

I am pleased that the House is taking up this important legislation which was reported by the Committee on Ways and Means on Thursday, May 14, by a bipartisan vote 29-0. I believe that H.R. 3809 will lead to a stronger and a more effective Customs Service better able to interdict illegal narcotics while still facilitating passengers and cargo through major land and sea ports.

H.R. 3809 would increase the authorization for the U.S. Customs Service drug enforcement efforts by an additional \$232 million over the President's request for fiscal year 1999. Within two years, H.R. 3809 would add 1,745 additional Customs inspectors, canine enforcement officers, special agents, intelligence analysts, and internal affairs agents to our Southern border with Mexico, our Northern border with Canada, southeast Florida seaports, and major metropolitan locations. It will target areas where significant drug smuggling, drug transportation and distribution networks, and money laundering operations exist.

I am proud to help rebuild our nation's defense against drug smugglers that prey upon our children. In H.R. 3809, we have the ability to give Customs the tools it needs to meet this national goal. We must work to stop illicit drug use by strengthening the ability of the Customs Service to stop the flow of heroin, cocaine and other drugs into our country. Stopping drugs from entering the country and preventing drugs from getting into the hands of our children must be a high priority of this Congress as well as the Customs Service.

H.R. 3809 would also correct significant problems with the overtime and night time pay of Customs Officers and would devote any savings to additional drug enforcement. The Committee on Ways and Means Subcommittee on Trade, which I am privileged to Chair, held hearings on March 11, 1997, May 15, 1997, and again most recently on April 30, 1998. These hearings, at which the General Accounting Office, Department of the Treasury's Office of the Inspector General, as well as the National Treasury Employees Union testified, shed light upon some disturbing practices resulting from previous Congressional legislation and arbitral rulings. They found that in certain circumstances Customs pays its officers overtime, which is two times their regular rate of pay, when those officers are not even working. In some instances, Customs officers are also paid night pay for hours worked at noon or one in the afternoon.

H.R. 3809 would not only resolve these problems but would use any overtime and night pay savings to pay for additional overtime for those officers already working to interdict cocaine, heroin and other drugs illegally entering the United States. This bill would also give Customs more flexibility in the operation of the fiscal year cap on overtime pay and at the same time allow Customs officers the opportunity to earn even more overtime.

H.R. 3809 seeks to ensure that the Customs Service is not prevented from performing its legitimate drug interdiction efforts or that the integrity of the Customs Service is diminished. Customs must have every tool in its arsenal to ensure the integrity of its Customs officers. Specifically, granting the Secretary of the Treasury the authority to rotate up to 5 percent of Customs officers to new permanent duty locations each year starting in fiscal year 2000, will help guarantee the integrity of Customs officers and is similar to the authority

Customs currently has for its special agents. This provision would become effective after the conclusion of the current contract between Customs and its union to ensure that it does not abrogate the terms of that contract, as some have argued it would.

H.R. 3809 also addresses another serious weakness in the ability of Customs to interdict illegal narcotics. That weakness is Customs' current inability to implement certain measures while labor negotiations drag on, as they have for nearly four years in one case. The bill would allow the Commissioner of Customs to immediately implement any proposed changes without waiting 90 days for the parties to bargain. This would mean that Customs could respond in time to the dangerous changing tactics of drug smugglers. Contrary to statements made by the bill's opponents, this bill would not interfere with the union's bargaining rights or with other rights of the union, such as redress before the Federal Service Impasse panel. This bill gives Customs the flexibility to get to the battlefield on time and win the war on drugs.

I urge my colleagues to support H.R. 3809 and stop drugs from destroying the lives of our children and grand children.

BROWN TREE SNAKES THREATEN HAWAII

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1998

Mr. ABERCROMBIE. Mr. Speaker, I would like to bring an article in the June/July 1998 National Wildlife Federation magazine to the attention of Congress.

The article, entitled "A State Without Snakes Keeps a Wary Eye Out for an Alien Invader," describes the threat that Hawaii faces from the brown tree snake. As explained by the article's author, the brown tree snake has already devastated the ecology of Guam, and it is one of the most frightening alien species threatening Hawaii today. If it manages to become established in Hawaii, the snake could decimate Hawaii's entire bird population, as it has already done on Guam. It is also known to attack babies, eat pets, and cause frequent electricity outages by climbing power lines.

Numerous programs in both the public and private sectors have been organized to contain and control the brown tree snake population. They deserve our support. Hawaii has unique and endangered plant and animal species, many of which would be threatened if the snake succeeded in establishing itself in the Hawaiian Islands. It is possible, but unlikely, that this event may have already occurred. Because there are no natural predators, one pregnant snake could establish this species on the islands.

As we move toward consideration of appropriations in the weeks ahead, I look forward to sufficient funds being approved by the House for brown tree snake research and eradication.

[From National Wildlife, June/July 1998]

(By Anne Rillero)

A STATE WITHOUT SNAKES KEEPS A WARY EYE OUT FOR AN ALIEN INVADER

Fred Kraus lifts a piece of corrugated metal, inspecting the ground beneath it.

