

economy. It will create jobs by returning industries now operating offshore back to the U.S. and allowing private companies to compete with FPI for federal contracts.

This legislation reforms Federal Prison Industries in a number of ways. First, it would allow private companies in the United States to use federal inmate labor to produce items that would otherwise be produced by foreign labor. It would phase out the mandatory source requirement for federal agency purchases from Federal Prison Industries and puts them under the same authority and standards that govern state prison employment programs. It allows for increased collection for child support and victim restitution. It reduces the cost of incarceration by increasing collections for rooms and board costs. It requires that FPI establish goals for contracts with small, minority or women-owned businesses as well as with organizations that employ blind or severely disabled workers.

Mr. Speaker, today, there are more than 1.9 million Americans behind bars and the prison population continues to rise at an alarming rate. Approximately a quarter of those prisoners complete their sentences every year and return to society. Most of those former inmates, however, have never had a real job. Within the federal system, there were 145,125 inmates confined at the end of FY 2000. Current projections indicate that the federal inmate population will rise to more than 200,000 by the end of FY 2007.

We just cannot continue to lock up thousands of men and women every year and hope that they will somehow mysteriously rehabilitate themselves in prison without learning a skill. We cannot continue to allow federal prisons to become finishing schools for crime, where criminals are paroled as experts in their craft. If the only thing you know how to do when you leave prison is steal or deal drugs, that is what you will do to survive when you are released.

If the current prison work system is not augmented, prisons will become increasingly overcrowded, violent, and, most alarmingly, Americans will face a higher crime rate as the rate of unrehabilitated inmates are let out into society. Prisons should be turning out inmates ready to reenter mainstream society equipped to productively contribute to their communities. The best way to accomplish this is to put federal prisoners to work. Many convicts can be reformed if given the opportunity to learn skills other than those necessary to be successful in crime.

Mr. Speaker, a 16-year study by the Justice Department of federal inmates, the Post-Release Employment Project, has demonstrated convincingly that participation in prison industries/vocational training programs has a positive effect on post-release employment and recidivism. The study revealed that inmates who worked in prison industries or completed vocational apprenticeship programs were 24 percent less likely to commit crimes than nonprogram participants. The data also revealed that these programs provide even greater benefit to minority and low income groups that are at the greatest risk for potentially returning to a criminal lifestyle upon their release.

Employment, particularly industrial jobs, is the key factor in combating the adverse impact of crowding in a prison setting. Work, education, and vocational training not only reduce the debilitating idleness of a crowded in-

stitution, but offer important security management benefits such as supervised time out of cells.

Idleness, on the other hand, breeds apathy and discontent. Boredom turns to frustration resulting in violent and criminal behavior. The old adage that "idleness is the devil's workshop" reaffirms what can happen when an inmate's time is not productively occupied.

Mr. Speaker, this legislation will also be beneficial to the U.S. economy. First this legislation would revamp the Federal Prison Industries program by allowing federal inmates to produce goods that are presently being made offshore. For example, our prison populations could learn to produce items such as televisions and VCRs and other products now provided by non-American sources. This public-private partnership may actually help improve our balance of trade by reducing imports. A panel made up of representatives from the departments of Commerce and Labor, the International Trade Commission, the Small Business Administration, the business community and organized labor would ensure that domestic labor was not threatened by this new authority for FPI.

This also would create ancillary jobs in the domestic economy as a result of bringing back certain industries whose entire economic support structure is located overseas. Bringing back manufacturing jobs that have gone overseas will create other jobs. Raw materials will need to be brought into the prisons and finished products will have to be taken out. This will mean jobs for the local trucking companies. Teachers and craftsmen will need to be hired to teach the inmates the necessary skills. This is more than just giving federal prisoners the necessary skills to become productive members of society, it is about creating jobs for Americans, on American soil.

Finally, the bill also facilitates restitution programs that meet the true meaning of restitution by setting up programs where the inmate directly compensates the victim of that inmate's crime. Programs that merely take money from prisoners and put it into a general fund without earmarking it for their victim are merely fines. Restitution in the true sense, requires that the offender directly compensate the victim and therefore require the offender to acknowledge their responsibility to the victim.

This legislation reforms FPI in a way that will allow us to do a better job of rehabilitating our rising inmate population and reducing the crime rate of released inmates. At the same time, it will help the U.S. economy and will be a better deal for the U.S. taxpayers. I encourage my colleagues to cosponsor this legislation, and support the FPI's mission to rehabilitate our inmates by providing an opportunity for inmates to gain meaningful employment skills and come out of prison as productive members of society.

#### GLOBAL COMPETITIVENESS OF THE U.S. LEASING INDUSTRY

**HON. JIM McCRERY**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mr. McCRERY. Mr. Speaker, today I am introducing a bill that would eliminate a provision of the tax code which hinders the global competitiveness of the U.S. leasing industry.

