

Pennsylvania (Mr. PITTS), a distinguished Member of this House who has worked tirelessly on this very important and innovative piece of legislation.

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

Mr. PITTS. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Speaker, I just want to make sure that we understand that Chapter 2 funding was reduced not because of the then minority party. Chapter 2 funding was reduced by the then majority party, a program that all educators loved.

Mr. PITTS. Mr. Speaker, I rise to speak on behalf of H.R. 3248, the Dollars to the Classroom Act. We have been working almost 2 years on this legislation and it is exciting to get to this point.

I want to especially commend the chairman of the Committee on Education and the Workforce, the gentleman from Pennsylvania (Mr. GOODLING), for his tremendous leadership as he has shepherded this through committee and now brought this to the floor and fine-tuned the bill. He has done an outstanding job and all of our thanks go to him.

Before getting to the specifics of the bill, I would like to just mention that the one thing that I am really looking forward to is going back to my district, and every Member can do this, and taking a check like this, because this check to the children of the 16th Congressional District represents money that is freed up from the bureaucracy that is consumed now by the Federal bureaucracy in all kinds of wasted tax dollars, and this money is going to be going directly through the States to the classrooms to these children in all of our schools around the Nation. This is a win for school children, for parents, for teachers, in every one of our districts.

As we probably know, the Dollars to the Classroom Act will consolidate 31 Federal programs into a single flexible grant to the States with the requirement that 95 cents of every one of these Federal dollars gets to the classroom to be used on the priorities of the local teachers and parents, the local schools. It can be used for any one of those authorized 31 programs, but it can be used in the classroom for things such as teachers' salaries, teachers' aides, equipment, books, computer supplies, whatever their needs are. We know that the needs of one district are not necessarily the needs of another district, but they can be used according to the local priorities.

If they want to reduce classroom sizes, if they want to spend it on teaching reading, connecting the classroom to the Internet, whatever their needs are, they can use it all.

It is estimated today by the Committee on Education and the Workforce, and we did not consolidate all programs, we did not touch Title I, that is a very efficient program. We did not

touch special ed, migrant ed, voc ed, but we took 31 programs, programs like Goals 2000, School-to-Work, we consolidated them. Those monies that are going to the local school districts are increased because of the flexibility and the reduced requirements for no paper-work, without the administrative requirements that are presently in place.

This could mean an additional approximately \$9,300 per school, approximately \$425 per classroom. Every State wins. Every State is held harmless.

So we are putting our children first, not the bureaucrats first.

Now, look at this chart. Before the Dollars to the Classroom Act, there are the existing 31 programs with all kinds of funds being siphoned off at the Federal level, the State educational agencies, and finally getting down to the schools. After the Dollars to the Classroom Act, we have got a single grant stream directly through the States to the classroom.

I would like to also mention that every State is held harmless, and we have an inflationary grant. This is an authorization bill. This is not an appropriations bill.

Now, I understand the arguments about changing an appropriations bill. Whatever the appropriations level, this will get more of that money into the local classroom.

So it comes down to this argument: Who do you trust with your tax dollars; your local teachers and parents or bureaucrats?

I think all of us should stand with our local parents, teachers, principals and children, the real beneficiaries. Those who are in the place where the real learning takes place, who are going to be the beneficiaries of this bill, stand with them and not the bureaucrats. So I urge my colleagues to help send the dollars to the classroom by supporting the rule.

Mrs. SLAUGHTER. Mr. Speaker, may I inquire from my colleague, the gentleman from Florida (Mr. DIAZ-BALART) if he has any more requests for time?

Mr. DIAZ-BALART. Mr. Speaker, not in the chamber at this time.

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

Mr. DIAZ-BALART. Mr. Speaker, reiterating my support for the underlying legislation and this very fair rule, I also yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON CONTINUING NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105-312)

The SPEAKER pro tempore laid before the House the following message from the President of the United

States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed.