"You have to think like a snake," he says, while considering places where a reptile might hide. In the middle of a Honolulu suburb, this wooded ravine offers unlimited possibilities: waist-high grass, tangled brush, rodent burrows, illegally dumped trash, even clumps of houseplants growing wild.

As the alien species coordinator for Hawaii's Department of Land and Natural Resources, Kraus is investigating a report of a snake seen by a boy playing in these woods. The brown-colored snake climbed a tree until it was level with the eyes of the boy, who turned and ran.

Throughout much of the United States, such a snake sighting would attract little attention. But in Hawaii—except for the harmless, earthwormlike Brahminy blind snake, which was introduced to the state from Asia—there are no terrestrial snakes. So any sighting suggests frightening possibilities. Given the Aloha State's subtropical climate and lack of predators, some of the world's most venomous snakes could easily become established there.

Kraus is particularly concerned about the threat of an infestation by *Boiga irregularis*, the brown tree snake. The cause of a devastating ecological catastrophe on the island of Guam, it is considered one of the most frightening alien species threatening Hawaii today.

Biologists believe the first brown tree snakes arrived in Guam after World War II as stowaways on cargo ships from one of their homelands: northern Australia, Indonesia, New Guinea or the Solomon Islands. Free of the natural controls of their native habitat and finding abundant prey for every stage of their lives, the snakes multiplied at an astonishing rate. Some areas of Guam are now infested with as many as 12,000 brown tree snakes per square mile and bird life of any kind is rare on the Pacific island.

An extraordinary climber, the snake devours eggs, hatchlings and adult birds. It has decimated 9 of Guam's 12 native forest birds, pushing 3 species into extinction. Another imperiled creature, the Marianas fruit bat, is also close to extinction because of snake predation.

"The brown tree snake is capable of adapting to many tropical areas," says Thomas Fritts, a biologist with the U.S. Geological Survey who has been studying the species since 1984. Sightings of the reptiles have been reported in Okinawa, Wake Island, the Marshall Islands, Tinian, Rota, Diego Garcia, Texas and Spain. Biologists believe that most or all of these snakes originated on Guam.

Known for its bulging eyes and large head, an adult brown tree snake averages four to seven feet in length. It is a voracious nocturnal hunter that kills by constricting its prey with a mild venom injected with its back teeth. On Guam, it has snatched chickens and pets from yards and has even attacked babies asleep in cribs. Guam's public health records indicate that 74 toddlers were treated for snake bites between 1989 and 1995.

To date, the reptile has not caused any human fatalities. But it has caused other problems for people. According to authorities at Guam's electric companies, the climbing snakes frequently short out power lines, causing an average of one electric outage every three days.

Because the brown tree snake is light sensitive, it coils into concealed hiding places by day. When it selects an airplane wheel well or outgoing cargo as its hiding place, the reptile can hitchhike to new habitats.

Since 1981, seven brown tree snakes have been found in Hawaii. All were captured or dead upon discovery, but some other reported snake sightings have not been resolved and authorities worry whether they can effectively stop the reptile from slithering in the state.

As home to 41 percent of all endangered birds in the nation, Hawaii has a lot to lose. The state imposes fines as high as \$25,000 for importing or owning snakes of any type—a penalty that has not stopped people from smuggling in pythons and other snakes for pets. But the brown tree snake threat is different.

"Never in history has a snake done as much ecological damage as this snake," says Mike Pitzler, a biologist with the U.S. Department of Agriculture in Guam. Pitzler leads a team of federal, state, military and private individuals struggling to keep snakes from leaving Guam aboard outgoing flights and ships. The team maintains 1,400 snake traps in airports and other targeted sites around the island. It also relies on 14 Jack Russell terriers, which work in shifts around the clock, sniffing aircraft and cargo for snakes before departure.

Pitzler's staff captures 3,000 to 5,000 snakes per year, but he acknowledges his program's limitations. "Our canine teams are not 100 percent effective all the time," he says. "There are also cargo items that are difficult to inspect."

On the Hawaiian island of Oahu, meanwhile, five beagles put their noses to work sniffing out snakes on arriving commercial and military flights from Guam. For most flights, one of the dogs and an inspector are waiting at the gate to examine the aircraft. The pair then hurries to a nearby warehouse to inspect cargo from the flight. But because of a shortage of funds for the program, not all military flights are inspected and that worries state authorities.

"Is there an acceptable risk? The answer for Hawaii is no," says Mike Wilson, chairperson of Hawaii's Department of Land and Natural Resources. "Every brown tree snake that we don't stop now will turn into tens of thousands of snakes over the next 10 or 20 years." The species has a clutch size of 4 to 12 young and females may produce more than one clutch per year.

Newly hatched snakes immediately begin to forage for food. On Guam, small skinks are readily available prey for the young snakes. An introduced alien initially thought to be harmless, one skink species is largely responsible for the population explosion of brown tree snakes on the island by allowing greater numbers of the snakes to survive into adulthood. "The relationship between skinks and the brown tree snake's population is an example of what happens when you introduce nonnative plants and animals to a place," says Kraus. "You can get a synergistic effect, things that you never expected."