The leasing industry is important to the U.S. role in the global economy. Our manufacturers use leasing as a means to finance exports of their goods, and many have leasing subsidiaries that arrange for such financing. Many U.S. financial companies also arrange lease financing as one of their core services. The activities of these companies support U.S. jobs and investment.

Enacted in 1984, the depreciation rules governing tax-exempt use property (referred to as the "Pickle rules") operate to place U.S. companies at a competitive disadvantage in overseas markets. Because of the adverse impact of the Pickle rules on cost recovery, U.S. lessors are unable in many cases to offer U.S.-manufactured equipment to overseas customers on terms that are competitive with those offered by their foreign competitors. Many European countries, for example, provide far more favorable depreciation rules for home-country lessors leasing equipment manufactured in the home country.

There is no compelling tax policy rationale for maintaining the Pickle rules as they apply to export leases. The Pickle rules were enacted in part to address situations where the economic benefit of accelerated depreciation and the investment tax credit were indirectly transferred to foreign entities not subject to U.S. tax through reduced rentals under a lease. That rationale no longer applies. The investment tax credit was repealed in 1986, and property used outside the United States generally is no longer eligible for accelerated depreciation. The present-law requirement that property leased to foreign entities or persons be depreciated over 125 percent of the lease term simply operates as an impediment to U.S. participation in global leasing markets.

The global leasing markets have expanded dramatically since 1984. The competitive pressures on U.S. businesses from their foreign counterparts also have increased dramatically. Repealing the Pickle rules as they apply to U.S. exports will strengthen the competitiveness of the U.S. leasing industry and promote U.S. jobs and investment.

I am pleased my friend and colleague from California, Mr. MATSUI, is introducing similar legislation and look forward to working with him and others to unshackle the leasing industry from these outdated constraints.

#### WOMEN'S OBSTETRICIAN AND GYNECOLOGIST MEDICAL AC- CESS NOW ACT

**HON. SUSAN DAVIS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mrs. DAVIS of California. Mr. Speaker, today I am introducing the Women's Obstetrician and Gynecologist Medical Access Now Act, the WOMAN Act. This bill will ensure that every woman has direct access to her ob-gyn.

When I served in the California State Assembly, I heard from many women that they were being denied access or had to jump through numerous bureaucratic hoops to see their ob-gyn. Statistics show that if there are too many barriers between a woman and her doctor, she is much less likely to get the medical care she needs. This is simply unacceptable. A woman should not need a permission

slip to see her doctor. Ob-gyns provide basic, critical health care for women. Women have different medical needs than men, and ob-gyns often have the most appropriate medical education and experience to address a woman's health care needs.

It is not hard to see what a difference direct ob-gyn access makes in women's health care. Imagine a working woman in San Diego who has a urgent medical problem that requires an ob-gyn visit. She works forty-five hours a week and has limited sick and vacation time. On Monday she calls from work to make an appointment with her primary care physician. If she is lucky, she gets an appointment for Tuesday morning and takes time off to go see her doctor. Her doctor agrees she should be seen by her ob-gyn and gives her a referral. Tuesday afternoon she returns to work and calls her ob-gyn. The doctor is in surgery on Wednesday, but they offer her an appointment on Friday morning. On Friday she takes another morning off work and finally gets the care she needs. This unnecessary referral process has resulted in her taking an extra morning off work and delayed her proper medical care by 5 days. The patient, employee, primary care physician, and health plan provider would have saved money and time if the patient had been able to go directly to her ob-gyn.

A recent American College of Obstetricians and Gynecologists/Princeton survey of ob-gyns showed that 60% of all ob-gyns in managed care reported that their patients are either limited or barred from seeing their ob-gyns without first getting permission from another physician. Nearly 75% also reported that their patients have to return to their primary care physician for permission before they can see their ob-gyn for necessary follow-up care. Equally astounding is that 28% of the ob-gyns surveyed reported that even pregnant women must first receive another physician's permission before seeing an ob-gyn.

After meeting with women, obstetricians and gynecologists, health plans, and providers in the State of California, I wrote a state law that gives women direct access to their ob-gyn. That law was a good first step; however, it still does not cover over 4.3 million Californians enrolled in self-insured, federally regulated health plans. Clearly, this problem is not unique to California. There are still eight states that do not guarantee a woman direct access to her ob-gyn. Equally important to remember is that even if a woman lives in a state with direct access protections, like California, she may not be able to see her ob-gyn without a referral if she is covered by a federally regulated ERISA health plan. This means that one in three insured families are not protected by state direct access to ob-gyn laws. The time has come to make direct access to an ob-gyn a national standard.