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, and matters relating to the measures in that order and in Executive Order 12959 of May 6, 1995, and in Executive Order 13059 of August 19, 1997. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order 12957 and does not deal with those relating to the emergency declared on November 14, 1979, in connection with the hostage crisis.

I. On March 15, 1995, I issued Executive Order 12957 (60 Fed. Reg. 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the Order was provided to the Speaker of the House and the President of the Senate by letter dated March 15, 1995.

Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order 12959 (60 Fed. Reg. 24757, May 9, 1995) to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States. The terms of that order and an earlier order imposing an import ban on Iranian-origin goods and services (Executive Order 12613 of October 29, 1987) were consolidated and clarified in Executive Order 13059 of August 19, 1997.

At the time of signing Executive Order 12959, I directed the Secretary of the Treasury to authorize through specific licensing certain transactions, including transactions by United States persons related to the Iran-United

States Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and related to other international obligations and U.S. Government functions, and transactions related to the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury, in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, and Turkmenistan.

Executive Order 12959 revoked sections 1 and 2 of Executive Order 12613 of October 29, 1987, and sections 1 and 2 of Executive Order 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order 12959 was transmitted to the Congressional leadership by letter dated May 6, 1995.

2. On August 19, 1997, I issued Executive Order 13059 in order to clarify the steps taken in Executive Order 12957 and Executive Order 12959, to confirm that the embargo on Iran prohibits all trade and investment activities by United States persons, wherever located, and to consolidate in one order the various prohibitions previously imposed to deal with the national emergency declared on March 15, 1995. A copy of the Order was transmitted to the Speaker of the House and the President of the Senate by letter dated August 19, 1997.

The Order prohibits (1) the importation into the United States of any goods or services of Iranian origin or owned or controlled by the Government of Iran except information or informational material; (2) the exportation, reexportation, sale, or supply from the United States or by a United States person, wherever located, of goods, technology, or services to Iran or the Government of Iran, including knowing transfers to a third country for direct or indirect supply, transshipment, or reexportation to Iran or the Government of Iran, or specifically for use in the production, commingling with, or incorporation into goods, technology, or services to be supplied, transshipped, or reexported exclusively or predominantly to Iran or the Government of Iran; (3) knowing reexportation from a third country to Iran or the Government of Iran of certain controlled U.S.-origin goods, technology, or services by a person other than a United States person; (4) the purchase, sale, transport, swap, brokerage, approval, financing, facilitation, guarantee, or other transactions or dealings by United States persons, wherever located, related to goods, technology, or services for exportation, reexportation, sale or supply, directly or indirectly, to Iran or the Government of Iran, or to goods or services of Iranian origin or owned or controlled by the Government of Iran; (5) new investment by

United States persons in Iran or in property or entities owned or controlled by the Government of Iran; (6) approval, financing, facilitation, or guarantee by a United States person of any transaction by a foreign person that a United States person would be prohibited from performing under the terms of the Order; and (7) any transaction that evades, avoids, or attempts to violate a prohibition under the Order.

Executive Order 13059 became effective at 12:01 a.m., eastern daylight time on August 20, 1997. Because the Order consolidated and clarified the provisions of prior orders, Executive Order 12613 and paragraphs (a), (b), (c), (d) and (f) of section 1 of Executive Order 12959 were revoked by Executive Order 13059. The revocation of corresponding provisions in the prior Executive orders did not affect the applicability of those provisions, or of regulations, licenses or other administrative actions taken pursuant to those provisions, with respect to any transaction or violation occurring before the effective date of Executive Order 13059. Specific licenses issued pursuant to prior Executive orders continue in effect, unless revoked or amended by the Secretary of the Treasury. General licenses, regulations, orders, and directives issued pursuant to prior orders continue in effect, except to the extent inconsistent with Executive Order 13059 or otherwise revoked or modified by the Secretary of the Treasury.

The declaration of national emergency made by Executive Order 12957, and renewed each year since, remains in effect and is not affected by the Order.

