

export market share outside a range of 53 to 59 percent of worldwide arms trade."

In 1976, Congress decided to reduce the benefit for military sales in half, establishing a 50% limit on tax benefits. In fact, the Senate provision would have eliminated it altogether for military goods, "unless it was determined that the property is competitive with foreign-manufactured property," and the House provision would have terminated benefits for military sales, "except if the products are to be used solely for non-military purposes." A report from the Joint Committee on Taxation at the time shows that Congress was very concerned with the revenue cost of this program. To increase this benefit now would cost federal taxpayers an additional \$2 billion over the next 10 years. This subsidy is unnecessary. As Treasury's Office of Tax Policy wrote to the Department of Defense in December, 1998:

"[W]e analyzed whether the defense industry receives any benefits or subsidies from the U.S. government, particularly any benefits or subsidies that are not generally available to other industries. Our analysis indicates that the defense industry does benefit from its special relationship with the U.S. government, and the benefit is arguably greater now than in years past . . ."

On the question of doubling the FSC benefit to 100% for military sales, Treasury wrote in August, 1999:

"We have seen no evidence that granting full FSC benefits would significantly affect the level of defense exports, and, indeed, we are given to understand that other factors, such as the quality of the product and the quality and level of support services, tend to dominate a buyer's decision whether to buy a U.S. defense product."

In criticizing some of the continued largesse the defense industry enjoys in our federal budget, the Congressional Budget Office wrote in 1997:

"U.S. defense industries have significant advantages over their foreign competitors and thus should not need additional subsidies to attract sales. Because the U.S. defense procurement budget is nearly twice that of all Western European countries combined, U.S. industries can realize economies of scale not available to their competitors. The U.S. defense research and development budget is five times that of all Western European countries combined, which ensures that U.S. weapon systems are and will remain technologically superior to those of other suppliers."

More recently, William D. Hartung, President's Fellow at the World Policy Institute, wrote for the Cato Institute in August, 1999, "If the government wanted to level the playing field between the weapons industry and other sectors, it would have to reduce weapons subsidies, not increase them." He continued, "Considering those massive subsidies to weapons manufacturers, granting additional tax breaks to an industry that is being so pampered by the U.S. government makes no sense."

Indeed, Mr. Secretary, it makes no sense. But what is much more persuasive than the fiscal fairness arguments, is the eloquent plea from advocates for peace, such as Oscar Arias, the former Costa Rican president and Nobel Peace Prize winner in 1987, who wrote last summer in the *New York Times*:

"By selling advanced weaponry throughout the world, wealthy military contractors not only weaken national security and squeeze taxpayers at home but also strengthen dictators and human misery abroad."

By encouraging arms sales overseas, this subsidy actually elevates the dangers abroad, thus creating more challenges to the maintenance of our own "military superiority;"—and of course more pressure to in-

crease the defense budget. We urge you not to increase this unnecessary subsidy and to seek ways to reduce the cost to taxpayers of subsidizing weapons manufacturers.

Sincerely,

Lloyd Doggett, Lynn Woolsey, George Miller, Pete DeFazio, Bob Filner, Barbara Lee, Barney Frank, Jan Schakowsky, John Tierney, Tammy Baldwin, Dennis Kucinich, Cynthia McKinney, Jerrold Nadler, John Olver, Bill Luther, Major Owens, Lynn Rivers, Jesse Jackson, Jr., Tom Barrett, Edward Markey, Bernard Sanders, John Moakley, Jim McGovern, Michael Capuano, Sherrod Brown, John Conyers, Stephanie Tubbs Jones, Ted Strickland, Pete Stark, Mark Udall, David Minge, Brian Baird.

HONORING THE MEN OF C COMPANY, 1ST BATTALION 5TH MARINE REGIMENT, 1ST MARINE DIVISION

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Ms. STABENOW. Mr. Speaker, today I honor the men of C Company, 1st Battalion, 5th Marine Regiment, 1st Marine Division for the combat action they valiantly fought on April 5, 1947, near the village of HsinHo in North China.

Mr. Speaker, not many Americans remember that we sent the Marines into China in the aftermath of World War II to disarm the Japanese forces there, protect them from reprisals, relieve them from their garrisons and to ensure that the large quantity of Japanese weapons cached there did not fall into communist hands. C Company was literally on the front line of this effort. The Company was attacked during the early morning of April 5th by a group of Chairman Mao's fighters who were intent on capturing the weapons cached at HsinHo and overrunning the Marines there.

With a force estimated at over 300 men, the communists hit upon a lightly guarded outpost with a defense system designed to fight off an attack until reinforcements arrived. Under heavy fire, these Marines pursued this group of communist raiders for over eight miles. As the Commandant of the Marine Corps declared in 1998, the actions of C Company, 1st Battalion, 5th Marine Regiment were indeed "gallant deeds of brave Marines . . . and a shining example of honor and commitment."

