on Appropriations: Subcommittee on Interior, the Committee on the Budget and the Committee on Resources held a joint oversight hearing on the Forest Service. Testimony was heard from Barry T. Hill, Associate Director, Energy, Resources and Science Issues, GAO; and the following officials of the USDA: Roger C. Viadero, Inspector General; and Michael Dombeck, Chief, Forest Service.

INTERIOR APPROPRIATIONS
Committee on Appropriations: Subcommittee on Interior held a hearing on Department of Energy Conservation. Testimony was heard from the following officials of the Department of Energy: Dan W. Reicher, Assistant Secretary, Energy Efficiency and Renewable Energy; and Patricia Fry Godley, Assistant Secretary, Fossil Energy.

LABOR-HHS-EDUCATION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on Elementary and Secondary Education; Bilingual Education and Minority Languages Affairs, Howard University and on Special Institutions for the Disabled. Testimony was heard from the following officials of the Department of Education; Gerald N. Tirozzi, Assistant Secretary, Elementary and Secondary Education; Delia Pompa, Director, Office of Bilingual Education and Minority Languages Affairs; Judith E. Heumann, Assistant Secretary, Special Education and Rehabilitative Services; and H. Patrick Swygert, President, Howard University.

VA-HUD-INDEPENDENT AGENCIES APPROPRIATIONS
Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held a hearing on the Department of Housing and Urban Development. Testimony was heard from Andrew M. Cuomo, Secretary of Housing and Urban Development.

CREDIT UNION MEMBERSHIP ACCESS ACT
Committee on Banking and Financial Services: Ordered reported amended H.R. 1151, Credit Union Membership Access Act.
SUPERFUND REFORM ACT
Committee on Commerce: Subcommittee on Finance and Hazardous Materials held a hearing on H.R. 3000, the Superfund Reform Act. Testimony was heard from James E. Trobaugh, Mayor, Kokomo, State of Indiana; and public witnesses.

NEW DEVELOPMENTS IN MEDICAL RESEARCH
Committee on Commerce: Subcommittee on Health and Environment held a hearing on New Developments in Medical Research: NIH and Patient Groups. Testimony was heard from Representatives Tauzin, Fox, Meek of Florida, DeFazio, Porter and Walsh; Harold E. Varmus, M.D., Director, NIH, Department of Health and Human Services; former Representative Raymond J. McGrath of New York; Muhammad Ali, National Spokesman, National Parkinson Foundation; and public witnesses.

TEAMSTERS—FINANCIAL AFFAIRS
Committee on Education and the Workforce: Subcommittee on Oversight and Investigations held a hearing on Financial Affairs of the International Brotherhood of Teamsters. Testimony was heard from public witnesses.

OVERSIGHT—2000 CENSUS
Committee on Government Reform and Oversight: Subcommittee on the Census held a hearing on Oversight of the 2000 Census: Putting the Dress Rehearsals in Perspective. Testimony was heard from L. Nye Stevens, Director, Federal Management and Workforce Issues, GAO; and the following officials of the Bureau of the Census, Department of Commerce: James F. Holmes, Acting Director, John H. Thompson, Associate Director, Decennial Census; and Paula J. Schneider, Principal Associate Director, Programs.

LONG TERM CARE INSURANCE—EMPLOYEE BENEFIT
Committee on Government Reform and Oversight: Subcommittee on Civil Service held a hearing on Long Term Care Insurance as an Employee Benefit. Testimony was heard from William Flynn, III, Associate Director, Retirement and Insurance Services, OPM; Bob Williams, Deputy Assistant Secretary, Long Term Care and Disability Policy, Department of Health and Human Services; and public witnesses.

MISCELLANEOUS MEASURES

NATIONAL DRUG CONTROL STRATEGY
Committee on Government Reform and Oversight: Subcommittee on National Security, International Affairs, and Criminal Justice held a hearing on the 1998 National Drug Control Strategy. Testimony was heard from Barry R. McCaffrey, Director, Office of National Drug Control Policy.

COLOMBIA—ILICIT DRUGS TRAFFICKING
Committee on International Relations: Ordered reported H. Res. 398, urging the President to expeditiously procure and provide three UH-60L Blackhawk utility helicopters to the Colombian National Police solely for the purpose of assisting the Colombian National Police to perform their responsibilities to reduce and eliminate the production of illicit drugs in Colombia and the trafficking of such illicit drugs, including the trafficking of drugs such as heroin and cocaine to the United States.

U.S. ASSISTANCE PROGRAMS—RUSSIA, UKRAINE AND NEW INDEPENDENT STATES
Committee on International Relations: Held a hearing to review U.S. Assistance Programs to Russia, the Ukraine and the New Independent States. Testimony was heard from Ambassador Richard Morningstar, Special Advisor to the President and the Secretary of State on Assistance to the New Independent States and Coordinator of U.S. Assistance to the New Independent States, Department of State; and Don Pressley, Acting Assistant Administrator, Europe and the New Independent States, AID, U.S. International Development Cooperation Agency.

OVERSIGHT—RELIGIOUS FREEDOM—FEDERAL PROTECTION
Committee on the Judiciary: Subcommittee on the Constitution concluded oversight hearings on the Need for Federal Protection of Religious Freedom after Borne v. Flores, II. Testimony was heard from public witnesses.

OVERSIGHT—ELECTRONIC COMMUNICATIONS PRIVACY
Committee on the Judiciary: Subcommittee on Courts and Intellectual Property held an oversight hearing on privacy in electronic communications. Testimony was heard from Ambassador David Aaron, Under Secretary, International Trade, Department of Commerce; David Medine, Associate Director, Credit
Practices, Bureau of Consumer Protection, FTC; and public witnesses.