3. On March 4, 1998, I renewed for another year the national emergency with respect to Iran pursuant to IEEPA. This renewal extended the authority for the current comprehensive trade embargo against Iran in effect since May 1995. Under these sanctions, virtually all trade with Iran is prohibited except for trade in information and informational materials and certain other limited exceptions.

4. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR"), since my report of March 16, 1998.

5. During the current 6-month period, the Department of the Treasury's Office of Foreign Assets Control (OFAC) made numerous decisions with respect to applications for licenses to engage in transactions under the ITR, and issued 12 licenses.

The majority of denials were in response to requests to authorize commercial exports to Iran—particularly of machinery and equipment for various industries—and the importation of Iranian-origin goods. The licenses that were issued authorized certain financial transactions and transactions relating to air safety policy. Pursuant to sections 3 and 4 of Executive Order 12959, Executive Order 13059, and consistent with statutory restrictions con-

cerning certain goods and technology, including those involved in air safety cases, the Department of the Treasury continues to consult with the Departments of State and Commerce on these matters.

Since the issuance of Executive Order 13059, more than 1,500 transactions involving Iran initially have been "rejected" by U.S. financial institutions under IEEPA and the ITR. United States banks declined to process these transactions in the absence of OFAC authorization. Twenty percent of the 1,500 transactions scrutinized by OFAC resulted in investigations by OFAC to assure compliance with IEEPA and ITR by United States persons.

Such investigations resulted in 15 referrals for civil penalty action, issuance of 5 warning letters, and an additional 52 cases still under compliance or legal review prior to final agency action.

Since my last report, OFAC has collected 20 civil monetary penalties totaling more than \$110,000 for violations of IEEPA and the ITR related to the import or export to Iran of goods and services. Five U.S. financial institutions, twelve companies, and three individuals paid penalties for these prohibited transactions. Civil penalty action is pending against another 45 United States persons for violations of the ITR.

6. On January 22, 1997, and Iranian national resident in Oregon and a U.S. citizen were indicted on charges related to the attempted exportation to Iran of spare parts for gas turbines and precursor agents utilized in the production of nerve gas. The 5-week trial of the American citizen defendant, which began in early February 1998, resulted in his conviction on all counts. That defendant is awaiting sentencing. The other defendant pleaded guilty to one count of criminal conspiracy and was sentenced to 21 months in prison.

On March 24, 1998, a Federal grand jury in Newark, New Jersey, returned an indictment against a U.S. national and an Iranian-born resident of Singapore for violation of IEEPA and the ITR relating to exportation of munitions, helicopters, and weapons systems components to Iran. Among the merchandise the defendants conspired to export were parts for Phoenix air-to-air missiles used on F-14A fighter jets in Iran. Trial is scheduled to begin on October 6, 1998.

The U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the ITR. Various enforcement actions carried over from previous reporting periods are continuing and new reports of violations are being aggressively pursued.

7. The expenses incurred by the Federal Government in the 6-month period from March 15 through September 14, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iran

are reported to be approximately \$1.7 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel); the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of Intelligence and Research, and the Office of the Legal Adviser); and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

8. The situation reviewed above continues to present an extraordinary and unusual threat to the national security, foreign policy, and economy of the United States. The declaration of the national emergency with respect to Iran contained in Executive Order 12957 and the comprehensive economic sanctions imposed by Executive Order 12959 underscore the Government's opposition to the actions and policies of the Government of Iran, particularly its support of international terrorism and its efforts to acquire weapons of mass destruction and the means to deliver them. The Iranian Transactions Regulations issued pursuant to Executive Orders 12957, 12959, and 13059 continues to advance important objectives in promoting the nonproliferation and anti-terrorism policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will report periodically to the Congress on significant developments.

WILLIAM J. CLINTON,
THE WHITE HOUSE, *September 16, 1998.*

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SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

(Mr. METCALF 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 California (Mr. LANTOS) is recognized for 5 minutes.

(Mr. LANTOS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

NO SECOND CHANCES FOR MURDERERS, RAPISTS, OR CHILD MOLESTERS

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Pennsylvania (Mr. FOX) is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to address the House to speak about very important legislation I am working on with Congressman MATT SALMON. This legislation is the No Second Chances for Murderers, Rapists, or Child Molesters Act.