If one of the reptiles should slither off into Hawaii's landscape, Kraus usually oversees efforts to find the reptile. "In some habitats in Hawaii," he notes, "you could be standing right next to a snake and not know it." To search for the snake that chased off the boy in the suburban Honolulu ravine, Kraus brought in eight volunteers. The reptile was never found, though he concluded that it was not a brown tree snake because it was sighted during daylight.

While Kraus continues his exhaustive searches, other experts are pursuing new methods to eradicate the reptile. But so far no such method has been found. "We continue looking for solutions," says Thomas Fritts. "We're not ready to give up."

SUPPORT A BILL TO PROTECT KIDS AGAINST TOBACCO USE WHILE PRESERVING THE ADULT RIGHT TO CHOOSE

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1998

Mr. BISHOP. Mr. Speaker, I have introduced the Tobacco Use by Minors Deterrence Act, which, if enacted, would actually address and stop access by children to tobacco.

It is a model law tying health funds for States to their efforts to keep tobacco away from our kids.

It outlaws the sale to or possession by kids of tobacco products.

It requires parental notification of violations by kids.

It provides civil fines and loss of driver's license for kids who are caught.

It requires a license to sell tobacco products similar to those for sale of alcohol.

It provides loss of license to sell by retail outlets for repeated infractions.

It requires training of employees, posting of notices, and lock-out devices for vending machines.

In short, it provides for a shared responsibility by kids, families, law enforcement, and retailers to protect the health, safety, and welfare of our kids against tobacco use while protecting the right of informed adults to make a choice.

Mr. Speaker, I urge my colleagues to consider supporting this bill before even thinking about enacting a huge regressive tax on our constituents.

My bill protects our kids against tobacco, but at the same time it keeps a legal business viable, which is crucial to my Congressional District, and allows adults to make their own choice.

FINANCIAL SERVICES COMPETITION ACT OF 1997

SPEECH OF

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 13, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes:

Mrs. ROUKEMA. Mr. Chairman, I rise today to express my strong support for H.R. 10, the Financial Services Act of 1998. This bill will modernize our Depression era banking and securities laws to permit U.S. companies to provide new products and services to their customers. The bill will permit banks, securities firms and insurance companies to freely affiliate, something which is not permitted today due to the Glass-Steagall Act, the Bank Holding Company Act and other provisions of federal and state law.

One of the most important provisions in H.R. 10 is the "commercial basket" provision.

This provision will permit financial holding companies to derive a modest amount of their aggregate annual gross revenue from commercial activities. It is important because it will permit securities firms and insurance companies which want to acquire banks to retain some of their commercial investment activities. In addition, the commercial basket will grant U.S. financial services companies some of the same investment flexibility which their foreign rivals currently enjoy. I was the sponsor of the 15% commercial basket amendment which was adopted by the Banking Committee on June 17, 1997 by a 35-19 vote. While the Commerce Committee chose to cut back on the commercial basket provision, they nonetheless approved a bill which included a commercial basket for financial holding companies.

Mr. Chairman, under the version of H.R. 10 we are considering today, financial holding companies would be permitted to make investments in commercial entities and derive a modest amount of their annual gross revenue from commercial activities. I would like to stress that only the holding company, and not its subsidiary banks or savings associations, would be permitted to make commercial investments. There are two commercial baskets in the bill—a general 5% basket for new financial holding companies which don't have any commercial activities and a 15% "grandfather" basket for those entities with commercial activities which become financial holding companies. I, along with Mr. VENTO, BAKER, LAFALCE and MCCOLLUM, will be offering an amendment later today which would provide parity for all market participants. Our amendment would permit all market participants to have a commercial basket of 10% of annual gross revenues. A financial holding company could apply to the Federal Reserve Board for authority to receive up to an additional 5% revenue from commercial activities in excess of the 10% cap. Mr. LEACH will be offering an amendment which will eliminate the commercial basket and provide a 10 year sunset for the grandfathered commercial activities.

Regardless of the outcome on the amendments on the commercial basket, I would like to clarify two aspects of how the commercial basket is supposed to be calculated. The commercial basket test focuses on the "activity" as opposed to the "entity". The reason for this approach is that companies can engage in both financial and commercial activities. Therefore, a financial holding company shall only count the revenue it receives from non-financial activities—regardless of whether the commercial activity is engaged in directly by the holding company or indirectly through a subsidiary or is the pro rata commercial activity share of revenue received by the holding company from an investment. The result will be that only those revenues related to non-financial activities that are held pursuant to the commercial basket provisions will be counted towards the commercial basket revenue limit.

The other aspect I would like to clarify is the treatment of revenue received from the sale, exchange or disposition of a nonfinancial investment or activity. Non-routine revenues—such as one time gains—are not to be included in the commercial basket revenue test, while revenue from ongoing operations would be counted.

Take for example the following situation. In December of 1997 a financial holding company sells a subsidiary for \$25 million. The