MISCELLANEOUS MEASURES
Committee on the Judiciary: Subcommittee on Crime approved for full Committee action the following: H.R. 2925, Deadbeat Parents Punishment Act of 1997; and the Care for Police Survivors Act of 1998.

The Subcommittee also held a hearing on the following Controlled Substances Trafficking Prohibition Act; and H.R. 2070, Correction Officers Health and Safety Act of 1997. Testimony was heard from Representative Chabot; Wesley S. Windle, Program Officer, Passenger Operations Division, U.S. Customs Service, Department of the Treasury; and public witnesses.

NATIONAL DEFENSE AUTHORIZATION
Committee on National Security: Concluded hearings on the fiscal year 1999 National Defense authorization request. Testimony was heard from the following officials of the Department of Defense: Robert M. Walker, Acting Secretary, Army; John H. Dalton, Secretary of the Navy; and F. Whitten Peters, Acting Secretary, Air Force.

MISCELLANEOUS MEASURES
Committee on Resources: Subcommittee on National Parks and Public Lands held a hearing on the following bills; H.R. 2538, to establish a Presidential commission to determine the validity of certain land claims arising out of the Treaty of Guadalupe-Hidalgo of 1848 involving the descendants of persons who were Mexican citizens at the time of the Treaty; H.R. 2776, to amend the Act entitled “An Act to provide for the establishment of the Morristown National Historical Park in the State of New Jersey, and for other purposes” to authorize the acquisition of property known as the Warren property; and H.R. 3047, to authorize expansion of Fort Davis National Historic Site in Fort Davis, Texas, by 16 acres. Testimony was heard from Representatives Frelinghuysen, Bonilla and Redmond; Denis Galvin, Deputy Director, National Park Service, Department of the Interior; and public witnesses.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT
Committee on Resources: Subcommittee on Water and Power approved for full Committee action amended H.R. 3267, Sonny Bono Memorial Salton Sea Reclamation Act.

MISCELLANEOUS MEASURES
Committee on Science: Subcommittee on Technology approved for full Committee action amended the following bills: H.R. 3007, Commission on the Advancement of Women in Science, Engineering, and Technology Development Act; and H.R. 2544, Technology Transfer Commercialization Act of 1997.

URBAN EDUCATION
Committee on Small Business: Subcommittee on Empowerment held a hearing on urban education. Testimony was heard from public witnesses.

RAIL SAFETY REAUTHORIZATION
Committee on Transportation and Infrastructure Subcommittee on Railroads held a hearing on Rail Safety Reauthorization: Federal Railroad Administration Resources Requirements. Testimony was heard from Jolene Molitoris, Administrator, Federal Railroad Administration, Department of Transportation.

NATIONAL DROUGHT POLICY ACT; DISASTER ASSISTANCE—FEDERAL COST

The Subcommittee also held a hearing on the Federal Cost of Disaster Assistance. Testimony was heard from James L. Witt, Director, FEMA; Judy A. England-Joseph, Director, Housing and Community Development Issues, GAO; Albert R. Capellini, Mayor, Deerfield Beach, State of Florida; Gavin J. Donohue, Senior Deputy Commissioner, Department of Environmental Conservation, State of New York; and public witnesses.

VA BENEFITS ADMINISTRATION—GOVERNMENT PERFORMANCES AND RESULTS ACT PRINCIPLES
Committee on Veterans’ Affairs: Subcommittee on Benefits held a hearing on Government Performances and Results Act (GPRA) principles at the Veterans Benefits Administration. Testimony was heard from Cynthia M. Fagnoni, Associate Director, Veterans Affairs and Military Health Care Issues, Health, Education, and Human Services Division, GAO; and Joseph Thompson, Under Secretary, Benefits, Veterans Benefits Administration, Department of Veterans Affairs.

BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT

ANALYSIS AND PRODUCTION ISSUES
Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Analysis and Production Issues. Testimony was heard from departmental witnesses.
Joint Meetings

HEAD START


Hearings will continue on Thursday, April 23.

COMMITTEE MEETINGS FOR FRIDAY,
MARCH 27, 1998

Senate

No meetings are scheduled.

House

Committee on Appropriations, Subcommittee on Labor, Health and Human Services, and Education, on National Institute of Neurological Disorders and Stroke, and National Institute of General Medical Services, 10 a.m., and on Office of AIDS Research; Office of the Director-NIH; Building and Facilities; and GAO—Department of Education Oversight, 1 p.m., 2358 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Housing and Community Opportunity, hearing on the Role of Mortgage Brokers in the Mortgage Finance System, 10 a.m., 2128 Rayburn.

Committee on Education and the Workforce, Subcommittee on Workforce Protections, hearing to review pending OSHA legislation, 9:30 a.m., 2175 Rayburn.

Committee on Rules, to hold a hearing on H.R. 3534, Mandates Information Act of 1998, 10 a.m., H-313 Capitol.
Next Meeting of the SENATE
9 a.m., Friday, March 27

Senate Chamber

Program for Friday: Senate will consider the nomination of M. Margaret McKown, of Washington, to be U.S. Circuit Judge for the Ninth Circuit, with a vote to occur thereon.

Senate also will begin consideration of S. Con. Res. 86, Congressional Budget.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Friday, March 27

House Chamber

Program for Friday: Consideration of H.R. 2515, Forest Recovery and Protection Act (open rule, 1 hour of general debate).

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