radio system in the country, Minnesota Public Radio (MPR). MPR owns and operates 30 radio stations around the state and in border states to provide public radio coverage to 98 percent of the residents of Minnesota. In most communities, they operate dual channels, a news and information station and a music station. In my district, they have stations in Appleton, Worthington and St. Peter. In addition, other parts of my district are served by stations in Minneapolis, St. Cloud and Sioux Falls, South Dakota. They are truly a state treasure, bringing 24 hour-a-day news coverage and classical music to many parts of rural Minnesota that would not otherwise get those services through commercial radio.

Minnesota Public Radio is however, more than just a treasure to my state. It is a national resource, producing more national radio programming than any radio station or system in the United States. Many people around the country identify Minnesota with the image of Lake Wobegon and the nationally known program A Prairie Home Companion produced by MPR in St. Paul. As for music, over 500,000 people a week from around the country listen to concerts on St. Paul Sunday, which is about the same number that attend live classical music concerts in the U.S. every week. In addition, MPR produces other nationally known programs such as Sound Money and A Splendid Table.

Minnesota Public Radio is also an international media entity and has the U.S. distribution rights to the British Broadcasting Corporation (BBC) radio productions on BBC3 and BBC4, It also has U.S. distribution rights to certain productions of the Canadian Broadcasting Company (CBC).

In 1981, Congress, recognizing the likelihood of future federal funding shortfalls, urged nonprofit organizations like MPR to earn more of their revenues by stating the ''Public Broadcast stations are explicitly authorized to provide services, facilities or products in exchange for remuneration . . .''. In response to that challenge, MPR expanded its product marketing activities into catalog mailings and then, in 1987, launched the Greenspring Companies, a for-profit, tax paying group of companies. Working off its successful A Prairie Home Companion and the internal talent of its organization, it set up several for-profit companies to market products associated with its productions. Through sound management and understanding the value of its intellectual property, they turned one of those for-profit companies into one of the largest mail order companies in the country. Over the years, the for-profit companies contributed over $40 million to the growth of MPR and allowed them to build new radio stations in Minnesota communities like Appleton, Thief River Falls, and La Crescent.

As a for-profit company, Greenspring departed from the norm for ''unrelated business activity'' at nonprofit organizations and proceeded to employ all of the traditional mechanisms of capitalism, beginning with a strong, experienced, separate Board of Directors, state of the art facilities, recruitment of top industry professionals, incentive compensation, equity participation by employees and public reports similar to those of a publicly traded company. In 1998, after growing one of the for-profit companies, Rivertown Trading Company, from nothing to annual sales of $200 million, it was sold to the Dayton Hudson Corporation, another Minnesota company. That sale allowed Minnesota Public Radio to put $90 million into an endowment, the largest endowment of any public broadcasting company in the country. The bonus to management of the for-profit Rivertown Trading Company and Greenspring were about 6 percent of the sales price.

Some Members of Congress would have us penalize the success of organizations such as Minnesota Public Radio. They would say, that since organizations such as MPR are successful capitalists, they should be punished. I, however, believe in the marketplace and do not wish to punish that type of success.

In the meantime, Minnesota Public Radio continues to provide me and my family with our share of Minnesota, whether we are at home in Minnesota or here in Washington. I continue to listen every Saturday night that I can, to Garrison Keillor and all the news from Lake Wobegon and I hope you will also.

DEACTIVATION OF CASC

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1998

Mr. SMITH of Michigan. Mr. Speaker, I rise today to recognize the end of an era in the United States Air Force and in my district.

On Friday, August 7, the Air Force Cataloging and Standardization Center (CASC) of Battle Creek, Michigan, will be deactivated from active duty at 0900. The functions of (CASC) will be incorporated as part of a new service-wide cataloging effort of the Defense Logistics Agency, known as the Defense Logistics Information Service (DLIS). CASC was the last remaining active duty Air Force facility in Michigan.

CASC began cataloging operations in Battle Creek in 1973. This was the beginning of efforts to centralize all Department of Defense (DOD) cataloging in Battle Creek. In 1976, all Air Force cataloging functions were transferred to Battle Creek.

The Air Force and CASC sought to encourage other branches of our Armed Forces and agencies to centralize their cataloging efforts in Battle Creek as well.

Mr. Speaker, in 1996 the Office of the Secretary of Defense approved their idea to have the Defense Logistics Agency (DLA) lead the new consolidated center and to deactivate CASC. That plan was finalized in March of 1997. This entrepreneurial spirit and their willingness to deactivate their unit for the greater good is simply the kind of innovative and decisive leadership CASC has shown over the years.

CASC's Corporate Board developed a comprehensive strategic plan, putting customer service first. Independent customer surveys support this claim. Such efforts should be a role model for every federal agency.

CASC's efforts to incorporate state-of-the art automation into their work processes led to a significant workload enhancements and improved efficiency throughout the organization. These significant modernizations reduced the work force by nearly 300 people, however, all reductions were done without any involuntary separations. CASC workers retired, resigned or were placed in other organizations.