Mr. Speaker, each year more than 14,000 murders, rapes and sexual assaults on children are committed each year by individuals who have been released in the neighborhoods after serving a prison sentence for rape, murder, or child molestation.

Think about it. Every one of these crimes is preventable.

These perpetrators were behind bars, convicted of heinous crimes; yet, Mr. Speaker, were released to prey on the population again. This is unconscionable, indefensible, and must stop. That is why I am working with my colleagues. Mr. SALMON has introduced the legislation. We are working together with the Law Enforcement Caucus to make sure this legislation is adopted.

Public safety demands that we keep these people behind bars. Second chances are fine for petty crimes, however we do not believe that individuals who have murdered, raped, or molested a child should have that opportunity to repeat their criminal behavior.

Just consider just a couple of offenses which are so tragic.

In 1997, Arthur J. Bomar, Jr., was charged in Pennsylvania, Mr. Speaker, with a rape and murder of a George Mason University star athlete, Amy Willard. Bomar had been paroled in 1990 from a Nevada prison, following an 11-year stint in prison for murder. Even in prison he had a record of violence. Bomar is also being investigated for involvement in at least two other homicides that follow his release. Amy's mother, Gail Willard, has endorsed the legislation.

The victims go on and on.

We have Mary Vincent in California, and we have countless other witnesses who came before the Committee on the Judiciary today about how important this bill is.

Released murderers, rapists, and child molesters are more likely to recommit the same offense than the general prison population. Released murderers are almost five times more likely than other ex-convicts to be re-arrested for murder. Released rapists are 10½ times more likely than nonrapist offenders to have a subsequent arrest for rape. Astonishingly, a recent Department of Justice study revealed that 134,300 convicted child molesters and other sex offenders are currently living in our neighborhoods across America.

We want to change this, to encourage States to keep sex offenders and murderers in prison where they belong. Our legislation, the No Second Chances for Murderers, Rapists, or Child Molesters Act is what we are advancing. This bi-

partisan legislation, Mr. Speaker, would enact a simple process. If a State releases a murderer, a rapist, or a child molester and that criminal goes on to commit one of these crimes in another State, the State that released the criminal will compensate the second State and the victim in the later crime.

This is an idea whose time has arrived, Mr. Speaker. I hope that more and more of our representatives will join us in this quest to have this legislation adopted. It has been endorsed by every major law enforcement organization in the United States.

Congressman SALMON is to be congratulated for bringing this idea forward. Many of us have cosponsored this bill because we believe it is going to be a step in the right direction. This Federal bill, along with a similar State bill, will make sure that those people who commit such violent crimes will not do them a second time.

WE MUST SAVE SOCIAL SECURITY FIRST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. BERRY) is recognized for 5 minutes.

Mr. BERRY. Mr. Speaker, I rise today in support of the most successful government program ever created: the Social Security system.

Over 500,000 retired Americans and 160 million retired Americans depend on their Social Security system monthly check as a necessary source to supplement their retirement income. Many retired seniors in my district and across the country rely on the Social Security system as their only source of income.

Right now, millions of working Americans, including our children and grandchildren, are paying into the Social Security system and are counting on it for when they retire. Although no one in the next few years has to worry about whether they will receive their monthly check, the Social Security system will face undeniable problems in the future which need to be addressed now.

These problems are due to demographics which include the baby boom generation, declining birth rates, and increasing life expectancies. The number of people 65 and older is predicted to rise by 75 percent by the year 2025. The number of workers whose payroll taxes finance the Social Security system benefits of retirees is projected to grow by only 15 percent. This year the Social Security system will collect \$100 billion more in payroll taxes and interest than it pays out to the Social Security beneficiaries.

By the year 2010, when 76 million baby boomers begin to retire, the Social Security systems cash flow surplus will begin to decline. Because Social Security is financed by payroll and self-employment taxes on a pay-as-you-go basis, meaning that today's