I urge you, Mr. Speaker, and all of my colleagues to pass this critical legislation quickly into law.

FAIRNESS AND EQUITY FOR  
SPOUSES OF FOREIGN SERVICE  
OFFICERS

**HON. JAMES P. MORAN**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mr. MORAN of Virginia. Mr. Speaker, today I am introducing legislation to correct an inequity that affects a number of spouses of Foreign Service Officers in my district and throughout the nation who served in part-time, intermittent, or temporary positions (PITs) in American embassies and missions from 1989 to 1998.

Although countless Foreign Service spouses have given up their own careers to follow officers overseas, many of them hope to continue government service, whether assigned to an embassy or here in Washington. In fact, hundreds have gone to work for the Department of State as civil service employees while their spouses were serving domestically. When the time has come for Foreign Service family members to check their retirement status, many are shocked to hear that the years they worked overseas will not count for retirement purposes.

PIT employees are excluded from receiving credit in the Federal Employees Retirement System because of the generally non-permanent nature of their employment. However, Foreign Service spouses who worked as PITs had no choice over the type of work they performed. These individuals had to take PIT positions because these jobs were the only ones available to them while living abroad. They had no choice between part-time, temporary government work and full-time, permanent work. Even those who worked full-time were still classified as PITs.

The exceptional nature of their situation is reflected in the Department of State's reclassifying this group of workers in 1998 as falling under the new Family Member Appointment. This position allows them to begin accruing retirement credit. However, these individuals are not allowed to pay back into the FERS for time worked in PIT positions. As a result, many Foreign Service spouses who worked as a PIT between 1989 and 1998 have lost up to nine or ten years of retirement credit.

Mr. Speaker, this is a matter of grave consequence to many Americans who devoted their most productive years to public service abroad. Foreign Service Officers and their spouses live lives that often put them in physical danger and cause great emotional distress. One constituent recounted being taken hostage with her husband by terrorists in Peru; while she was released early, she did not know if her husband was alive, injured, or dead.

It is simply unfair that these individuals, who have lived and worked under incredibly stressful conditions and who had no choice as to the type of work they performed, are not able to buy back the retirement credit they earned. As I indicated, some of my constituents have lost up to nine years of retirement credit because this provision has not been corrected. I urge my colleagues to join me in cosponsoring this important legislation.

THE AMERICAN WETLAND  
RESTORATION ACT

**HON. WALTER B. JONES**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, April 4, 2001*

Mr. JONES of North Carolina. Mr. Speaker, I rise today to announce the introduction of the "American Wetland Restoration Act."

This legislation builds upon the wetlands mitigation banking legislation I introduced in the last 3 Congresses and also the 1995 Federal Guidance issued by the Environmental Protection Agency and the United States Army Corps of Engineers.

My Congressional district in eastern North Carolina includes most of the coast and four major river basins. More than 60% of my district could be classified as wetlands. My constituents are directly impacted by wetlands and the countless regulations that protect them. I have been contacted by farmers, business owners, state and local officials, land owners and even the military for advice and guidance in order to reach a balance between protecting these valuable resources while improving water quality but also providing for strong economic development.

On almost a daily basis, we are reminded of the critical role wetlands play in our ecosystems, specifically in maintaining water quality.

Wetlands mitigation banking is a concept readily embraced by regulators, developers and environmentalists. This balanced approach recognizes the need to protect our wetland resources while ensuring property owners their rights to have reasonable use of their properties.

Federal legislation is not only warranted, it is vital. While mitigation banking is occurring, it is limited because the authorizing agencies have little or no statutory guidance. Also, investors and venture capitalists are hesitant to invest the money needed to restore wetlands without legal certainty. One of the great benefits of private mitigation banking is that the monitoring of one large tract of wetland requires fewer resources than monitoring thousands of tiny, unsuccessful mitigation projects.

But, before a single credit is ever issued and before a wetlands mitigation banker can ever earn a dime, they must acquire land, develop a comprehensive restoration plan and establish a cash endowment for the long-term maintenance of the bank. This daunting challenge is magnified when you recall that there is no current statutory authority!

These mitigation banks give economic value to wetlands, potentially providing billions of dollars to restoring wetlands in sensitive watersheds. Unlike other mitigation projects, mitigation banks are complete ecosystems. So instead of only trying to protect the remaining wetlands, mitigation banking will actually increase wetlands acreage!

My legislation sets a simple but lofty goal: No net loss of wetlands. Specifically, the legislation requires

- (1) That mitigation banks meet rigorous financial standards to assure wetlands are restored and preserved over the long term;
- (2) That there is an ample opportunity for meaningful public participation;
- (3) That banks must have a credible long-term operation and maintenance plan;