One of the technical accomplishments of CASC has been to identify crashed aircraft from the Vietnam War. CASC employees were able to match recovered aircraft parts to specific aircraft, making it possible to identify aircrews missing in action.

In 1983, CASC established a helpline (call center) to provide Air Force personnel with answers to complex logistic information questions. CASC's call center exceeds industry standards in all categories.

Over its twenty-two year history., CASC's innovative approach to cataloging has saved taxpayers over $60 million. the entrepreneurial spirit within CASC has led to agreements with non-DoD agencies such as the National Weather Service and the Federal Aviation Administration to provide cataloging services which have saved taxpayers $250,000 per year. Negotiations with further agencies continue.

Such efforts has moved CASC away from measuring processes to measuring performance. Their efforts are a model for our entire U.S. Air Force to emulate.

Mr. Speaker, as an Air Force veteran and on behalf of my constituents in Calhoun County, I am proud to offer this tribute in recognition of the accomplishments of the outstanding men and women of CASC.

PROTECTING THE CREDIT UNION MOVEMENT

SPEECH OF

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 4, 1998

Mr. LAFALCE. Mr. Speaker, I appreciated and supported the necessity to move quickly to pass H.R. 1151, the credit union field of membership bill, before the August recess. However, I remain troubled by one of the modifications the Senate Banking Committee made to the House version of the bill, which makes it easier for credit unions to become other types of financial institutions. I will continue to try to rectify this problem in other appropriate contexts. And I also encourage NCUA to use every means at its disposal to prevent credit union members from losing their ownership in a credit union at the hands of a very small minority.

A brief history of the conversion issue will illustrate my concerns. Through its regulations, the NCUA has quite rightly kept a tight rein on the conversion process, requiring a majority vote of all members of the credit union before a credit union can convert to a mutual thrift. This is a difficult standard, and it is meant to be. A credit union's capital, unlike that of any other financial institution, belongs to its members. Once the conversion to a mutual thrift is accomplished, the institution can easily convert to a stock institution, with the result that a few officers and insiders of the former credit union—not to mention the attorneys who encouraged the deal—wind up owning all the former credit union's capital in the form of stock. Thus, in order to prevent insiders and lawyers from walking away with capital which belongs to the entire credit union membership, and depriving that membership of their credit union access, NCUA instituted the majority vote requirement. This requirement was subject to notice and comment rulemaking in

1995. The agency received no comments opposed to the majority vote requirement while fully half the comments on this section urged the agency to institute a supermajority requirement. 60 F.R. 12660 (March 8, 1995). The NCUA Board then imposed the least burdensome voting requirement suggested by the commenters.

Recently, credit unions have been under tremendous pressure to convert to other types of institutions. Legitimate uncertainly about the outcome of the AT&T case, encouraged by lawyers who specialize in conversions, produced a record number of conversion applications over the past several years. These same lawyers then complained that NCUA processed applications too slowly and that the conversion requirements were too rigorous. They persuaded some members of the Senate Banking Committee to override NCUA's regulation and to weaken conversion requirements by allowing conversions upon a majority vote only of those members voting. This means that a small fraction of credit union members could force a credit union to convert, even against the wishes of the overwhelming majority of members who are unaware or did not participate in a vote. This same faction can then profit by a further conversion to a stock institution.

While H.R. 1151 will address the field of membership issue for most credit unions, other restrictions imposed by the Senate version of the bill, such as the limits on loans to members for business purposes, will cause some credit unions to consider converting to other types of institutions. You can be sure that some in the legal profession are already analyzing this legislation and preparing new arguments to credit unions as to why they should convert. This is why I urge NCUA to continue its close scrutiny of conversion applications. While it may seem as if NCUA has very little discretion in this area, the legislation does at least grant them authority to administer the member vote, and require that a credit union seeking to convert inform the agency of its intentions 90 days before the conversion. I would like to point our several ways in which NCUA can continue to exercise oversight over the conversion process within this 90-day period.

First, I encourage NCUA to strictly supervise the notification of members regarding the impending conversion vote. The legislation requires that notice be sent 90, 60 and 30 days before the conversion vote. NCUA should require that these notices be separate and distinct from other mailings and statements. The notice must go beyond NCUA's current notice requirement and explain to members not only the facts of the conversion proposal, but also the fact that they will lose their ownership rights and that the member capital of the credit union could potentially be converted to private stock. Now that the members lack the protection of the majority vote requirement, they must be informed about any and all possible outcomes of the conversion.

Further, NCUA must strictly supervise the process of taking the member vote. Where so much is at stake, both for the general membership and those seeking to convert, outside election monitors must be employed. NCUA should ensure that firms used for monitoring elections have no ties to the credit union, those seeking the conversion or the lawyers assisting in the conversion process. The monitoring firm should be required to submit a list of all its clients for the past five years. The monitoring firm and each member of the credit union board should then be required to sign a statement indicating that they have had no prior dealings, with falsification of these statements subject to criminal and civil penalties.