When the dust had settled on that little hamlet in north China, America had lost five Marines killed in action and suffered 18 wounded. Mr. Chairman, a grateful nation will remember our Marines in World War II. We need to remember and honor those who fought and died for this country. The survivors of C Company have for years attempted to get official recognition for their Company in addition to the China Service Medal, Purple Hearts and Bronze and Silver Star medals awarded individually to members of C Company. I think this recognition is long overdue. I rise today to declare that the C-1-5 China Marines are to be commended as a unit for their actions of April 5th, 1947.

WELCOME PRIME MINISTER ATAL BIHARI VAJPAYEE

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Mr. FARR of California. Mr. Speaker, it is a privilege for me to welcome today the Prime Minister of India, Atal Bihari Vajpayee, in recognition of both his leadership in the pursuit of democracy as well as his commitment to strengthening relations between the United States and India. In his visit to the United States, Prime Minister Vajpayee demonstrates his people's interest in not only strengthening, but expanding the ties between our nations.

The United States and India share common goals for the 21st Century: freedom and democracy. By working together towards these mutual goals, the U.S. and India can build strong foundations for peace and prosperity. With peace as a common interest, it is our responsibility to ensure international security and regional stability. Prime Minister Vajpayee represents a friendship that can further these goals through cooperative programs and shared visions.

Together, the United States and India represent one-fifth of the world's population and more than one-fourth of the world's economy. Therefore, the growing bond between our nations is a positive step for everyone. In particular, California's 17th District has a significant Indian population which could greatly benefit from improved relations between India and the U.S.

I commend Prime Minister Vajpayee for being the first Indian Prime Minister in six years to address a joint session of Congress and the only world leader to address the 106th Congress. Mr. Speaker, I am honored to recognize Prime Minister Vajpayee.

HONORING MICHAEL McCLIMON, DIRECTOR OF THE PACIFIC LUMBER COMPANY'S SCOTIA BAND

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize a man who has dedicated his life to serving his community through music. Today I join members of Humboldt County, California in honoring Michael McClimon and celebrating his twenty-fifth anniversary as Director of the Scotia Band.

The Scotia Band has been an active part of the Humboldt County Community for sixty-five years. Rehearsing nearly every Monday evening, each member of the band is highly dedicated to the musical service that is the band's legacy. For the last quarter century, Mr. McClimon has been the devoted leader of this band.

Long an active participant in the musical community, Mr. McClimon's role as Director of the Scotia Band began on September 17, 1975. Mr. McClimon has logged over 1,200 rehearsals as Director of the band. To deepen the members' understanding of the compositions, Mr. McClimon often shares anecdotal or historical stories about the pieces being

played or their composers. As a result, the musicians' appreciation for the music is heightened and their performances are elevated to new levels.

Mr. McClimon has led the Scotia Band in performances at a variety of community functions throughout Humboldt County in the last twenty-five years. Some of these events include the Humboldt County Fair, the Rio Dell Little League Parade, the Fortuna Bicentennial, the Ferndale Repertory Theater, high school graduation ceremonies, and memorial services for civic leaders. The band is clearly a visible presence in all aspects of social life in Humboldt County.

As Director of the Scotia Band, Mr. McClimon has maintained its tradition of excellence in musical service. He is a patient and gifted teacher while continuously holding the band members to high standards. Mr. McClimon personifies an excerpt from the 50th Anniversary celebration of the Scotia Band in 1985: "For 50 years the Scotia Band has served Humboldt County communities. This spirit of dedicated public service enriches all those whose lives are touched. The band symbolizes the ideals and traditions that have made America great."

Mr. Speaker, it is appropriate at this time that we recognize Michael McClimon, for he, too, symbolizes the ideals and traditions that have made America great. He deserves to be honored today, for he has tirelessly and unselfishly served the members of the Scotia Band and the citizens of Humboldt County for twenty-five years.

THE AMERICAN HOME BUYERS
PROTECTION ACT, H.R. 5033

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Mr. GONZALEZ. Mr. Speaker, on July 27, I introduced the American Home Buyers Protection Act, H.R. 5033. This bill will make much needed reforms in the practice of including mandatory arbitration clauses in homebuilding purchase contracts.

Mr. Speaker as you may know, mandatory arbitration clauses are now ubiquitous in consumer contracts. These clauses deny consumers the opportunity to go to court to seek redress for damage or harm from a product or service. Many of these clauses typically name a private arbitration service. This creates a potential conflict of interest for a private arbitrator that both must neutrally assess the merits of a case while simultaneously profiting from the continual referral of cases from a particular industry. This is a situation that I believe demands immediate redress by Congress.

Mr. Speaker, I do not believe arbitration clauses are per se bad. As a former state district judge, I took the lead in bringing alternative dispute resolution mechanisms to the civil courtrooms of my hometown of San Antonio. But, I do believe that it is wrong to insert these clauses without the knowledge and prior approval of consumers. I strongly believe that alternative dispute resolution clauses must be mutually agreed to and contain plain language descriptions of their effects. In addition, I do not believe that these clauses should be imposed on consumers as a condition precedent

for entering into a commercial contract, and that the naming of arbitrator must be mutually agreed to by both parties.

The homebuilding industry in particular, I believe, has used mandatory arbitration clauses in an excessive and harmful manner. For most families, a purchase of a home is the largest single investment they will make. It is frequently the largest asset they will ever own. Mandatory arbitration agreements which allow homebuilders to avoid court analysis of their building practices has allowed numerous homebuilders to escape the consequences of shoddy workmanship and construction. I have personally seen several homes in San Antonio that were negligently and poorly constructed, inflicting serious financial harm on the families that purchased these homes.

My bill the American Home Buyers Protection Act, will make the following reforms to the mandatory arbitration process as it regards homebuilding purchase contracts:

1. It will make it illegal for homebuilders to require agreement to a mandatory arbitration agreement as a condition precedent to entering into a contract for the purchase of a new house.

2. It will require mandatory arbitration agreements to be contained on a separate document from the underlying contract and to possess the following plain language statement: "By Agreeing to Binding Arbitration You Are Giving Up Your Right To Go To Court."

3. It will require mandatory arbitration agreements to contain a procedure that adequately guarantees the purchaser an opportunity to participate in the selection of an arbitrator, and shall require that the selection of the arbitrator may only occur after a dispute regarding the homebuilding contract has arisen.

Mr. Speaker I believe the reforms in The American Home Buyers Protection Act are a good first step towards alleviating the abuse of alternative dispute resolution procedures by homebuilders. I believe that it is time that Congress take action now to protect American families from arbitration procedures that will deny them adequate protection of their most important purchase, their home.

HONORING THE 50TH ANNIVERSARY
OF NORMAN AND ANN MALONE

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Mr. BENTSEN. Mr. Speaker, I am pleased to congratulate Mayor Norman Malone and his wife Ann Malone of La Porte, Texas, as they celebrate their 50th wedding anniversary on September 15, 2000. Throughout their lives, Norman and Ann have provided tremendous examples of public service, contributing unselfishly to numerous causes while raising a fine family.

Ann and Norman are native Texans who have an abiding love for their state and community.

Ann was only 16 years old when she met 20-year-old Navy man Norman Malone at a party in Denver Harbor, a subdivision of Houston, Texas. They were married on September 15, 1950 at Ann's Mother's house in Houston by the Presbyterian minister from her church.

The young couple honeymooned in San Antonio, Texas.

Norman was born in Marlin, Texas. He served his country in the U.S. Navy for 4 years as Gunner's Mate, and graduated with a B.S. from the University of Houston in 1952. He received his Masters' in Education in 1953. He also attended San Jacinto College, University of Texas, A&M University and Prairie View A&M. While in school he was a hard-working man of many talents, earning money as a bus driver, butcher, a carpenter, a chemical operator. After school he worked 11 years at Shell Chemical. He retired after 30 years from the Pasadena Independent School system and as a Vocational Director for 17 years.

As Mayor, Norman Malone has reached out to the people of La Porte, not only through his elected office, but through grassroots community projects as well. While most people know him as "Mayor," many also know him as "Normy" the Shriner Clown, who is very involved with the Masons.

Ann is a painter and a genealogist, who is known for being multi-talented. She has taught school in La Porte and Pasadena, Texas, and has worked as a librarian. She has owned a gift shop, dress shop, and tearoom.

The Malone family has deep roots in La Porte, having lived there now for 41 years. The Malone's contributions to the community are many. Over their years, Ann and Norman have instilled their values and generosity in their children and grandchildren. Ann and Norman raised 3 beautiful children, who all graduated from La Porte High School—daughter Georgia and sons Scott and Todd. Ann and Norman's grandchildren are: Jennifer, Jessica, Meghan, and Charlie.

Mr. Speaker, I am honored to recognize Ann and Norman Malone on the occasion of their 50th wedding anniversary and commend them on a lifetime of achievement. Their commitment not only to one another, but to others as well, is an example for all of us. May the coming years bring good health, happiness, and time to enjoy their children and grandchildren. On this joyous occasion, I am pleased to join their family, friends, and community in saying congratulations and thank you.

REPORT OF THE NORTHEAST-MIDWEST
CONGRESSIONAL COALITION

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 14, 2000

Mr. DOYLE. Mr. Speaker, today I apprise members of the House of issues that were raised during the May 5th Northeast-Midwest Congressional Coalition field hearing I chaired in Pittsburgh. This field hearing examined the future of the U.S. Steel and the role of Technology, and was held in conjunction with the U.S. Department of Energy, Office of Industrial Technologies Steel Showcase. I, along with Representative KLINK, Representative MASCARA, and Senator SANTORUM, gathered testimony from steel company executives and their partners regarding initiatives designed to increase the competitiveness of U.S. steel makers by developing advanced technologies for steel production. For the record, I am including