I would like to point our that such requirements are not barred by the instruction to NCUA to develop regulations consistent with other regulators' conversion requirements, as other types of financial institutions do not have members threatened with losing their capital. While I agree that regulatory requirements should be comparable between agencies when possible, this is a case where strict parallels are impossible. Also, the law allows NCUA to require the conversion vote to be taken again if it ''disapproves of the methods by which the member vote was taken or procedures applicable to the member vote.'' This provision explicitly permits strict oversight by NCUA and I sincerely hope they will use it to protect credit union members.

Mr. Speaker, as I said earlier, I do not want to hold up such an important piece of legislation. However, I did feel obligated to note my concerns with the conversion provision and strongly encourage NCUA to enforce this provision strictly.

BUSY BEE TO BUZZ NO MORE

HON. PETER HOEKSTRA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1998

Mr. HOEKSTRA. Mr. Speaker, the Busy Bee Restaurant closes for good on Sunday night. It marks the end of an incredible 33-year run for the Polish-American diner nestled like a robin's egg under the L tracks at 1546 N. Damen.

The Busy Bee always held the promise of spring for old men from the Elm Park and Viceroy hotels. The Busy Bee was for the late Abbie Hoffman, who recommended its affordable menu for anti-war demonstrators; it was also for Mayor Harold Washington, who loved the diner's oxtail stew.

The Busy Bee was for one-armed piano player Eddie Balchowsky, a friend of two-fisted running partner Nelson Algren. The Busy Bee was for Shakespeare District cops, particularly Officer William Jaconetti, who wrote the prose for the framed, weatherproof plaque that police and community members installed Thursday outside the restaurant.

The Busy Bee was for everyone.

The loss stings.

Jaconetti became a Chicago cop in 1968, the year all the Busy Bee's windows were broken in West Side riots. In part, the plaque reads: ''The American Dream was fulfilled by many who came to the Wicker Park; Bucktown neighborhood for over 100 years. Arriving in the neighborhood in 1965 was Sophie Madej who purchased the Busy Bee Restaurant in 1972. Sophie, a married lady with four children, had come from Poland in 1951, worked at a Chicago packing house for 10 years, saved her money and bought the restaurant . . .''

For 33 years, Sophie served her customers pierogis, homemade spinach soup, meatloaf and stuffed green peppers, all seasoned with love and understanding.

''Sophie is the pioneer of this neighborhood,'' Jaconetti said. ''They talk about community policing? It starts at a multicultural place like this. We will miss her. At tough times, she was always here for the police. For every Bulls victory, for every demonstration, for the Rolling Stones concert (at the nearby Double Door) she stayed open so the police would have somewhere to go. We're all friends with these people. This didn't happen because it was a business. She did something special. She opened the doors to everyone.''

Sophie had put the restaurant on the market before. This time it made sense. Sophie turns 70 on July 5. She wants to retire and visit her homeland. In 1943, Sophie was moved to Germany under the Nazis' forced-labor laws. She met her husband, Henry, in 1946 (they divorced in 1985) in Germany, where they remained until 1951, when Catholic Charities gave the young couple $100 to sponsor their voyage to America. They arrived in the United States with the cash, two children and two suitcases.

The new owner, Mitch Gerson, will close the Busy Bee, remodel it and upscale the 16 apartments above the restaurant. Sophie whispered, ''He has to do it that way. There's no way he can compete with this.''

There's no way Gerson's grand opening can compete with the Busy Bee's closing. Sunday will be just another day and nothing special will happen at 6 p.m. when Sophie closes the doors for the last time.

The Busy Bee has been buzzing with adoration for the Madej family over the last two weeks. Sophie and three of her children, Elizabeth, 50, Hank, 47, and Bob, 46, have been working around the clock at the crowded diner, where in recent days there has been a half-hour wait to be seated. (Her fourth child, Chester, 44, works for the National Oceanographic and Atmospheric Agency in Boulder, Colo.)

By noon on Thursday, the restaurant had run out of pierogis. Cops, friends and neighbors arrived, most of them taking pictures so they could hold onto the sense of community. Other people brought Sophie bouquets and flowers.

''I never knew people cared like this,'' Sophie said. ''Never. The first time I walked into the restaurant after I bought it, I asked myself and God if I could make it for a year or two. That was my biggest question. And this became my home. We've had all our family gatherings in the restaurant. But it's time to let go and move on.''

John Schacht sat across the counter from Sophie, listening to her talk like a doting son. Schacht, a painter-photographer, lives in a trailer in the woods of southwest Iowa. He took a train to Chicago so he could have one last meal at the Busy Bee. Schacht, 60, is a third-generation customer. When Sophie bought the restaurant, it was already called the Busy Bee—renamed from the Oak Room, its name when it was built in 1913.

''My dad would come before his shift as a bouncer at the Bucket O' Blood Saloon on North Avenue,'' Schacht said. ''The first time I came in here was 1946. The neighborhood has changed. Around 1972, I was walking home from Sophie's and walked right into crossfire with two street gangs. . . . I'm sad to see Sophie go, but I'm glad to see her retiring. She's been working for all the years I've known her.''